



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

MODELS & TOOLS, INC. (M&T)

TERMS AND CONDITIONS FOR SUPPLIERS

These Terms and Conditions, alongside the applicable Quality Clauses for suppliers, govern all Purchase Orders issued by Models & Tools, Inc. (M&T) to the Supplier for the purchase of products, goods, and/or services (hereinafter referred to as "Deliverables"). By accepting a Purchase Order, commencing performance, or shipping Deliverables to M&T, the Supplier acknowledges and agrees to these Terms and Conditions.

- 1. Acceptance:** The Purchase Order constitutes an offer by M&T to purchase Deliverables from the Supplier according to the terms outlined within and herein. Acceptance is established upon the Supplier's acknowledgment, commencement of performance, or shipment of Deliverables to M&T, whichever occurs first.
- 2. Changes:** M&T reserves the right to make changes to specifications, quantities, and delivery schedules. Adjustments in purchase price or terms will be made equitably should these changes affect the cost or timing of Deliverables.
- 3. Delivery and Performance:** Timely delivery is essential. The Supplier is expected to employ all necessary resources to meet the delivery schedules. Failure to meet scheduled deliveries may result in expedited shipping costs borne by the Supplier, along with any associated direct, consequential, or incidental damages.
- 4. Standard Payment Terms:** Payment terms are 2% Net 10, Net 60, unless otherwise negotiated. This arrangement aims to facilitate smooth financial operations between M&T and its Suppliers.
- 5. Indemnity and Liability:** The Supplier shall indemnify and hold M&T harmless against all liabilities, claims, and expenses arising from the infringement of intellectual property rights, non-compliance with the Terms and Conditions, or any negligent acts by the Supplier.
- 6. Insurance:** Suppliers are required to maintain comprehensive general liability, worker's compensation, and, as necessary, product liability insurance, with M&T named as an additional insured party.
- 7. Intellectual Property:** All designs, processes, and technologies developed for or incorporated into the Deliverables shall be disclosed to M&T. The Supplier grants M&T a perpetual, non-exclusive license to use such intellectual property.
- 8. Termination:** M&T reserves the right to terminate the Purchase Order in case of the Supplier's failure to comply with the terms, insolvency, or inability to meet the delivery schedules or product specifications.
- 9. Confidentiality:** All non-public, confidential, or proprietary information related to the Purchase Order must be kept confidential by the Supplier and not disclosed without prior written consent from M&T.
- 10. Compliance with Laws:** The Supplier agrees to comply with all applicable laws, regulations, and ordinances, including but not limited to environmental, health, safety, and labor laws.
- 11. Entire Agreement:** These Terms and Conditions, together with the Purchase Order and any attachments, constitute the entire agreement between M&T and the Supplier, superseding all prior or contemporaneous understandings, agreements, negotiations, representations, and warranties, both written and oral.
- 12. Severability:** If any term or provision of these Terms and Conditions is found to be invalid, illegal, or unenforceable, the remainder of the terms and provisions will remain in effect.
- 13. Governing Law:** These Terms and Conditions shall be governed by and construed in accordance with the laws of the state of Michigan, without giving effect to any choice or conflict of law provision.

Direct all invoices to M&T Accounts Payable at AP@modelsandtools.com.



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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.

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; copy of oven chart.

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.

Clause 5 Plating, Coating, Surface Finishing, Chemical Processing

Process certifications are required for all special processes and must include the following information as applicable: tool number and detail numbers; material type; quantity of each detail; special process specification; plating/coating thickness required and actual results.

Direct all product and process certificates to M&T receiving inspection at materials@modelsandtools.com.



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Clause 6 Dimensional Inspection Results

All toleranced features must be reported, unless otherwise specified by Models & Tools, Inc. Dimensional inspection results must include the dimension, tolerance, actual measurement result, and the inspector's initials or stamp indicating conformance.

Coordinate measurement reports must contain all holes, surfaces, vector and pierce points, tooling balls, and laser targets.

Where coordinate measurement systems are operated in an uncontrolled environment, inspection results must include scale bar measurements and temperature readings.

Inspection equipment calibration certificates may be requested.

Clause 7 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 8 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 and the shelf life or expiration date.

Clause 9 Welding Consumables

Welding Consumables must conform to AWS A5 Procurement Guidelines as applicable:

AWS A5.1/A5.1M Specification for Carbon Steel Electrodes for Shielded Metal Arc Welding

AWS A5.9/A5.9M Welding Consumables – Wire Electrodes, Strip Electrodes, Wires and Rods for Arc Welding of Stainless and Heat Resisting Steels – Classification

AWS A5.10/A5.10M Welding Consumables – Wire Electrodes, Wires and Rods for Welding of Aluminum and Aluminum Alloys – Classification

AWS A5.11/A5.11M Specification for Nickel and Nickel-Alloy Welding Electrodes for Shielded Metal Arc Welding

AWS A5.12/A5.12M Specification for Tungsten and Oxide Dispersed Tungsten Electrodes for Arc Welding and Cutting

AWS A5.18/A5.18M Specification for Carbon Steel Electrodes and Rods for Gas Shielded Arc Welding

AWS A5.28/A5.28M Specification for Low-Alloy Steel Electrodes and Rods for Gas Shielded Arc Welding

AWS A5.30/A5.30M Specification for Consumable Inserts

AWS A5.32/A5.32M Welding Consumables – Gases and Gas Mixtures for Fusion Welding and Allied Processes

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