



## PURCHASE ORDER TERMS AND CONDITIONS

- 1. COMPLIANCE WITH LAWS** – (a) Each Party and its respective agents and affiliates shall, and shall cause their respective employees to comply with all applicable local, national, regional and international laws, ordinances, regulations, codes, standards, directives and international conventions and agreements to the extent that any of the foregoing have the force of law by being directly enforceable by a Governmental authority, a court or other proper tribunal, (collectively “Laws”), including, as applicable, but not limited to, anti-bribery and records keeping laws, conventions and/or directives of each country in which such party conducts business as it relates to this Agreement. (b) Each Party and its respective agents and affiliates shall, and each shall cause its respective employees to, comply with all laws, ordinances and/or directives of countries in which the Parties conduct business as they relate to the Universal Declaration of Human Rights, child labor laws, data privacy laws, criminal reporting laws, environmental, health and safety laws or any similar laws, including, but not limited to identifying and filing or purchasing (as applicable) any and all required permits, certificates, licenses, insurance, approvals and inspections required in performance of its obligations under POs; (c) Each party shall comply with such regulations, laws and/or directives as may be applicable to, but not limited to, the place(s) of (i) manufacture of the Products, (ii) intended use of the Products, (iii) travel/pass through of the Products, (iv) final destination of the Products, and/or (v) place of delivery of Services.
- 2. COUNTERFEIT PARTS** - Supplier is expected to develop, implement, and maintain effective methods and processes appropriate to their products to minimize the risk of introducing counterfeit parts and materials into deliverable products. In addition, Supplier shall provide notification to recipients of counterfeit product(s) when warranted. If suspect counterfeit parts are furnished under this PO or are found in any of the products delivered hereunder, such items will be impounded by Data Graphics. The Supplier shall promptly replace the suspected counterfeit parts with parts acceptable to the Buyer. The Supplier shall be liable for all costs relating to the removal and replacement of counterfeit parts, including without limitation Buyer's external and internal costs of removing the counterfeit parts, of reinserting replacement parts and of any testing required by the reinstallation of Supplier's goods after counterfeit parts have been exchanged. Supplier shall be fully liable for all cost associated with changing parts out, material handling and all other related costs. Notify us if there are any non-conforming processes, products or services that affect us, including changes of any external providers or location of manufacture and obtain our approval.
- 3. ETHICAL BEHAVIOR**- Supplier acknowledges and agrees that Data Graphics (DG) requires that Supplier maintain a high standard of ethical conduct in all its dealings with the Buyer. Supplier is encouraged to implement their own written code of conduct and to flow down their principles to the entities that

furnish them with goods and services. DG expects its Supplier to maintain effective programs to encourage their employees to make ethical, value driven choices in their business dealings.

**4. FOREIGN OBJECT DEBRIS (FOD) PREVENTION PROGRAM**

The seller shall establish, implement and maintain methods to control Foreign Object Debris (FOD) consistent with AS9146 Standards during each of the various phases of an Item's lifetime. Aerospace standards such as AS9146 can be obtained from SAE International at <http://standards.sae.org/>

**5. PRODUCT SAFETY AND CONFORMITY** – Supplier is expected to develop, implement, and maintain effective policies and training programs to ensure their employees are aware of their relevant contribution to the quality, safety and conformity of their products and/or services.

**6. QUALITY REQUIREMENTS** - Supplier shall be responsible for ensuring that Products furnished hereunder have undergone or have been subject to quality assurance and quality control activities and procedures, which may include performance measurements, testing, quality process reviews or inspections. The quality management system shall provide for the early and prompt detection of actual or potential material deficiencies, trends or conditions which could result in unsatisfactory quality, and for timely and effective corrective action.

**7. CERTIFICATE OF CONFORMANCE** – Material supplied on this order must be accompanied by a Certificate of Conformance signed by a responsible member of the Supplier's quality organization stating the Date of Manufacture, Buyers PO number, Part Number, Description, Material Specification, and Mill Certificate Number, if applicable.

**8. FLOW DOWN OF CUSTOMER REQUIREMENTS** – DG reserves the right to flow down additional requirements to satisfy specific customer and or business requirements that apply. Requirements of this purchase order must flow down to any of your sub-tier suppliers, including key characteristics where required.

**9. NOTIFICATION** – Supplier must notify DG when: (a) Supplier or Supplier's sub tiers are found to be non-compliant to DG specifications, (b) Supplier's sub-tier is disapproved by Supplier, (c) Supplier or Supplier's sub-tier are disapproved by a Regulatory Body or O.E.M., (d) Supplier must notify the Buyer in writing of any non-conforming product, process or service prior to shipment and any time thereafter. The Buyer reserves the right to, (i) accept the order (ii) accept a portion of the order, (ii) reject the order.

**10. ENVIRONMENTAL HEALTH AND SAFETY** – Supplier will test and inspect Products prior to shipment, to ensure compliance with all laws and regulations the Buyer is subject to for use of the Products and use testing and inspection procedures approved in writing by Buyer if any.

**11. RIGHT OF ACCESS** – Buyer reserves the right to conduct surveillance of the Supplier's facility or that of their subcontractors to confirm that the Supplier's quality system meets Buyer requirements as well as any Quality Requirements applicable to ISO/AS standards latest revision. Entry shall provide for access to quality system documentation and quality records as well as the ability to conduct audits and verify

product and processes. Note: Attendees of such surveillance may include the Buyer, Regulatory body, or Customer representative(s).

- 12. RECORD RETENTION REQUIREMENT** –quality records generated as the results of performance to a Buyer’s issued PO shall be maintained and preserved as legible for a period of ten (10) years, unless otherwise specified by the Customer, and available for review by Buyer, Customers and/or Regulatory Body Representatives. Additionally, distributors shall assure that manufacturers maintain quality assurance / inspection records and that these records are also available upon request. These records shall include, but are not limited to, receiving, in-process, and final inspection records, certificates of conformance, raw mill certifications, test results, documented non-conformances and corrective actions, and Measuring and Test Equipment calibration documentation etc. After this retention period, Buyer must be notified of the intent to dispose of any records and shall be given the opportunity for further retention at Buyer’s facility.
- 13. ROHS/REACH** - All materials supplied to Data Graphics must be ROHS/REACH compliant.
- 14. SHELF LIFE** - All material procured by Data Graphics that has a shelf life, must have at least 88% of the shelf life remaining.
- 15. CONFLICT FREE** – All materials must be “conflict-free” per section 1502 of the Dodd-Frank Act.
- 16. PROPOSITION 65** - Must be compliant with California's Safe Drinking Water and Toxic Enforcement Act of 1986, commonly referred to as Proposition 65.