

<b>QualTech Industries, Inc.</b>	<b>QMSD-1010 General Terms and Conditions</b>		
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### General Terms and Conditions

The following shall apply to all orders/products supplied to QualTech Industries, Inc., thus forward referred to as QualTech. For situations where a Purchase Order placed by QualTech contains requirements that conflict with any information below, the Purchase Order shall govern. Any additional requirements contained on a Purchase Order shall apply in addition to the requirements below.

1. Supplier shall flow down to sub-tier suppliers the applicable requirements in:
  - 1) The Purchase Order.
  - 2) Any documents (drawings, specifications, etc.) supplied or known to be applicable to the supplied products or services.
  - 3) This General Terms and Conditions document.
2. Supplier shall provide all products with proper product identification including:
  - 1) Reference to QualTech's purchase order.
  - 2) Part number or product description.  
 An example of where product description would be provided rather than a part number is material (Steel, aluminum, etc.) that is described per an industry standard rather than by QualTech's internal part number for that material.
  - 3) Identification of any specifications, requirements met, testing results and any other requirements of the purchase order. This information may be provided on a certificate of conformance.
3. Supplier shall ensure all parts are handled, packaged, preserved, and shipped using practices that will not allow damage or deterioration of the parts. Where necessary, the package should be identified with precautions to ensure the integrity of the parts during shipment, handling, and storage by shipper, supplier, QualTech, or any other entity until the product is removed from the packaging.
4. Suppliers shall separate and identify accordingly any parts that are included in an order with multiple parts so that these items are easily distinguishable and cannot be interchanged with each other.
5. Supplier shall verify and demonstrate conformance to all purchase order requirements. By delivering products or services, the supplier certifies that the provided products or services are in conformance with all requirements of the purchase order.
6. Supplier shall establish and maintain records of conformity to requirements where required or applicable and furnish when requested. This includes but is not limited to: Certificates of compliance, inspection reports, first article inspections, and testing results.
7. Supplier shall always provide Certificates of Compliance / Conformity for products delivered where certificates are available or can be provided.
8. Supplier shall notify QualTech of any nonconforming products or processes upon occurrence and prior to delivery. Nonconforming products should be identified and segregated from conforming products.
9. Supplier may take the following actions with nonconforming products:
  - 1) Replace nonconforming products with conforming products where possible.
  - 2) Rework nonconforming products if applicable and approved by QualTech.
  - 3) Deliver nonconforming products if approved for use by QualTech.
 Rework or delivery of nonconforming products should not occur without QualTech's written consent. Approval for use of nonconforming products may require approval by QualTech's customer or other entity. Reworked or delivered nonconforming products may be rejected upon receipt if deemed unacceptable after delivery at the supplier expense.
10. Supplier shall request disposition and have approval from QualTech in writing of any nonconforming products that cannot be reworked or replaced prior to any shipment.
11. Supplier shall identify and segregate nonconforming products during shipment to ensure they cannot be mistaken as conforming products.
12. Supplier shall respond to any Nonconformance Reports (NCR's) or Corrective Action Reports (CAR) and provide planned resolutions in a timely fashion. Supplier agrees to provide additional requested information or findings when follow-up is requested.
13. Supplier shall not make any changes to the product, processes, facilities, materials, handling, testing, suppliers, or any other aspect that affects the product or could affect the fit, form, function, performance, reliability, maintenance, service life, or ability to produce the product and must notify QualTech if any of these changes occur.
14. Supplier shall provide right of access to QualTech, its customers, and any regulatory authorities to all supplier and sub-tier supplier facilities, processes involved for product or service provided to QualTech, and records involved in fulfilling the requirements of Purchase Order. Supplier will be notified prior to any visit.
15. QualTech reserves the right to reject any products and consider them nonconforming if required certifications are not complete, legible, accurate, and in conformance with and contain all information requested on the PO or required by any applicable federal or industry standards. Products would be accepted once all of these requirements are met and they conform to all other requirements.
16. QualTech reserves the right to reject any nonconforming products at the supplier's expense.

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