

QUALITY ASSURANCE PURCHASE ORDER CONDITIONS/REQUIREMENTS

01 SHIPMENT/DELIVERY Seller agrees to comply with Buyer's shipping instructions: to mark each container so as to identify its contents; to include therein packing sheet listing the contents; to show the Buyer's Order number and plant location on all shipping documents and to prepare and pack the goods to prevent damage and deterioration and comply with carrier tariffs. Seller shall promptly notify Buyer of any anticipated or actual delay, the reasons therefore and the actions being taken by the Seller to overcome or minimize the delay. Hazardous materials must be packaged/shipped in accordance with government/carrier regulations.

02 TRANSPORT DOCUMENTS All parts must be clearly identified, including the country of origin (where the parts are manufactured). The parts must match the Order. Also, all of the paperwork, such as: the invoice, packing slip, shipping documents and correspondence must include: the Order number, item number, part number, quantity and description along with the shipping memo number.

03 INVOICE AND PAYMENT Seller shall issue a separate invoice for each delivery and shall not issue any invoice prior to the Order schedule date or actual delivery date, whichever is later. In addition to the Purchase Order number and the part number, the invoice should also include the packing slip number. Payment will be made after receipt of goods and correct invoice. Unless freight or other charges are itemized, any discount may be taken on full amount of the invoice. Payment due date, including discount periods, will be computed from date of receipt of goods or correct invoice, whichever is later, to the date Buyer's check is mailed or otherwise tendered. Seller shall promptly repay to Buyer any amounts paid in excess of amounts due to Seller. Invoices which do not conform will be returned. In the event of a conflict between the invoice and the Order, the Order will take precedence.

04 INSPECTION Buyer acceptance of goods shall be subject to Buyer's final inspection within a reasonable time after receipt at destination, notwithstanding any payment or prior test or inspection. In addition, Buyer and Federal Aviation Administration may inspect and evaluate Seller's plant, including but not limited to facilities, systems, equipment, testing, data, personnel and all work-in-process and completed Goods manufactured for sale to the Buyer.

05 RIGHT OF ENTRY Seller will allow Buyer, its Customer, Federal Aviation Administration and other Supply Chain parties to this order the right of access to determine and verify the quality of work, applicable quality records and materials at all facilities involved in this order. Note that this right of entry extends to subcontractors to the Seller.

06 REJECTION In the regular course of its business, Buyer may reject, refuse acceptance or revoke acceptance of any or all of the Goods or any tender thereof which are not strictly in conformance with all the requirements of this Order, and by notice, rejection tag or other communication, notify Seller of such rejection. At Seller's risk and expense, all such Goods will be returned to Seller for immediate Seller repair, replacement and other correction and recovery to the Buyer.

07 WARRANTIES Seller warrants to Buyer and Customers that the Goods shall: **(a)** conform on all respects to all of the requirements of this Order, including the latest revision of the applicable Aircraft Technologies, Inc. specifications (included with this Order); **(b)** be free from all defects in materials and workmanship; and **(c)** to the extent not manufactured pursuant to detailed designs furnished by Buyer, be free from all defects in design and fit for the intended purposes.

08 CHANGES Buyer may from time to time in writing direct changes within the general scope of this Order in any one or more of the following: **(a)** technical requirements and descriptions, specification, statements of work, drawings or designs; **(b)** shipment or packing methods; **(c)** place of delivery, inspection or acceptance; **(d)** reasonable adjustments in quantities or delivery schedule or both; and **(e)** amount of Buyer furnished property. Seller shall comply immediately with such direction and avoid unnecessary costs related thereto. If any such change causes an increase or decrease in the cost of or the time required for performance of this Order, an equitable adjustment in the prices and schedules of this Order shall be made to reflect such increase or decrease and this Order shall be modified in writing accordingly.

09 RESPONSIBILITY FOR PERFORMANCE Buyer's issuance of this Order is based in part on Buyer reliance upon Seller's ability, expertise and awareness of the intended use of the Goods, and the Seller's continuing compliance with all applicable laws and regulations during the performance of this Order. Further, Seller shall not, by contract, operation of law, or otherwise; assign any of its rights of interest in this Order, including but not limited to any right to monies due or to become due, or delegate any of its duties or obligations under this Order, or subcontract all or substantially all of its performance of this Order to one or more third parties, without Buyer's prior written consent. No assignment, delegation or subcontracting by Seller with or without Buyer's consent shall relieve Seller of any of its obligations under this Order.

10 RESPONSIBILITY FOR FLOW DOWN Seller shall ensure flow down of all applicable technical and quality requirements in purchase documents to all subcontractors. Seller will inform Buyer if additional copies of technical documents, quality requirements or specifications are required. Seller shall also flow down all Purchase Order Conditions/Requirements as applicable to the Buyer's order.

11 RESPONSIBILITY FOR PROPERTY Unless otherwise specified, upon delivery to Seller or manufacture or acquisition by Seller of any materials, parts, tooling, data or other property, title to which is in Buyer, Seller assumes the risk of and shall be responsible for any loss thereto. In accordance with the provisions of this Order, but in any event upon completion thereof, Seller shall return such property to Buyer in the condition in which it was received except for reasonable wear and tear and except for such property as has been reasonably consumed in the performance of this Order.

12 CONFIDENTIAL OR PROPRIETARY INFORMATION AND PROPERTY Seller shall keep confidential and otherwise protect from disclosure all information and property obtained from Buyer in connection with this Order and identified as confidential or proprietary. Unless otherwise expressly authorized herein or by Buyer, Seller shall use such information and property, and the features thereof, only in the performance and for the purpose of this Order. Upon Buyer's request, and in any event upon completion, termination or cancellation of this Order, Seller shall return all such information and property to Buyer or make such other disposition thereof as directed by Buyer. Seller shall not dispose of as scrap or otherwise any completed or partially completed or defective proprietary property before receiving written authorization from Buyer and before rendering such property unsuitable for use. In all lower tier subcontracts and Purchase Orders issued by Seller and involving subcontractor receipt of such information or property, Seller shall provide to Buyer the same rights and protection as contained in this clause.

13 CONTROL OF MEASUREMENT AND TEST EQUIPMENT Supplier shall be responsible for the regular inspection and calibration of any inspection and test equipment. The supplier shall be responsible for ensuring that all calibration settings, calibration periods and conditions are regularly reviewed for compatibility with the individual item of the tooling.

14 CONTROL OF NON-CONFORMING AND/OR COUNTERFEIT PRODUCTS Supplier shall be responsible that all parts conform with the requirements of the Purchase Order as well as the associated documents. In the event that a non-conformance and/or counterfeit part is detected, supplier shall immediately remove non-conforming and/or counterfeit parts to a quarantine area. A full understanding of the root cause generating the non-conformance and/or counterfeit part must be established, and the extent of all affected items of articles or parts thereof must be investigated and defined. If these results find parts already provided to ATI then formal notification explaining the full details shall be submitted immediately to ATI.

15 QUALITY MANAGEMENT SYSTEM Supplier shall maintain a quality management system suitable for meeting the requirements stipulated in the Purchase Order and the supplier's system shall also extend to monitor and control all levels of the supply chain where applicable. It is the responsibility of the supplier to provide ATI of any changes in the quality system, management, ownership and/or location/address.

16 QUALITY RECORDS All relevant documentation and records, those current as well as any previous ones, shall be kept and maintained so that no damage to them can occur from environmental or human impact. Documentation and records may be kept in the form and format as they were created and must be available to the buyer for at least 10 years after delivery.

17 CONFLICT MINERALS Supplier must take due diligence steps to ensure they are not supplying product that contains any Conflict Minerals.

18 TRAINING Supplier personnel must be competent and maintain any required qualifications and training records for personnel.

19 VENDOR PERFORMANCE ATI will monitor incoming orders for rejects and on-time delivery performance.

20 US and International Regulations Seller shall conduct business with integrity, ethically and in accordance with applicable United States laws and regulations including but not limited to: finances, labor laws, health and safety regulations and environmental laws and regulations. Supplier must take due diligence steps to ensure they are not supplying product(s) that violate(s) any US or International Regulations.

ADDITIONAL QUALITY ASSURANCE PURCHASE ORDER CONDITIONS/REQUIREMENTS (AS INDICATED)

21 CERTIFICATE OF CONFORMANCE (C OF C) The supplier shall provide a C of C stating that the products and/or services meet the requirements of the Purchase Order. The C of C should include:

- a) Supplier's name and address
- b) Purchase order number and revision
- c) Purchase order item number
- d) ATI or supplier part number.
- e) Quantity delivered with batch no. or lot no. if applicable.
- f) Signature of authorized representative and position.

And, where applicable: g) Shelf life expiry date h) Serial number

22 OUTSIDE PRODUCTION AUTHORIZATION (OPA) Parts are to be fabricated to ATI provided drawings and specifications as described in accompanying OPA form. Supplier must ensure current data is on hand prior to production.

23 MATERIAL CERTIFICATE A material certification and/or test results for the raw material specified from the manufacturer or third party must be provided. Same information as item 20.

24 SAFETY DATA SHEETS (SDS) An SDS must be included for each hazardous material in the shipment and when required for any non-hazardous material. A new SDS is required each time the hazardous components or composition is changed or every three years if no change has been made.

25 EXPIRY DATES Items with limited life, e.g., Shelf Life, Cure Date, etc. shall be delivered to ATI with at least 75% of life remaining.
 Exception due to circumstances of supply and/or internal consumption of product(s) () % of life remaining.

26 FLAMMABILITY CERTIFICATION Supplier shall furnish certificates that parts satisfy burn requirements of FAR 23.853 and 25.853.

27 PROCESS CERTIFICATIONS Each shipment shall be accompanied by a certificate that must include the signature and title of the person authorizing release of the product certifying all processes used, such as heat treating, welding, surface preparation and treatment, etc. The certificate shall include the processing used, the specification to which they conform and the name of the agency that performed them if other than the supplier. When appropriate include serial numbers.

28 FIRST ARTICLE INSPECTION REPORT (FAIR) FAIRs shall be performed on all new or revised production manufactured items by supplier at suppliers facility. Results will be documented on a report identified as a First Article Inspection Report. The identified first article unit and the FAIR will be sent to ATI.

29 CALIBRATION SERVICES Calibration and certification reports must include:

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| a) Report or Certificate number. | e) Calibration date | i) Technicians signature/initial/stamp |
| b) Item description and S/N | f) Calibration due date | j) Out of tolerance values observed |
| c) Statement of traceability to NIST | g) Received condition | |
| d) Report any repairs made | h) Returned condition | |

30 ATI FURNISHED MATERIAL Materials issued by ATI to supplier for fabrication and/or processing is required by ATI to be controlled so the furnished material is used only for ATI products. Supplier shall notify ATI of any missing or damaged materials.

31 ATI TOOLING Suppliers shall ensure proper care and upkeep of ATI owned tooling. Supplier shall inspect and notify ATI buyer immediately if tooling damage or significant wear has occurred. Supplier will closely examine the first article produced from an ATI furnished tool to insure it conforms to the drawing referenced in the Purchase Order. Supplier will identify and tag all tools belonging to ATI or its customers.