

(A) GENERAL:

(A.1) ALTHOUGH NOT AN EXHAUSTIVE LIST, THE END USER OF THE PRODUCT / SERVICE MAY BE ONE OR MORE OF THE FOLLOWING CUSTOMERS: GENERAL ELECTRIC, HONEYWELL, A UNITED TECHNOLOGIES COMPANY, A ROLLS ROYCE COMPANY, VOLVO AERO, OR THE U.S. GOV'T.

(A.2) DURING PERFORMANCE OF THIS ORDER, YOUR QUALITY AND INSPECTION SYSTEMS, MANUFACTURING FACILITIES, AND PRODUCTS/SERVICES PROVIDED ARE SUBJECT TO REVIEW, VERIFICATION, ANALYSIS, AND APPROVAL BY AUTHORIZED REPRESENTATIVES OF TCT AND/OR ITS CUSTOMERS.

(A.3) N/A

(A.4) SUPPLIER IS RESPONSIBLE FOR COMPLYING WITH ALL OF THE REQUIREMENTS OF THIS PURCHASE ORDER INCLUDING PROVIDING COMPLETE AND PROPER DOCUMENTATION WITH EACH SHIPMENT OF PRODUCT. IF THE REQUIRED DOCUMENTATION IS INCOMPLETE OR INCORRECT, THE SUPPLIER'S ACCOUNT MAY BE DEBITED \$200.00 PER OCCURRENCE.

(A.5) SUPPLIER IS SUBJECT TO ALL TERMS AND CONDITIONS SPECIFIED ON THE REVERSE SIDE OF THIS PURCHASE ORDER.

(A.6) THE INFORMATION DISCLOSED HEREIN IS PROPRIETARY WITH TURBOCOMBUSTOR TECHNOLOGY, INC (TCT) AND/OR ITS CUSTOMER(S) AND SHALL NOT BE DUPLICATED, USED, OR DISCLOSED TO REPRODUCE ARTICLES OR SUBJECT MATTER COVERED THEREIN WITHOUT WRITTEN PERMISSION OF TCT. BY ACCEPTANCE OF THIS P.O., THE SUPPLIER AGREES TO AFFIX THIS STATEMENT TO ANY DUPLICATION THEREOF IN WHOLE OR IN PART.

(A.7) UNLESS OTHERWISE STATED, ALL QUANTITIES STATED HEREIN ARE ESTIMATED QUANTITIES ONLY. TCT'S ACTUAL REQUIREMENTS MAY IN FACT BE

LESS THAN THE AMOUNTS LISTED AS "MAXIMUM" OR "TOTAL". THE FACT THAT NO RELEASES ARE MADE, OR THAT THE RELEASES MADE ARE LESS THAN THE ESTIMATED QUANTITIES, WILL NOT SERVE AS A BASIS FOR AN EQUITABLE ADJUSTMENT UNDER THE "CHANGE" CLAUSE OR ANY TERMINATION CLAUSE. TCT MAKES NO GUARANTEE, WARRANTY, OR ANY OTHER REPRESENTATION THAT ANY OF THE QUANTITIES STATED IN THIS AGREEMENT WILL IN FACT BE REQUIRED. ANY COST SELLER INCURS OUTSIDE THE AGREED UPON LEAD TIME IN ANTICIPATION OF RELEASED REQUIREMENTS WILL BE SOLELY AT THE SELLER'S OWN RISK AND TCT ASSUMES NO LIABILITY THEREFOR.

(A.8) ANY EXPEDITED DELIVERY COSTS (E.G. AIR FREIGHT) CAUSED BY NON-ADHERENCE TO THE PURCHASE ORDER SCHEDULE SHALL BE THE RESPONSIBILITY OF THE SUPPLIER.

(A.9) UNLESS OTHERWISE APPROVED IN WRITING BY TCT, PRODUCT SHALL NOT BE DELIVERED EARLIER THAN TEN (10) DAYS PRIOR TO THE REQUIRED DELIVERY DATE SPECIFIED ON THE PURCHASE ORDER. AT TCT'S DISCRETION, THIS PRODUCT MAY BE RETURNED AT THE SUPPLIER'S EXPENSE.

(B) QUALITY SYSTEMS:

(B.1) SUPPLIER MUST BE CERTIFIED TO ISO9001 OR ISO9002.

(B.2) SUPPLIERS QUALITY SYSTEM SHALL COMPLY WITH G.E. S-1000, P&W PWA300, ROLLS ROYCE SABRE, AND VOLVO AERO LHB 210.

(B.3) N/A

(B-4) SUPPLIER IS RESPONSIBLE FOR FLOWING DOWN AND FOR ENSURING ADHERENCE TO THE REQUIREMENTS OF THIS PURCHASE ORDER BY ALL SUB-TIERS.

(B.5) NADCAP APPROVAL FOR SPECIAL PROCESSES REQUIRED.

(B.6) SUPPLIER WILL RETAIN ALL RECORDS IN ACCORDANCE WITH "CLASSIFIED" PRODUCT REQUIREMENTS SPECIFIED IN THE ROLLS ROYCE SABRE MANUAL, AND

WILL MAKE THESE RECORDS AVAILABLE TO TCT UPON REQUEST WITHIN 24 HOURS.

(B.7) AS REQUIRED TO VERIFY PRODUCTS AND PROCESSES, SUPPLIER SHALL USE AND MAINTAIN CALIBRATED INSPECTION AND TEST EQUIPMENT IN ACCORDANCE WITH ANSI/NCSL Z540.1, ISO 10012, AND ISO/IEC 17025, AS APPLICABLE.

(C) SOURCE SUBSTANTIATION AND FIRST ARTICLE REQUIREMENTS:

(C.1) NO CHANGES MAY BE MADE TO APPROVED SOURCES OR PROCESSES WITHOUT TCT AND/OR ITS CUSTOMERS' APPROVALS, AS APPLICABLE.

(C.2) N/A

(C.3) N/A.

(D) PRODUCT REQUIREMENTS:

(D.1) N/A

(D.2) HEAT NUMBER / LOT TRACEABILITY SHALL BE MAINTAINED FOR ALL MATERIALS / PRODUCT DURING ALL STAGES OF PROCESSING THROUGH SHIPMENT TO TCT.

(D.3) TAG WELD WIRE PER AMS 2816.

(D.4) N/A

(D.5) ANY SPECIALTY METALS INCORPORATED IN ARTICLES DELIVERED UNDER THIS PO SHALL BE MELTED IN THE UNITED STATES OR OTHER QUALIFYING COUNTRY IN ACCORDANCE WITH DFARS CLAUSE 252.225-7014, "PREFERENCE FOR DOMESTIC SPECIALTY METALS", AND DFARS CLAUSE 225.872-1, "CONTRACTING WITH QUALIFYING COUNTRY SOURCES - GENERAL".

(E) SHIPPING REQUIREMENTS:

(E.1) PACKAGING SHALL BE ADEQUATE TO PREVENT DAMAGE AS WELL AS EXCESSIVE SHIFTING DURING TRANSIT.

(E.2) ALL CONTAINERS OVER 50 LB GROSS WEIGHT SHALL BE PLACED ON A PALLET TO ENABLE MECHANICAL HANDLING.

(E.3) N/A.

(E.4) PACKAGING SHALL BE CLEARLY IDENTIFIED WITH THE FOLLOWING INFORMATION: SUPPLIER NAME, P.O. NUMBER, PART NUMBER OR PRODUCT DESCRIPTION, AND BATCH NUMBER OR HEAT NUMBER.

(F) DOCUMENTATION REQUIREMENTS:

(F.1) PACKING SLIP, WHICH INCLUDES SUPPLIER'S INFORMATION, THE PART NUMBER AND QUANTITY BEING SHIPPED, THE PACKING SLIP NUMBER, AND THE P.O. NUMBER (INCLUDING LINE AND RELEASE NUMBERS).

(F.2) CERTIFICATE OF CONFORMANCE, WHICH INCLUDES SUPPLIER'S INFORMATION, THE PART NUMBER AND QUANTITY BEING SHIPPED, HEAT NUMBER, THE PACKING SLIP NUMBER, REFERENCE TO DOCUMENTATION AUTHORIZING SHIPMENT OF NONCONFORMING PRODUCT (IF APPLICABLE), AND THE P.O. NUMBER.

(F.3) UNLESS PURCHASED TO A CUSTOMER SPECIFICATION OTHER THAN P&W, WELD WIRE SHALL BE TESTED AND CERTIFIED TO PWA MCL SPECS F-17 AND F-53. UNALTERED PRODUCING MILL CERTIFICATION FROM A G.E. / ROLLS ROYCE / P&W APPROVED TESTING LAB, INCLUDING RAW MATERIAL TESTING RESULTS AND REFERENCES TO MATERIAL SPECIFICATIONS AS REQUIRED BY P.O. AND TRACEABLE TO EACH HEAT NUMBER, SHALL BE INCLUDED WITH EACH SHIPMENT.

(F.4) MATERIAL SAFETY DATA SHEET (MSDS) - ONLY REQUIRED WITH THE INITIAL SHIPMENT ON THIS P.O.

(F.5) DOCUMENTATION FROM TCT AUTHORIZING SHIPMENT OF NONCONFORMING PRODUCT (IF APPLICABLE), WHICH REFERENCES THE P.O. NUMBER, PART NUMBER AND QUANTITY AUTHORIZED FOR SHIPMENT.

(G) NONCONFORMING PRODUCT:

(G.1) IF THE TCT QUALITY MANAGER HAS AGREED IN WRITING (PRIOR TO SHIPMENT) TO

ACCEPT NONCONFORMING PRODUCT IN ITS CURRENT CONDITION, THE SUPPLIER SHALL SUPPLY A SEPARATE CERTIFICATE OF CONFORMANCE FOR THE NONCONFORMING PRODUCT, REFERENCING THE P.O. NUMBER, PART NUMBER, QUANTITY, MEANS OF TRACEABILITY, ETC. THE DOCUMENT SHALL ALSO STATE THAT THE PRODUCT DOES NOT FULLY CONFORM TO THE PURCHASE ORDER REQUIREMENTS AND SHALL IDENTIFY AND TAKE EXCEPTION TO THE SPECIFIC NONCONFORMANCES IDENTIFIED. SUPPLIER SHALL ALSO INCLUDE DOCUMENTATION FROM TCT AUTHORIZING ITS SHIPMENT.

(G.2) N/A

(G.3) WHEN SHIPPING TO TCT, NONCONFORMING PRODUCT SHALL BE PHYSICALLY IDENTIFIED USING A TEMPORARY METHOD OF IDENTIFICATION (PREFERABLY A RED TAG). NONCONFORMING PRODUCT, WHEN SHIPPED WITH CONFORMING PRODUCT, SHALL BE SEGREGATED IN SEPARATE BAGS, BOXES, OR OTHER APPROPRIATE PACKAGING. THE PACKING SLIP SHALL IDENTIFY THE NONCONFORMING PRODUCT (QUANTITY AND IDENTIFICATION/TRACEABILITY) SEPARATELY FROM THE CONFORMING PRODUCT.

[REV. 07/14/09 REF NOTE D5; REV. 07/16/08 - COMPLETE RE-WRITE]