

Latva Machine LLC Standard Terms and Conditions

- **Acceptance:** A purchase order constitutes a binding contract upon the terms and conditions herein when accepted by seller, either by acknowledgement or by commencement of shipments. If any of the Seller's prior proposals, quotations or writings conflict with the terms of a purchase order the seller shall promptly contact LM. Vendor is obligated to inform LM of any problems they encounter or changes to their previous process. LM reserves the right to reject any products for non-conformity within terms and conditions of this purchase order. Products will be rejected at the Seller's expense and shall be returned at Seller's risk of loss and expense. A corrective action may be requested for non-conforming product.
- **Suppliers and their Sub-Tiers must not falsify, conceal, gross mistake tantamount to fraud, alter or falsify any material fact, statement or representation in connection with the work under the PO. Fraud or falsification is not only prohibited by the Purchaser's policy but may also be punishable under law.**
- **Shipping Documents:** All shipments shall include:
 - Packing list
 - Description and Quantity
 - Certificate of conformance (C of C)
 - LM purchase order number and Job number
 - Production lot number (if applicable), MSDS (if applicable)
 - Any other documents referred to on LM drawings or purchase order.
- **Changes, Additions, Deletions:** LM shall have the right to make changes to a purchase order as to packaging, testing, specifications, quantities, designs, delivery schedule, place of delivery or any other phase of the work to be performed. If any changes cause an increase or decrease in Seller's material costs or in the time required for performance of Seller's obligations under a purchase order, an equitable adjustment to the purchase price and/or costs appearing on the invoice may be made.
- **Confidential Data:** Seller agrees to treat as strict secret and confidential of LM and LM's customers all specifications, drawings, samples, and other information supplied by LM for purposes of this purchase order and further agrees not to disclose any of such confidential information or other information relating to this order to any person or entity other than employees of Seller who need to know such information.
- **Handling:** No scuffs, scratches, nicks or dings are allowed on any finished parts. Package properly to prevent shipping damage including returning in individual packages as received from LM.
- **Heat Treat:** When the spec requires furnace charts, they must be included with shipment. Note time and temp on certification when required by the spec.
- **Revision level:** All processes must be performed and certified in accordance with the current revision of the specification as of the date of the purchase order unless otherwise specified in documentation. Current specification revision must be noted on seller's certification.
- **Counterfeit parts:** Supplier agrees and shall ensure Counterfeit parts are not contained in the Goods delivered to the Customer through the implementation of policies that include prevention, detection and risk mitigation methods to protect the use of counterfeit parts. Supplier shall purchase directly from original manufacturer or from a distributor authorized by the original manufacturer.
- **Raw Materials:** Raw materials shall include original, physical and chemical mill certification. All material to be DFARS and DRC (conflict materials free) compliant unless approved by LM. Multiple heat lots are not allowed unless approved beforehand by LM. Current revision may be required and will be specified on the PO as needed.
- **Mercury Contamination:** Material and special processes must certify that parts were not contaminated by mercury during processing.
- **Communication Awareness:** All parties working with LM need to:
Implement, have or work under a quality management system. Provide test specimens for design approval, inspection/verification, investigation or auditing as requested. Retain documented information, including retention periods and disposition requirements. Allow the right of access by LM, their customer and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain. All vendors must be aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.