



Purchase Order Terms & Conditions

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****Scope of Agreement** - This purchase order constitutes the entire agreement between the parties regarding the purchase and sale of goods and supersedes all prior agreements, representations, and understandings.

1. **Acceptance** - Seller must acknowledge this order within seven days of its issue date. United Machine may cancel the order at any time before acceptance, with or without cause. This order is subject to these terms and conditions, and Seller's acceptance means agreeing to them. Any conflicting or additional terms from the Seller are rejected and will not be part of the contract.
2. **Delivery** - The Seller is responsible for delivering the specified goods according to the agreed-upon schedule and to the address specified in the purchase order. Any delays must be promptly communicated to United Machine along with reasons and an updated estimated delivery date. If the Seller is more than 15 days past the delivery date specified in the order, United Machine has the right to cancel the order or its unfulfilled portion without penalty. However, if United Machine chooses not to cancel the order, the Seller remains liable for any damages incurred by United Machine, and any assistance provided by United Machine does not release the Seller from fulfilling the order faithfully.
3. **Packaging** - Seller shall protect the product from contamination and/or damage by foreign objects (FOD) during manufacturing, test, packaging, transportation and relevant specs. When packaging of material is supplied to the Seller for the purpose of returning material or product to United Machine the Seller shall maintain the packaging in the condition it is received.
4. **Payment** - Payment terms shall be specified in the purchase order. Unless otherwise agreed upon, payment shall be made within 30 days of receipt of the invoice. United Machine reserves the right to withhold payment or deduct any amount owed due to defective goods, late delivery, or breach of contract. Separate invoices must be rendered for each shipment to show United Machine's purchase order and part numbers. A packing slip must be placed in all packages and boxes and a purchase order number must appear on all invoices, packing slips, and bills of lading.
5. **Extra Charges** - No additional charges of any kind, including charges for boxing, packing, crating or other extras will be allowed unless agreed to in writing in advance by United Machine. Before proceeding with any work or shipping any goods involving possible claims by the Seller for extra compensation above the price specified in the order, Seller shall submit to United Machine a detailed statement of such items together with the price thereof.
6. **Warranty** - The Seller warrants that all goods provided will be defect-free and in case of defects covered by the warranty, they'll repair or replace them at their own expense. The Seller guarantees that all materials and articles will precisely match the order, be free from defects in material and workmanship, and be suitable for the intended purpose. The seller will be liable for any direct or consequential damage resulting from any breach of warranty.
7. **Changes** - United Machine may issue a written change order at any time. If such a change affects the cost or time required for performance, an equitable adjustment in price or delivery will be made, and the order revised accordingly. The Seller must continue with the order as changed. Additionally, the Seller must notify United Machine if any agreed-upon process changes may affect product performance at United Machine or end user. The Seller cannot move United Machine's business to a different facility without United Machine's notification and approval. Processes, manufacturing, and products must remain at the agreed-upon location unless United Machine consents in writing.
8. **Counterfeit Parts Control** - All goods supplied must meet the specifications, quality standards, and requirements outlined in the purchase order. The Seller warrants that all goods are free from defects in materials and workmanship. United Machine reserves the right to inspect the goods upon delivery and reject any non-conforming or defective goods. The Seller agrees to notify United Machine prior to shipping any material suspected of non-conformance to specified requirements, allowing United Machine to provide timely acceptance. The Seller must provide a Certification of Conformance (COC) from the Original Component



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Manufacturer (OCM) for any component or material delivered. Any part or material received without the correct COC will be considered counterfeit and will be impounded without compensation until dispositioned.

9. **Property** - All tools, gauges, fixtures, and equipment provided by United Machine or authorized for acquisition by Seller for this order remain United Machine's property and must be listed and maintained in proper condition to prevent defects. The Seller must return such property to United Machine upon request, in its original condition, barring reasonable wear and tear.
10. **Inspection and Acceptance of Goods** - Seller must inspect all materials before shipping to United Machine and provide test data upon request. Any material failing United Machine's incoming inspection may be rejected and returned to Seller at Seller's expense for credit, rebate, or replacement at United Machine's discretion. All goods are subject to United Machine's right of inspection and rejection. Defective or non-conforming goods will be held for Seller's resolution instructions, and United Machine may cancel such goods and any unshipped portions of the order. Payment prior to inspection does not constitute acceptance, and acceptance does not relieve Seller of its obligations and warranties. When deemed necessary by United Machine the Seller must allow for source or on sight inspection by either United Machine, its customer or both. The Seller will be provided reasonable notification of any such inspection.
11. **United Machine's Provision of Requirements to the Seller** - Based on customer and/or QMS requirements, United Machine flows down to the Seller on the Purchase Order, and Terms and Conditions, all the requirements for:
 - Competence, including any required qualification of persons.
 - The external providers' interactions with the organization.
 - Control and monitoring of the external providers' performance to be applied by United Machine.
 - Use of customer-designated or approved external providers, including processes sources (e.g. special processes).
 - Notification of United Machine of nonconforming processes, products, or services and obtain approval for their disposition.
 - Preventing the use of counterfeit parts.
 - Notification of United Machine of changes to processes, products, and services, including changes of their external providers or location of manufacture, and obtain United Machine's approval.
 - Flow down to external providers applicable requirements, including customer requirements.
 - Providing test specimens for design approval, inspection/verification, investigation or auditing.
 - Testing, inspection, and verification (including production process verification).
 - The use of statistical techniques for product acceptance and related instructions for acceptance by the organization.
 - Key Characteristics- When key characteristics have been identified by United Machine, the Seller agrees to flow down all applicable requirements to any sub- contracted work in which they are being compensated for including but not limited to:
 - Drawings
 - Product Specifications
 - Regulatory requirements
 - Documentation (written or electronic media)
 - The Seller shall retain documented evidence for a minimum of 7 years.
 - Right to access by United Machine, the Customers of United Machine, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain.
 - Ensuring the people are aware of their contribution to product and service conformity, product safety, and the importance of ethical behavior.
12. **Confidentiality** - Seller agrees to use data, designs, drawings, specifications, and other information provided by United Machine solely for performing this contract and not to disclose such information to others except



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under similar restrictions. This order is confidential between United Machine and Seller, and no details shall be disclosed to any third party.

13. **Code of Conduct** - United Machine is committed to conducting its business ethically and lawfully and expects the same from Seller, adhering to United Machine's Code of Business Ethics. In performing this order, Seller and all goods furnished must comply with all applicable Federal, State, and local laws. The seller shall indemnify United Machine against any loss resulting from non-compliance.