



## PURCHASING TERMS & CONDITIONS

### 1. GUARANTEE OR PRODUCT SOURCE

- a. <SUPPLIER> shall guarantee that only new and authentic products are delivered to Omega GTI. <SUPPLIER> shall endeavor to first purchase parts directly from Original Component Manufacturers (OCMs), OCM Authorized (Franchised) Distributors, or authorized Aftermarket Manufacturers or from <SUPPLIER>s who obtain such parts exclusively from the OCM or their Authorized <SUPPLIER>s with OCM traceability. Supply of product that was not provided by these sources is not authorized unless first approved in writing by Omega GTI.
- b. Authorized (Franchised) Distributor <SUPPLIER> covenants, warrants, and represents that it has effective contractual agreements in place with each manufacturer whose product(s) it is procuring to sell to OMEGA GTI. Authorized (Franchised) Distributor <SUPPLIER> shall:
  - i. Only ship products to Omega GTI that have been procured directly from the manufacturer.
  - ii. Not ship products to Omega GTI that has been procured from any other source without prior written consent from Omega GTI.
  - iii. Be considered an unapproved Independent Distributor for Products procured from other sources. Failure to obtain Omega GTI's prior written approval constitutes a material breach under the terms of this agreement. Authorized (Franchised) Distributor <SUPPLIER> will fully indemnify Omega GTI from any and all claims, losses, and damages that result from said breach. Omega GTI reserves the right to reject any and all requests for approval, and require additional verification and testing of products.
- c. All products furnished by the <SUPPLIER> to Omega GTI pursuant to this contract are guaranteed by the <SUPPLIER> to meet all specifications and requirements detailed on the Omega GTI's purchase order. Products not meeting those specifications or requirements will be rejected by the Omega GTI.
- d. Programmed products, packages containing mixed date codes, products on cut-tape, products not packaged in accordance with ANSI/ESD S20.20, and products with bent leads, formed leads, oxidized leads, or test markings will be rejected by the Omega GTI.
- e. All products supplied by the <SUPPLIER> are to be packaged in accordance with the manufacturer's specifications for Moisture Sensitivity Level per J-STD-033

### 2. SUPPLY CHAIN TRACEABILITY

<SUPPLIER> shall maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and Electromechanical (EEE) parts being delivered per this order. This traceability method shall clearly identify the name and location of all supply chain intermediaries from the manufacturer to the direct source of the product for Omega GTI and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications. This traceability requirement applies to new purchases of material, material in inventory and material transferred from <<SUPPLIER>'S> other business units. If this traceability is unavailable or cannot be provided, Omega GTI shall approve this exception in writing at the time of purchase order.

### 3. TEST & INSPECTION REQUIREMENTS AND ACCEPTANCE

<SUPPLIER> shall establish and implement test and inspection activities necessary to assure the verification of purchased product following the minimum requirements of AS6081 standards under clause 4.2.6. <SUPPLIER> shall document and provide upon request all available tests and inspections results which were performed to assess and mitigate the risk of distributing fraudulent/counterfeit parts. Accept/reject criteria and sampling criteria shall be clearly defined or approved by Omega GTI. Tests and inspections shall be performed by persons that have been trained in the product verification techniques that they perform and are formally trained based on demonstrated competency. <SUPPLIER> shall maintain records of training and methods used to demonstrate competency. Omega GTI shall inquire as to <<SUPPLIER>'S> inspection qualifications prior to placing an order.

All supplies shall be subject to inspection and test by Omega GTI to the extent practicable at all times and places, including the period of manufacture, and in any event before acceptance, without additional charge. <SUPPLIER>

shall notify Omega GTI of nonconforming Supplies and make arrangements for approval of nonconforming material prior to shipment <SUPPLIER> shall provide right of access by Omega GTI, its customer, and regulatory authorities to all facilities involved in the Order and to all applicable records.

In case any supplies or lots are defective in material or workmanship or otherwise not in conformity with the requirements of this Order, Omega GTI shall have the right either to reject them or to require their correction or replacement. Omega GTI may either (i) by contract or otherwise replace or correct such supplies and charge to <SUPPLIER> the total cost, or (ii) terminate this Order for default. Unless <SUPPLIER> corrects or replaces such Supplies within the specified time, or, if there is no specified time, within a reasonable time, Omega GTI may require the delivery of such Supplies at a reduction in price that is equitable under the total cost incurred by Omega GTI by the circumstances caused by <SUPPLIER>'s actions. By accepting this Order, <SUPPLIER> agrees to respond in a timely manner to any and all request for corrective action resulting from rejection of <<SUPPLIER>'s> material. The response must show the specific actions taken by the <SUPPLIER> to prevent recurrence of the problem

#### **4. CERTIFICATE OF CONFORMANCE (CoC)**

<SUPPLIER> shall approve, retain, and provide copies of Electrical, Electronic, and Electromechanical (EEE) Manufacturer Certificates of Conformance (CoC) when available. In no case shall the manufacturer's certificate be altered or show signs of alteration.

Manufacturer CoCs shall, at a minimum, include the following:

- a. Manufacturer name and address
- b. Manufacturer and/or Customer's part number and dash number
- c. Batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications
- d. Signature or stamp with title of <SUPPLIER's> authorized personnel signing the certificate

Where manufacturer CoCs are not available, Omega GTI shall require <SUPPLIER> to provide the following signed and dated CoC:

- <SUPPLIER> hereby attests that the parts provided under this purchase order are unused, unaltered and authentic and have not been salvaged, reclaimed, otherwise used, or previously rejected for any reason. This statement is based on rigorous <SUPPLIER> selection practices, <SUPPLIER> assurance practices, and tests and inspections of the specific parts supplied that are designed to prevent the supply of fraudulent/counterfeit parts.'
- <SUPPLIER> certificates shall state that the products have been handled in accordance with the requirements of this document and include as a minimum the following:
  - a. Manufacturer's name
  - b. Part number and product assurance level
  - c. <OMEGA GTI'S> name and address
  - d. Name and address of the Customer
  - e. Quantity of the parts in the shipment
  - f. Lot date code, as applicable
  - g. Latest re-inspection date, if applicable
  - h. Certification that the shipment is part of the shipment covered by the Manufacturer's documentation  
Signature and date of transaction. An authorized signatory assigned by a corporate officer with responsibility for the
  - i. product quality and reliability or their documented designee.'
- <SUPPLIER> shall maintain copies of certificates with lot records until the lot is completely shipped.
- <SUPPLIER> shall maintain the product and shipment traceability for a minimum of five (5) years after the date of the last shipment from each lot."

#### **5. QUALITY MANAGEMENT SYSTEM**

<SUPPLIER> shall maintain a quality management system that complies with SAE International, AS9120 Quality Management Systems - Requirements for Aviation, Space and Defense Distributors, or ISO 9001, Quality Management System Requirements. Independent certification/registration is required unless specified by the Customer. <SUPPLIER>s that obtain certification/registration and subsequently change certification bodies (CBs),

lose registration status, or are put on notice of losing registration status, shall notify Omega GTI within three (3) days of receiving such notice from its Certifying Body.

## 6. SUSPENSION AND ORDER CANCELLATION

- Omega GTI reserves the right at its option either to suspend shipment of materials covered by this Order or to cancel this Order in whole or in part, at any time. Omega GTI may, by written notice of default to <SUPPLIER>, terminate the whole or any part of this Order in any one of the following circumstances: (i) If <SUPPLIER> fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or (ii) If <SUPPLIER> fails to perform any of the other provisions of this Order, or so fails to make progress as to endanger performance of this Order in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as Omega GTI may authorize in writing) after receipt from Omega GTI specifying such failure.

In the event Omega GTI terminates this Order in whole or in part as provided Omega GTI may procure, upon such terms and in such manner as Omega GTI may deem appropriate, goods, supplies or services similar to those so terminated, and <SUPPLIER> shall be liable to Omega GTI for any costs to Omega GTI for such similar goods, supplies or services; provided, that <SUPPLIER> shall continue the performance of this Order to the extent not terminated under the provisions of this clause

## 7. PRODUCT IMPOUNDMENT AND FINANCIAL RESPONSIBILITY

- IF THE <SUPPLIER> FURNISHES THE OMEGA GTI WITH SUSPECTED COUNTERFEIT PRODUCTS UNDER THIS PURCHASE AGREEMENT, SUCH ITEMS WILL BE IMPOUNDED BY THE OMEGA GTI.
- The <SUPPLIER> must promptly replace suspected counterfeit product with product acceptable to the Omega GTI and the <SUPPLIER> will be liable for all costs relating to impoundment, removal, and replacement of the suspected counterfeit product. Omega GTI may turn such product over to the U.S. Governmental authorities for investigation and reserves the right to withhold payment for the product pending the results of the investigation.
- For these Terms and Conditions, suspected counterfeit product is defined as product that has an indication (per IDEA-STD-1010 or AS6081) of having been copied or substituted without legal right or authority to do so, being product whose material, performance, or characteristics are misrepresented, or being product that is produced or distributed in violation of intellectual property rights, copyrights, or trademark laws.
- <SUPPLIER> and Omega GTI hereby agree that fraudulent/counterfeit parts have no value and any contract documents establishing a transaction involving fraudulent/counterfeit parts shall be declared null and void.
- <SUPPLIER> and Omega GTI hereby agree that if the OCM determines the suspect parts are authentic, then the decision is "final" and <SUPPLIER> and Omega GTI hereby agree that if Omega GTI or a testing laboratory chosen by Omega GTI determines that the electronic parts supplied are suspect/fraudulent/counterfeit, then <SUPPLIER> has the right to: (1) Agree with Omega GTI's findings and the transaction will be voided; or (2) Verify Omega GTI's findings by contracting with an Omega GTI approved and <SUPPLIER> recognized test laboratory (hereafter referred to as "lab") for further verification.

If <SUPPLIER> accepts Omega GTI's findings and chooses to immediately void the transaction, the suspect electronic parts will not be returned to <SUPPLIER> unless and/or until an independent lab agreed to by both <SUPPLIER> and Omega GTI determines that the electronic parts are not suspect fraudulent/counterfeit or fraudulent/counterfeit. Under these circumstances, Omega GTI shall retain possession of the suspect electronic parts for a time period at least as long as the applicable statute of limitations under the appropriate Authority(ies) Having Jurisdiction following the date upon which <SUPPLIER> received notification from Omega GTI that it was choosing to immediately void the transaction between them. Once this period has expired, then Omega GTI shall have the absolute right to destroy the suspect electronic parts. If <SUPPLIER> exercises its right to have an independent lab determine whether the suspect electronic parts are fraudulent/counterfeit and the lab verifies the findings that the subject electronic parts are either suspect fraudulent/counterfeit or fraudulent/counterfeit, then <SUPPLIER> must issue an immediate refund of all monies paid by Omega GTI. If the suspect parts are determined to be suspect counterfeit, fraudulent or counterfeit by the independent test lab, then the



<SUPPLIER> of those parts shall be required to pay for all charges issued by the testing lab. If, however, the suspect parts are determined not to be suspect counterfeit, fraudulent or counterfeit then the Omega GTI's of those parts shall be required to pay all of the charges issued by the testing lab. Omega GTI and <SUPPLIER> agree that whether or not <SUPPLIER> refunds all monies paid by Omega GTI, Omega GTI shall have the absolute right to reacquire possession of the subject electronic parts from the lab in order to prevent the subject electronic parts from being offered for sale through any channels of distribution. In the event that <SUPPLIER> pursues its <SUPPLIER>, either in civil or criminal proceedings, <SUPPLIER> shall have the right upon request to receive and use a mutually agreeable sample quantity of the parts sold for the purpose of pursuing its remedies. Upon completion of testing, samples will be returned to <SUPPLIER> who will then return them to Omega GTI. Omega GTI and <SUPPLIER> agree that omega GTI shall have the right to destroy the suspect electronic parts after expiration of the applicable statute of limitations under the appropriate Authority(ies) Having Jurisdiction. Notwithstanding the above, if Omega GTI and <SUPPLIER> agree in writing that the parts can be immediately destroyed, the parts will be destroyed per their agreement so long as all civil or criminal actions, in which the suspect electronic parts are the subject of the action, have been completed.

#### **8. DELIVERIES**

Each package must be numbered and labeled with Omega GTI's Order number. An itemized packing slip must be placed in each package. Each delivery must be accompanied by a packing slip specifying the exact quantity and the description of the delivery. Each packing slip shall bear Omega GTI's Order number. If indicated on the Order that Supplies are F.O.B. delivery, all delivery costs shall be paid in advance by <SUPPLIER>. If indicated on the Order that Supplies are F.O.B. shipping point, costs shall be as agreed with Omega GTI and in the Order and shall be separately listed on the applicable invoice. Omega GTI's count or weight shall be final and conclusive on shipments not accompanied by packing lists. <SUPPLIER> shall report immediately any delay in shipment and any actual or potential labor dispute that is delaying or threatens to delay shipment. Material must be delivered within the time stated in this Order, time being of the essence thereof. Omega GTI also reserves the right to refuse, or to return at <<SUPPLIER>'s> risk and expense, shipments made in advance of the schedule of deliveries appearing on the face of the Order or as later mutually agreed upon.

#### **9. PRICE**

<SUPPLIER> acceptance of Omega GTI Purchase Order shall be final. Omega GTI indicated price is fixed and <SUPPLIER> will honor such.

#### **10. WARRANTY**

<SUPPLIER> warrants that at the time of delivery the supplies and conforms fit, form, and function according to the requirements of the Omega GTI's Purchase Order and/or OCM and will be free from any defects in material or workmanship. Warranty period is twelve (12) months from Omega GTI's receipt.

In cases of defective or product non-conformity, correction or replacement is required, <SUPPLIER> shall also be liable for the costs of removal of the supplies from any component, assembly or system into which the supplies may have been incorporated, and reinstallation of non defective supplies, and cost of return of the supplies.

#### **11. Other Terms and Conditions**

- For Services, the <SUPPLIER> must utilize qualified personnel to perform the services in a professional and workmanlike manner and in accordance with testing or service specifications indicated on Omega GTI's purchase order.
- Omega GTI reserve the right to approve in writing beforehand if <SUPPLIER> intends to outsource any testing or services to a 3<sup>rd</sup> party.
- <SUPPLIER>'s performance will be monitored per Omega GTI defined period and will be the basis of future purchasing decisions on succeeding purchase orders
- <SUPPLIER> will notify Omega GTI if the <SUPPLIER> becomes aware of any changes in the product
- <SUPPLIER> will notify Omega GTI if the <SUPPLIER> becomes aware of a nonconforming processes, product, or services related to this contract and obtain the Omega GTI's approval regarding disposition
- <SUPPLIER> will not make substitutions or changes for this order without prior written approval from Omega GTI



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- <SUPPLIER> must flow down all applicable requirements specified on the Omega GTI's purchase order to its organization or supply chain
- <SUPPLIER> will give access to the Omega GTI, the Omega GTI's customer, and regulatory authorities to all facilities involved in the order and to all applicable documented information
- <SUPPLIER> will ensure its employees are aware of their contribution to product and service conformity, their contribution to product safety, and the importance of ethical behavior
- <SUPPLIER> must not supply Omega GTI with product that contains conflict minerals (tantalum, tin, gold or tungsten that originated in the Democratic Republic of the Congo or surrounding countries).
- All static sensitive material must be handled, marked, and packaged in accordance with ANSI/ESD S20.20.
- <SUPPLIER> shall keep confidential all information obtained or created during the performance of the inspection activities, except as required by law.
- <SUPPLIER> agrees to comply with the Responsible Business Alliance Code Of Conduct.

## **12. ENTIRE AGREEMENT.**

The Omega GTI Purchase Order, together with all attachments referred to herein constitutes the entire agreement between Omega GTI and <SUPPLIER> with respect to the subject matter hereof.

The Omega GTI Purchase Order may only be amended if duly authorized by Omega GTI.