



JSM Electronics, Inc. Phantom Technologies, Inc. Shadow Technologies, Inc.

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Standard Terms and Conditions identified below shall govern this transaction:

1. Ship Products per shipping instructions on Purchase Order Comment section.
2. Late deliveries are monitored via 35 Technologies internal system. Low ratings may jeopardize your “Supplier Status”.
3. No one except the Purchaser whose name appears on the Purchase Order, or their immediate management, has authorization to approve changes to the Purchase Order. The Seller is liable for any changes made without prior written approval from the Purchaser.
4. Seller shall not change any process, material, or procedure from that used to qualify items or which was used by Seller to become a qualified source without written approval by Buyer.
5. The Seller named on the Purchase Order retains full responsibility for ensuring products, Suppliers, or services furnished here under; comply with all applicable specification and standard requirements for design, construction, and workmanship. All Industry Standards/Specifications and flow downs shall be to the latest revision unless otherwise stated on the Buyer Purchase Order.
6. By acceptance of this PO seller acknowledges their contributions to product safety and of the importance of ethical behavior.

QUALITY PROGRAM REQUIREMENTS (ISO 9001)

Seller shall provide and maintain a system that complies with ISO-9001, “Quality System Requirements” at a minimum.

CONTROL OF NONCONFORMING PRODUCT, AND CORRECTIVE AND PREVENTIVE ACTION

The Seller and their sub-tier suppliers are to take prompt action to correct conditions that have or could result in the shipment of nonconforming material. When a quality problem exists with Seller’s items, Buyer may forward a Corrective Action Request to Seller. Corrective Action Requests require timely responses and must address the following at a minimum: • The short-term containment of suspect parts (if applicable); • Analysis of the root cause of the problem; • Action(s) taken to prevent recurrence and effectivity of said action(s)

COUNTERFEIT PARTS PREVENTION

The Seller shall have a counterfeit parts prevention plan. The Seller, and its’ sub-tier suppliers, shall ensure that only new items are used in products required to be delivered to the Buyer. To further prevent the inadvertent use of counterfeit parts, the Seller Shall only purchase components and parts procured directly from the Original Component Manufacturer (OCMs), the Original Equipment Manufacturers (OEMs), or through the OCM/OEM’s authorized distribution chain.

CERTIFICATION OF COMPLIANCE—C of C

Basic C of C • Purchase Order Number • Line number as shown on the Purchase Order (provided Purchase Order has multiple line items) • Part Number or identification as shown on the Purchase Order. • Material Tractability Identification: Serial Numbers, Date Codes, Shop/Job Numbers, other pertinent traceability data of Buyer supplied materials contained in the shipment, etc. (if applicable). The Seller shall certify that the material meets all applicable Buyer specification requirements or military/industrial specification requirements.

RECORD RETENTION

Seller shall maintain records of all inspections and tests performed on items delivered to Buyer. Records include, assembly, test, inspection and verification/ validation data identifying conformance to each of the requirements specified in the referenced drawing and/or specification as applicable. (7 YEARS)

PACKAGING

The Seller is responsible for assuring that all items are delivered without damage or deterioration and are efficiently and economically packed for the method of transportation and type of handling involved. Unit and intermediate packaging shall be employed as necessary to prevent damage or deterioration.

- Material shall be packaged or segregated in such a way as to assure lot integrity. Tags, labels or test data may be used to assist in this process.

FOREIGN OBJECT DAMAGE (FOD) PREVENTION

Standard Terms and Conditions – COTS F037 Rev. 1

Printed Copies are Uncontrolled

The Seller's program shall utilize effective FOD prevention practices. Parts shall be clean, free of oil, FOD (foreign Object Debris) and other contaminants prior to packaging.

SHIPPING DOCUMENTATION AND MATERIAL HANDLING

Seller shall furnish Commercial Shipping Documents/Packing List, capable of being photographically reproducible through two additional reproductions, showing the following:

- P.O. Number
- Part Number(s)
- Description
- Qty ordered
- Qty shipped
- Lot/Date Code/serialization (as applicable)

BUYER SURVEYS, SURVEILLANCE, AUDITS, AND INSPECTION

Buyer, Buyer's Customer, and Authorities have the right to conduct surveys, audits, and surveillance of Seller's facilities, or those of Seller's subcontractors, or Suppliers with prior coordination with Seller to determine the capability to comply and to verify continuing compliance with the requirements of the Purchase Order.

MARKING

The Seller, when marking parts shall verify that marking or color coding will not become illegible or discolored on the parts when subjected to solvents and processes normally used to clean flux, fingerprints and other contaminants from parts shall be performed per MIL-STD-202, method 215.

MEASURING AND TEST EQUIPMENT

Seller shall be responsible for validating the accuracy and stability of tools, gages, and test equipment used to demonstrate that items conform to the Purchase Order. Traceability of calibration of equipment and gages shall be performed in accordance with an industry recognized calibration standard unless stated otherwise in the Purchase Order.

