

Quality Clauses, Terms and Conditions

Buyer is Taber Industries and Seller is the legal entity that is the contracting party with Taber Industries with respect to this order.

A) General Terms and Conditions (The requirements in this section apply to ALL purchase orders)

095 Precedence In the event of conflicts among any referenced documents, the following order of precedence shall apply: (1) Purchase Order, (2) Taber Industries' drawing(s), and (3) other referenced documents.

100 Warranty Seller warrants all products furnished and work performed hereunder shall be free from all defects in material and workmanship and shall conform to drawings and specifications. The warranties of Seller together with Seller's service warranties shall flow to Taber Industries and its customers. All warranties shall remain in effect as to each item of material and as to each item assembled, furnished, serviced or repaired hereunder for a period of one (1) year after acceptance at destination.

101 Manufacturing and Sub-Tier Flow Down Seller to furnish all material unless otherwise noted on this order. Seller to fabricate complete to latest applicable drawings and specifications if supplied with this order. All articles ordered to Taber Industries' specifications, quality clauses, terms and conditions shall comply with such specifications, quality clauses, terms and conditions current as of the date of this order unless otherwise specified by Taber Industries.

Seller shall provide the Manufacturer's/Authorized Distributor Certificate of Conformance(s) for each item shipped. Seller shall include the identification of all of the intermediaries from the manufacturer to the direct source of the product for the Seller. Seller shall flow down all applicable purchase order requirements to sub-tier suppliers including any key data.

102 Delivery Except as hereinafter specified, delivery shall be in accordance with the delivery schedule set out, or referred to, in the procurement documents. When Seller has reason to believe that deliveries will not be made as scheduled, written notice setting forth the cause of the anticipated delay shall be given immediately to Taber Industries.

Back orders or partial shipments are not acceptable without prior Taber Industries approval.

103 Packaging and Marking Seller shall prepare and pack the articles to prevent damage, and deterioration and to comply with carrier tariffs and Taber Industries' specifications. Packaging shall be marked with the necessary handling instructions, purchase order number, Taber Industries' name and address. Damage to any articles resulting from improper packaging will be charged to Seller.

104 Inspection Taber Industries, Taber Industries' customers, and/or any Regulatory Authorities each reserve the right to inspect and/or test any or all work included in this order at Seller's facility or at Seller's sub-tier supplier at all times and places, including the period of manufacture. Seller shall provide all reasonable access to facilities, applicable documents and records involved in this order.

All articles are subject to final inspection and acceptance at Taber Industries' facility notwithstanding any payments or other prior inspections, it being specifically agreed that payment shall not constitute final acceptance.

105 Non-Conforming Product Non-conforming products and/or materials are to be identified and segregated for review and disposition. Seller shall notify Taber Industries of any variances at earliest time possible. Shipment of product that fails to conform to Taber Industries specifications is prohibited without written authorization from Taber Industries.

Non-conforming products and/or materials may be returned at Seller's risk and expense at full invoice price plus applicable incoming transportation charges. No replacement of non-conforming material shall be made unless specified and/or approved by Taber Industries.

Quality Clauses, Terms and Conditions

- 106 Changes** Seller shall not change any drawing, process, material (including sub-tier supplier parts), or procedure without prior Taber Industries' written approval, if such a drawing, process, material, or procedure was previously approved by Taber Industries as provided for in the procurement document.
- Seller shall not use, nor relocate, any production, manufacturing, and/or processing facilities to differ from previous approval by Taber Industries, during performance of work specified in the procurement document, without previously notifying Taber Industries and offering Taber Industries an opportunity to examine such facilities for compliance with procurement Quality requirements.
- Seller shall make no changes in price, terms, or quality without Taber Industries' written consent.
- 107 Drawings, Documents and Proprietary Information** Seller shall protect from unauthorized disclosure all information obtained from Taber Industries in connection with this order. Unless otherwise expressly authorized by Taber Industries, Seller shall use such information and any information provided by Taber Industries thereafter, only in the performance of and for the purpose of this order. Upon Taber Industries' request, Seller shall promptly return all such information to Taber Industries or make such other disposition thereof as directed by Taber Industries.
- 108 Subcontracting** Seller agrees to obtain Taber Industries' approval before subcontracting this order or any substantial portion thereof.
- 109 Compliance with Laws** In the performance of this order, Seller shall comply with all international, federal, state and local laws and regulations.
- 110 Cancellation** Taber Industries reserves the right to cancel all or any part of the undelivered portion of this order without penalty to the Taber Industries if Seller does not make deliveries as provided in this contract or if Seller breaches any of the terms hereof, including the warranties of Seller.
- 111 Chemicals** All chemical shipments shall comply with appropriate EPA, RCRA, OSHA, and DOT requirements for safe transportation, labeling (smallest unit containers and outer packaging), special or unusual handling requirements, and spill instructions. A copy of the SDS, if applicable, shall be provided with each shipment.
- 112 Patent Indemnity** Seller agrees to indemnify Taber Industries against any liability, including costs and expenses, for or by reason of any asserted patent infringement arising from the manufacture, use or sale of any articles furnished to the Taber Industries under this purchase order.
- 113 Reservation of Rights** Any failure of Taber Industries to insist in any one or more instances, upon the performance of any of the terms, covenants, or conditions set forth herein shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, but Seller's obligation with respect to future performance shall continue in full force and effect. The invalidity in whole or in part of any condition of this order shall not affect the validity of other conditions hereof.

Quality Clauses, Terms and Conditions

B) Special Quality Clauses (Apply ONLY when expressly specified by clause number on purchase order)

200 Certification of Conformance Each shipment shall be accompanied by a signed and dated certification from the Seller indicating the product meets requirements of all applicable drawing, specifications, standards and purchase order. It shall include at a minimum the Taber Industries' purchase order number, Taber Industries' part number, Seller's part number (if applicable), and quantity from each lot/batch.

200A Certification of Conformance and Full Traceability Information Include Clause 200 and supply at least one of the following: lot/batch, date code, work order, job number, or manufacturing date. As applicable, it shall include the current revision, serial number(s), heat number(s), and/or shelf life/expiration date.

Additionally, if the **Seller is NOT the original manufacturer** of the product, then the Seller shall provide Taber Industries with a copy of the Original Component Manufacturer (OCM) certificate of conformance, identifying the Seller as the recipient. This certificate of conformance shall include the manufacturer's part number, quantity from each lot/batch, and at least one of the following: lot/batch, date code, work order, job number, or manufacturing date.

If the seller procured the product from a source other than the Original Component Manufacturer (OCM), they shall provide documentation ensuring their supplier(s) are Authorized Distributors of the OCM for the product provided. Each intermediary back to and including the manufacturer shall be identified by including the company name and location, lot/batch code, date code and all applicable serial numbers.

For metal bar stock, Seller shall mark one end with the heat number, material type, condition, and Purchase Order number. If bar end is not practical for marking, Seller shall attach a tag with the heat number, material type, condition and Purchase Order number to one end of the material.

201 Shelf Life Certification Products shall have at least 75% of the usable shelf life available when delivered. Expiration and/or manufacturing date shall be physically marked on product, certificate, or packaging.

202 Chemical and Physical Test Each shipment shall be accompanied by a copy of the original test report containing quantitative data for the chemical analysis or physical properties, as applicable, for the material supplied or used in the manufacture of the product.

203 Electrostatic Discharge Protection Seller shall document and implement an ESD Control Program in accordance with ANSI/ESD S20.20, Electrostatic Discharge Protection of Electrical and Electronic Parts, Assemblies and Equipment. Parts must be properly packaged and identified as required in ANSI/ESD S20.20. All electrostatic sensitive goods will be placed in conductive or static-dissipate packages, tubes, carriers, conductive bags, etc., for shipment. The packaging must be clearly labeled to indicate that it contains electrostatic sensitive goods. Electrical parts that may be used or shipped in conjunction with ESD sensitive parts shall be treated as ESD sensitive.

204 First -Article Inspection A First Article product shall be produced using production tooling, processing and methods. The First Article product shall be delivered to Taber Industries with all applicable physical and performance data for inspection. Acceptance of the First Article by Taber Industries shall be based on the requirements of this purchase order.

Any costs expended by Seller for quantity production prior to Taber Industries acceptance of the First Article are at the exclusive risk of Seller.

Acceptance of the First Article by Taber Industries shall not be considered acceptance of subsequent parts.

205 Test Specimens Seller shall submit specimens of material or products to Taber Industries for design approval, inspection or investigation as specified in the purchase order.

Acceptance of the test specimens shall NOT be considered acceptance of subsequent parts.

Quality Clauses, Terms and Conditions

206 Priority Rated Order This is a rated order certified for national defense use, and Seller is required to follow all the provisions of the Defense Priorities and Allocations System (DPAS) regulation (15 CFR 700).

The Seller is required to deliver articles by the specified required delivery date as shown on this order.

207 Part Freshness No parts with a date code more than 48 months old from date of shipment will be accepted without Taber Industries' written consent.

208 Single Lot / Date Code All parts delivered against a single purchase order must be from a single lot / date code.

209 Domestic Specialty Steel Requirement Must be melted and manufactured in the United States of America. Heat number must be identified on bar. Certificate of Conformance and chemical analysis report stating heat number, manufacturer and melt origin required (See Quality Clause 200A and 202). If these requirements cannot be met, please contact Taber Industries with possible alternatives.

210 Supplier Record Retention Clause Supplier records established that provide evidence of conformity for Taber Industries purchase order requirements shall be controlled as per the quality systems requirements of ISO 9001:2008 for a retention time period stated within the Taber Industries purchase order or a minimum of 10 years, whichever time period is longer.

211 Conflict Minerals Disclosure Clause Seller will disclose whether products and/or materials furnished hereunder contain any conflict minerals as defined under Section 1502 of the U.S. Dodd-Frank Act and its implementing regulations (collectively the "Conflict Minerals Law") that are necessary to the production or functionality of such products and/or materials ("Conflict Minerals"). Seller shall have a due diligence process in place to determine if any of its products and/or materials contain Conflict Minerals.

If the products and/or materials furnished hereunder contain any Conflict Minerals, Seller must: (i) assure that those Conflict Minerals are "DRC conflict-free" (as defined in the Conflict Minerals Law); (ii) provide on request such other information as Taber Industries may reasonably require, including responding to reasonable inquiries from Taber Industries or its representatives, to determine the DRC conflict-free status of Conflict Minerals used in such products and/or materials; (iii) adopt policies and management systems consistent with Taber Industries' Conflict Minerals Policy located at www.Taber.Industriesindustries.com ; and (iv) require its suppliers to adopt similar policies and systems.

212 REACH, Substances of Very High Concern (SVHC) Disclosure Clause Seller will disclose whether products and/or materials furnished hereunder are included on the REACH, REACH Annex XVII, and the REACH SVHC Lists as amended at the time of any order. For further details please refer to COMMISSION REGULATION (EC) No 552/2009; of 22 June 2009 amending Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).REACH SVHC 2009622(EC) No 552/2009(EC) No 1907/2006.

Seller shall have a process in place to determine if any of its products and/or materials are listed as REACH/SVHC substances.

If the products and/or materials furnished hereunder contain any REACH/SVHC substances, Seller must: (i) assure that those REACH/SVHC substances are properly registered (as defined in the COMMISSION REGULATION (EC) No 552/2009); (ii) provide the relevant SDS sheets for those substances.