

AMERICAN MANUFACTURING & ENGINEERING'S TERMS AND CONDITIONS

1. OUR ORGANIZATION RESERVES THE RIGHT OF FINAL APPROVAL OF PRODUCT, PROCEDURES, PROCESSES AND EQUIPMENT.
2. ALL SPECIAL PROCESSES REQUIRED BY THIS PURCHASE ORDER MUST BE PERFORMED BY QUALIFIED PERSONNEL.
3. OUR ORGANIZATION RESERVES THE RIGHT TO REVIEW AND APPROVE THE SUPPLIER VENDOR'S QUALITY MANAGEMENT SYSTEM. STANDARD QMS REQUIREMENTS MAY INCLUDE:
 1. SUPPLIER/VENDOR PROVIDING CALIBRATION SERVICES MUST PROVIDE EVIDENCE OF CALIBRATION TRACEABLE TO NIST OR SIMILAR ACCREDITATION, WHEN APPLICABLE.
 2. SUPPLIER/VENDOR PROVIDING SPECIAL PROCESSING MUST MAINTAIN A SYSTEM FOR VALIDATING PROCESSES SIMILAR TO THAT OF A NADCAP PROGRAM.
 3. CUSTOMER DIRECTED SOURCES MUST OPERATE IN ACCORDANCE WITH APPROVED SPECIFICATIONS AND STANDARDS AS DICTATED AND CONTROLLED BY THE CUSTOMER IN QUESTION.
 4. SUPPLIER/VENDOR INITIALLY APPROVED FOR USE VIA CERTIFICATION (ISO 9000, AS9100, ETC) MUST NOTIFY OUR ORGANIZATION OF ANY CHANGES TO THAT CERTIFICATION.
4. THE SUPPLIER/VENDOR SHALL MAINTAIN THE PROPER IDENTIFICATION AND REVISION STATUS OF SPECIFICATIONS, DRAWINGS, PROCESS REQUIREMENTS, INSPECTION/VERIFICATION INSTRUCTIONS AND OTHER RELEVANT TECHNICAL DATA.
5. OUR ORGANIZATION RESERVES THE RIGHT TO APPROVE OR SPECIFY ANY DESIGNS, TESTS, INSPECTION PLANS, VERIFICATIONS, USE OF STATISTICAL TECHNIQUES FOR PRODUCT ACCEPTANCE, AND ANY APPLICABLE CRITICAL ITEMS INCLUDING KEY CHARACTERISTICS.
6. OUR ORGANIZATION RESERVES THE RIGHT TO DESIGNATE REQUIREMENTS FOR TEST SPECIMENS FOR DESIGN APPROVAL, INSPECTION/VERIFICATION, INVESTIGATION OR AUDITING.
7. THE VENDOR IS REQUIRED TO:
 1. NOTIFY OUR ORGANIZATION OF NONCONFORMING PRODUCT.
 2. OBTAIN OUR ORGANIZATION'S APPROVAL FOR NONCONFORMING PRODUCT DISPOSITION.

3. NOTIFY OUR ORGANIZATION OF CHANGES IN PRODUCT AND/OR PROCESS, CHANGES OF SUPPLIERS, AND CHANGES OF MANUFACTURING FACILITY LOCATIONS.
4. FLOW DOWN TO THE SUPPLY CHAIN THE APPLICABLE REQUIREMENTS INCLUDING CUSTOMER REQUIREMENTS.

8. THE SUPPLIER/VENDOR IS REQUIRED TO RETAIN ALL RECORDS ASSOCIATED WITH THE PURCHASE ORDER FOR A MINIMUM OF 10 (TEN) YEARS, THEN CONTACT THE BUYER FOR DISPOSITION INSTRUCTIONS.

9. CERTIFICATION OF MATERIALS AND/OR PROCESS PERFORMED MUST ACCOMPANY MATERIALS/PARTS RECEIVED. INVOICE WILL BE AGED FOR PAYMENT BASED ON DATE CERTIFICATION IS RECEIVED.

10. THE RIGHT OF ACCESS BY OUR ORGANIZATION, OUR CUSTOMER AND REGULATORY AUTHORITIES TO THE APPLICABLE AREAS OF ALL FACILITIES, AT ANY LEVEL OF THE SUPPLY CHAIN, INVOLVED IN THE ORDER AND TO ALL APPLICABLE RECORDS.

11. EXPORT/IMPORT/ITAR COMPLIANCE
WARNING: INFORMATION FURNISHED TO SELLER UNDER THIS PURCHASE CONTRACT MAY CONTAIN DATA SUBJECT TO U.S. EXPORT LAWS AND REGULATIONS. SELLER IS ADVISED THAT SUCH DATA MAY NOT BE EXPORTED OR RE-EXPORTED TO FOREIGN PERSONS, EMPLOYED BY OR ASSOCIATED WITH, OR UNDER CONTRACT TO SELLER OR SELLER'S LOWER-TIER SUPPLIERS, WITHOUT THE PRIOR WRITTEN CONSENT OF AMERICAN MANUFACTURING AND ENGINEERING AND UNDER THE AUTHORITY OF AN EXPORT LICENSE OR APPLICABLE LICENCE EXEMPTION. IF SUCH DATA IS MARKED AS EXPORT CONTROLLED, SELLER SHALL INDEMNIFY AND HOLD BUYER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES AND EXPENSES RESULTING FROM SELLERS FAILURE TO COMPLY WITH THE EXPORT LAWS AND REGULATIONS OF THE UNITED STATES.

12. SHELF LIFE LIMITED ITEMS MUST BEAR THE DATE OF MANUFACTURE AND THE ANTICIPATED SHELF LIFE OR THE EXPIRATION DATE. AS A MINIMUM, 75% OF THE SHELF LIFE OF AN ITEM MUST BE UNUSED UPON RECEIPT UNLESS OTHERWISE APPROVED BY AM&E.

13. ANY SUPPLIER PERFORMING WORK WITH AN ITAR REQUIREMENT, MUST BE ABLE TO PROVIDE EVIDENCE OF COMPLIANCE TO THE U.S. DEPARTMENT OF STATE AND REGULATION.

14. SPECIAL PROCESS CERTIFICATION (PLATING, PAINTING, HEAT TREATING, ETC) ARE REQUIRED WHICH CERTIFY THAT PROCESSES WERE CONDUCTED IN CONFORMANCE WITH THE PURCHASE ORDER AND

REFERENCED DATA. SPECIAL PROCESS SUPPLIERS ARE REQUIRED TO BE NADCAP ACCREDITED UNLESS APPROVED IN WRITING BY AM&E.

15. ALL REQUIRED TERMS AND CONDITIONS CONTAINED IN THESE STIPULATIONS, MUST BE EXTENDED TO ANY SUBCONTRACTORS OF SUPPLIERS TO THE SELLER.

16. SUPPLIERS MUST HAVE A SYSTEM FOR CORRECTIVE ACTION. CORRECTIVE ACTION REFERS TO AN INTERNAL PROBLEM SOLVING PROCESS INITIATED TO PREVENT FUTURE DELIVERY OF DEFECTIVE PRODUCT. EMPHASIS SHOULD BE ON IDENTIFYING POTENTIAL PROBLEMS AND IMPLEMENTING A SOLUTION AT THE SOURCE. CORRECTIVE ACTION SHOULD BE PERFORMED BY AN INDIVIDUAL KNOWLEDGEABLE IN THE AREA OR PROCESS THAT CAUSED THE DEFECT. THAT PERSON WILL CONDUCT A FAILURE ANALYSIS TO IDENTIFY THE ROOT CAUSE OF THE PROBLEM, PROPOSE AND IMPLEMENT A SOLUTION.

THE SOLUTION SHOULD BE VERIFIED TO ENSURE THE PROBLEM IS SOLVED.

THE SUPPLIER SHALL ESTABLISH, DOCUMENT, IMPLEMENT AND MAINTAIN A PROCEDURE TO EVALUATE IF NON CONFORMITIES ARE BASED ON HUMAN FACTORS AND IF ADDITIONAL NON CONFORMING PRODUCT EXISTS.

SUPPLIER MUST PROVIDE A CORRECTIVE ACTION RESPONSE WITHIN 30 CALENDAR DAYS. IF A RESPONSE IS NOT RECEIVED, A REMINDER CALL, EMAIL, OR LETTER WILL BE SENT. IF A CORRECTIVE ACTION RESPONSE IS NOT RESPONDED TO IN 60 DAYS OF RECEIPT, AM&E RESERVES THE RIGHT TO TERMINATE FOR CAUSE ANY OPEN PURCHASE ORDER WITH THE SUPPLIER. UNUSUAL CIRCUMSTANCES THAT REQUIRE ADDITIONAL TIME TO RESOLVE SHOULD BE ARRANGED IN ADVANCE BY THE SUPPLIER THROUGH AM&E'S QUALITY DEPARTMENT.