



51400 Bellestri Court
Shelby Township, MI 48315
(586) 580-6900

TERMS AND CONDITIONS FOR PURCHASE ORDERS

Supplier agrees that the following Terms and Conditions and the applicable Quality Clauses for suppliers are incorporated into and govern all Purchase Orders between Supplier and Models & Tools, Inc. (M&T).

Supplier represents and warrants that:

- a. Supplier owns all rights, title and interests in the products and services and has the legal authority to sell, license or otherwise transfer the right to use or sell such items to M&T;
- b. the products and services covered under the Purchase Order are of good and merchantable quality and free from defects in design, material and workmanship, are safe and conform to applicable specifications, drawings, samples, descriptions and associated documentation provided to M&T in writing;
- c. the products and services, and the production and sale thereof, and all warranties, guarantees and representations by Supplier made or authorized to be made in connection therewith are in all respects in compliance with all applicable international (including applicable import and export regulations), federal, state and local laws, rules and regulations;
- d. the goods are fit for the use intended, neither the products and/or services, nor their sale or use, will infringe upon any patents, trademarks, copyrights, trade secrets or similar intellectual property rights of any third party;
- e. unless otherwise specified in the Purchase Order, the goods are new and not used or reconditioned;
- f. Supplier will notify M&T of nonconforming product and obtain approval for disposition from M&T;
- g. Supplier will flow down applicable requirements to their direct and sub-tier suppliers and apply appropriate controls to ensure that requirements are met;
- h. Supplier will ensure that employees at all levels in their organization are aware of their contribution to product conformity and safety and the importance of ethical behavior; furthermore supplier must maintain an environment, health and safety management system appropriate for its business throughout the performance of the applicable contract.
- i. Supplier will comply with all federal, state and local laws, ordinances, rules and regulations applicable to its performance under the Purchase Order;
- j. Supplier will allow M&T and M&T's customers right of entry to the applicable areas of facilities and access to applicable documented information, at any level of the supply chain;
- k. as appropriate to the product, Supplier will plan, implement, and control processes for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product delivered to M&T.

The Purchase Order, Quality Clauses and these Terms and Conditions constitute the entire agreement and understanding between the parties, and M&T shall not be bound by any other terms, including, without limitation, any terms that may be contained in any acknowledgement, contract, proposals, invoice form, Supplier's website or correspondence, or other act of Supplier and notwithstanding M&T's purchasing department's act of accepting or paying for any shipment or similar act of M&T's purchasing department.



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QUALITY CLAUSES

Clause 1 Certificate of Conformance

A Certificate of Conformance is required for all product provided to Models & Tools, Inc. and must include the following information: Supplier name and address; Models & Tools, Inc. job number, part number and PO number; a statement that product conforms to all requirements.

Clause 2 Material Requirements

Material certifications are required for every component and must include the following information: material type, size and shape; material specifications; traceability to the mill heat/lot and country of origin.

Material sold to Models & Tools, Inc., or purchased by the Supplier to manufacture end product for Models & Tools, Inc., must be melted or produced in the United States, its outlying areas, or a qualifying country in accordance with DFARS Part 225.

Material substitutions are not permitted without authorization from Models & Tools, Inc. cognizant engineering function.

Clause 3 Welding Requirements

Weld and inspect in accordance with AWS D1.1/D1.2 unless otherwise noted in purchasing information. Weld personnel qualification records may be requested.

All weldments require visual inspection by an AWS QC1 CWI or equivalent.

Weld inspection reports are required for all weldments and must include the following information as applicable: tool number, weldment number, and serial/unit number; quantity of each weldment; material type; weld specification; CWI inspection stamp.

Where stress relief is specified, stress relief certifications are required and must include the following information as applicable: tool number, weldment number, and serial/unit number; quantity of each weldment; weld specification or instructions provided.

Where NDT is required, NDT certifications are required and must include the following information as applicable: tool number, weldment number, and serial/unit number; quantity of each weldment; NDT specification; Level II inspector signature and stamp.

Clause 4 Heat Treatment Requirements

Heat treatment certifications are required for all hardened details and must include the following information as applicable: tool number and detail numbers; material type; quantity of each detail; heat treatment specification; hardness requirements and actual results.



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Clause 5 Hazard Communication and Safety Data Sheets

Chemical distributors are required to provide Safety Data Sheets. Chemical container labels must include a harmonized signal word if applicable, pictogram, and hazard statement for each hazard class and category. Precautionary statements must also be provided.

Clause 6 Limited Life Items

Materials or articles having characteristics susceptible to degradation with age shall be marked in a permanent manner to indicate the manufacturer's batch number, the date at which the critical life was initiated, and Models & Tools, Inc. purchase order number.