

PLASTIC PRODUCTS, INC.

Terms and Conditions

GOVERNMENT & REGULATORY:

- 1) Government Priority Rating IAW DPAS Manual, per. 15 CFR Part 700 Subpart D and P.O. requirements.
- 2) MERCURY FREE CONTAMINATION CERTIFICATION: per customer requirements.
 - a. Your sub-contractors must be notified and must comply with requirements of this notice.
- 3) All purchased materials shall satisfy current governmental regulations, and safety constraints on restricted, toxic and hazardous materials; as well as environmental, electrical and electromagnetic considerations applicable to the country of manufacture and sale.
- 4) Conflict Minerals 3T&G: Suppliers shall perform sufficient due diligence into their supply chain to determine whether products sold or provided to PPI contain tin, tantalum, tungsten or gold, and, if so, whether and to what extent those metals are sourced. Suppliers shall notify PPI if materials are sourced from the Democratic Republic of Congo or adjoining countries.

The Government and Plastic Products, Inc. (PPI) is committed to ensuring that the products it sells do not incorporate "conflict minerals" (minerals which are smelted into tin, tantalum, tungsten and gold) sourced from entities which directly or indirectly finance conflict in the Democratic Republic of Congo or adjoining countries.

- 5) Counterfeit Product Prevention: To prevent the purchase of counterfeit or suspect/unapproved products and to ensure product identification and traceability (as well as additional reasons), PPI will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting documentation from its suppliers as is appropriate. These requirements may be specified on PPI Purchase Order or may otherwise be communicated to the supplier.

ACCESS:

- 6) PPI and its Customers reserve the right of entry to any place deemed necessary to determine and verify the quality of contracted work, record and material.

QUALITY:

- 7) PPI expects exceptional Quality. If a supplier falls below the Quality rating of 95% for two consecutive quarters, action can be taken to restore supplier performance. This will be done with a formal corrective action or on-site visit, correspondence or can be disapproved.
- 8) All processes required by the purchase order must be performed by qualified personnel.
- 9) Suppliers shall ensure that their employees are aware of their contribution to product or service conformity, contribution to product safety, and the importance of ethical behavior.
- 10) The supplier's Quality System shall conform to the requirements for the latest revisions of AS9100 or ISO9001, or the supplier system is subject to review and approval by Plastic Products, Inc.
- 11) Latest Revisions to Specifications and Drawings apply unless otherwise specified.
- 12) The supplier shall employ appropriate Foreign Object Debris/Damage (FOD) Prevention measures. This includes robust housekeeping practices to assure timely detection and removal of residue/debris generated, if any, during operations and/or normal daily tasks and shall ensure FOD requirements are flowed down to suppliers at every tier.
- 13) The supplier shall provide a complete dimensional First Article report IAW AS9102 when requested.
- 14) Supplier must ensure that all applicable requirements described on this form are supplied to all their sub tier suppliers.
- 15) The supplier is to notify Plastic Products, Inc. of any non-conforming material. The supplier is expressly denied MRB authority. The acceptance of nonconforming parts/materials is the prerogative of and shall only be prescribed by Plastic Products Inc.

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- 16) All suspected counterfeit material/product is to be reported to Plastic Products, Inc. upon initial finding or suspect of shipped material/product.

DELIVERY:

- 17) PPI expects exceptional on-time delivery. If the agreed upon delivery cannot be met, the appropriate PPI personnel must be notified in advance. A supplier that falls below the on-time delivery rating of 95% for two consecutive quarters, action can be taken to restore supplier performance with a formal corrective action or on-site visit, correspondence or can be disapproved.
- 18) Overages/Shortages must be approved by Plastic Products, Inc. prior to shipment and indicated on the supplier's packing slip.

INSPECTION, MEASUREMENT & TEST:

- 19) If Government inspection is required prior to shipment from your plant, appropriate planning for government inspection must be accomplished. Upon receipt of the order, promptly notify the government representative who normally services your plant to begin this process.
- 20) Plastic Products, Inc. reserves the right to perform any inspection and tests deemed necessary to assure product conformance at the supplier's facility. PPI shall have final authority over part quality acceptance.
- 21) Plastic Products Inc. may elect to sample inspect ANSI/ASQZ1.4 LEVEL II parts or material on the Purchase Order at the supplier's facility or upon receiving parts or material at the PPI facility.
- 22) Chemical and Physical Test Reports are required when specified by Purchase Order for raw material supplier's and shall be certified by the supplier. When material is ordered to a specific revision of a specification, this must be noted on the certification. Test Reports shall include Tensile, Strength, Yield Strength, and Elongation IAW Specification Requirements. Each certification must contain the printed or typed name, date, title, and signature of the Individual Authorized to sign.
- 23) The supplier's calibration system shall conform to the requirements of ISO-10012, ISO-17025, ANSI Z540.3, or the supplier system is subject to review and approval by Plastic Products, Inc. All calibrated items must be traceable through NIST. Calibrate per manufactures specification unless otherwise specified directly on purchase order.

RISK MITIGATION (NOTIFICATION OF CHANGES):

- 24) The supplier is to notify Plastic Products Inc. of any proposed changes to design, parts, material, fabrication methods, process, or change in company name or location. Plastic Products Inc.'s approval shall be obtained prior to change incorporation.
- 25) Supplier shall not delegate any duties, nor assign any right or claims under this Purchase Order, or reach thereof, without prior consent of Plastic Products, Inc.
- 26) Notify Plastic Products, Inc. when material/product is not available from authorized sources. No substitutions are authorized without approval from Plastic Product, Inc.

IDENTIFICATION & TRACEABILITY:

- 27) The supplier's identification is required. The supplier's part number and name or trademark shall be affixed to the articles if defined in this Purchase Order in accordance with MIL-STD-130 and/or AS478.
- 28) Supplier shall maintain their own "lot" identity on articles or material supplied to this Purchase Order. This information is to be available for Plastic Product, Inc. review upon request. Lot numbers are not required unless specified on purchase order.
- 29) When the supplier performs work on material supplied by Plastic Products, Inc. (applicable only when Purchase Order specified PPI supplied material), the supplier is to strictly maintain PPI lot identity and shall certify that the work was performed on the specific material provided and is in accordance with the engineering drawing, specification, and/or

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Purchase Order requirements. The material certifications and test reports on the supplied material shall be the responsibility of PPI.

- 30) Seller shall only purchase material/product from the original manufacturer, authorized distributor chain, aftermarket manufacturer, or authorized reseller. Traceability shall be maintained and defined through certification back to the manufacturer that are required to accompany product.

PRESERVATION & PACKAGING:

- 31) The supplier shall incorporate good commercial practice for the preservation and packaging of all articles applying to the Purchase Order and shall identify each package permanently and legible with Purchase Order number, manufacturer's name, part number, date shipped and packing sheet number.

CERTIFICATIONS:

- 32) Special processors certifications to the specification requirements called out on the engineering drawings and/or the Purchase Order shall be submitted with this shipment.
- 33) Distributor of standard hardware shall provide inspection reports and certification. All reports must contain the printed or typed name, date, and organizational title, plus the full signature of the authorized representative of the Suppliers Company.
- 34) A General Certificate of Compliance is required with each shipment.

RECORDS RETENTION:

- 35) Certifications and all required documentation to said order shall be retained indefinitely unless otherwise specified directly on PO.