



## 1001027C Purchasing Terms and Conditions

### 1. Revision History

| Rev.   | Issued    | Created By | Released By | Change Description  |
|--|-----------|------------|-------------|---|
| See previous revisions for detailed change log |           |            |             |   |
| B  | 15May17   | RW         | MW          | <ol style="list-style-type: none"> <li>1. Added section 2 Definitions.</li> <li>2. Clause 101: Included previous clause 105 Non-conformance approval.</li> <li>3. Clause 102: Replaced 'manufacturer' with 'vendor'. Made each CoFC requirement a specific number. Removed surface finish certs. Removed material and documentation presentation since they are clause 104. Removed sub-tier reference since it is now clause 109.</li> <li>4. Clause 104: Reworded and added 4 year term length.</li> <li>5. Clause 105: Added specification on non-conformance reporting.</li> <li>6. Clause 106: Removed 'first-tier'</li> <li>7. Added clauses 107 to 109.</li> <li>8. Added sample CoFC</li> </ol> |
| C  | 20-Dec-17 | AZ         | MW          | <ol style="list-style-type: none"> <li>1. Clause 102, Item 7: Removed name of authorized vendor rep.</li> <li>2. Clause 107, Item 5: Removed name of authorized vendor rep.</li> <li>3. Clause 108, Item 6: Removed name of authorized vendor rep.</li> <li>4. Clause 109, Item 7: Removed name of authorized vendor rep.</li> <li>5. Sample CoFC: Removed name of authorized vendor rep.</li> <li>6. Various: Corrected typos.</li> </ol>  |

### 2. Definitions

- Certificate of Conformance (CoFC) - a document certified by an authorized company representative that affirms the supplied good or service meets the required specifications. Also called certificate of compliance or certificate of conformity.
- Manufacturer – a person or company that makes goods for sale.
- Supplier – a source that supplies goods or services.
- Sub-tier – a source that supplies materials or parts to another company.
- Vendor – a source that supplies goods or services to Planetary Systems Corp (PSC).

### 3. Table of Clauses

| Clause No. | Clause Name                           | Clause Description  |
|------------|---------------------------------------|---|
| 101        | Non-Conformance Alerting and Approval | <p>Any non-conformance to PO/contract shall be reported to PSC within 2 business days and have PSC review and written approval before proceeding.</p> <p>Notification of non-conformances shall be communicated in writing and contain the following:</p> <ol style="list-style-type: none"> <li>1) Vendor name</li> <li>2) Date</li> <li>3) PO number</li> <li>4) Part number including revision</li> <li>5) Quantity of affected parts. Affected parts shall be serially identified and segregated from any nominal parts.</li> <li>6) Affected feature, with identifier, and amount of deviation [e.g. .250 hole on sheet 2 zone B7 measures up to .256]</li> <li>7) Description of issue               <ol style="list-style-type: none"> <li>a. When the non-conformance occurred</li> <li>b. The confirmed or assumed cause of the non-conformance</li> </ol> </li> <li>8) Vendor's recommended course of action</li> <li>9) If applicable: Pictures of the non-conformance</li> </ol> <p>All parts with non-conformances shall be tagged or labeled to be easily identifiable. Specific non-conforming features shall be identified.</p> |
| 102        | Certificate of Conformance            | <p>Vendor shall submit, with each shipment, a Certificate of Conformance to attest that the work conforms to the PO/contract requirements [e.g. supplied drawing(s)].</p> <p>NOTE: SAMPLE Cert. of Conformance below</p> <p>The Certificate of Conformance shall include the following:</p> <ol style="list-style-type: none"> <li>1) Name and address of Vendor</li> <li>2) Date</li> <li>3) PO/contract number</li> <li>4) Part number including revision level</li> <li>5) Quantity</li> <li>6) Vendor's job number, lot code, batch code, date code, and/or serial number</li> <li>7) Title of authorized Vendor representative</li> <li>8) Signature of authorized Vendor representative</li> </ol>  |
| 103        | Right of Access                       | <p>Work under this PO/contract is subject to government or PSC surveillance and or inspection at Vendor's facility or Sub-Tier Supplier's facility. The Vendor will be contacted with reasonable notice if required.</p>  |
| 104        | Traceability                          | <p>Through documentation, the Vendor shall maintain traceability for the items in the PO/contract from acquisition of materials, through all processes those materials undergo, and to delivery. This documentation will include traceability between part serial, lot, or batch numbers and raw materials, subassemblies, test reports, certifications, and shipping reports. Documentation shall be maintained for 4 years from date of PO/contract.</p>  |
| 105        | Acceptance at destination             | <p>Work ordered under this PO/contract is subject to final acceptance at PSC's facility.</p>  |
| 106        | Inspection Records                    | <p>Vendor shall maintain part inspection records for their respective suppliers.</p>  |

| Clause No. | Clause Name                                  | Clause Description  |
|------------|--|---|
| 107        | Material Certification Documents             | <p>Vendor shall submit, with each shipment, material certification documents in accordance with the PO/contract requirements [e.g. supplied drawing(s)].</p> <p>The certification or test report shall include the following information:</p> <ol style="list-style-type: none"> <li>1) Name and address of Manufacturer</li> <li>2) Date</li> <li>3) Material lot or batch number.</li> <li>4) Material specification (including any heat treatments)</li> <li>5) Title of authorized Manufacturer representative</li> <li>6) Signature of authorized Manufacturer representative</li> </ol> <p>If the material Manufacturer or Vendor uses a Sub-Tier Supplier for heat treatments, Vendor shall submit an additional certification from that Supplier. All items in this clause apply to that certification.</p> |
| 108        | Surface Treatment Certification Documents    | <p>Vendor shall submit, with each shipment, surface treatment certification documents in accordance with the PO/contract requirements [e.g. supplied drawing(s)].</p> <p>Surface treatment certifications shall include the following information:</p> <ol style="list-style-type: none"> <li>1) Name and address of Manufacturer</li> <li>2) Date</li> <li>3) Surface treatment specification</li> <li>4) Part number including revision level</li> <li>5) Quantity</li> <li>6) Title of authorized Manufacturer representative</li> <li>7) Signature of authorized Manufacturer representative</li> </ol> <p>Surface treatment may also be referred to as surface finish or plating.</p>  |
| 109        | Sub-tier supplier Certificate of Conformance | <p>For all Sub-tier components specified by part number and manufacturer, Vendor shall submit a copy of Sub-tier Manufacturer's Certificate of Conformance.</p> <p>The Certificate of Conformance shall include the following:</p> <ol style="list-style-type: none"> <li>1) Name and address of Manufacturer</li> <li>2) Date</li> <li>3) Vendor's PO/contract number</li> <li>4) Part number including revision level</li> <li>5) Quantity</li> <li>6) Manufacturer's job number, lot code, batch code, date code, and/or serial number</li> <li>7) Title of authorized Manufacturer representative</li> <li>8) Signature of authorized Manufacturer representative</li> </ol>  |

#### 4. Sample Certificate of Conformance

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|---|--|
| Name and address of Vendor  | Springfield Iron Works<br>123 Happy Street<br>Somewhere, MD 23456    |
| Date  | 25/Mar/2015  |
| PO/contract number  | PO 1234  |
| Part number including revision level  | 8000234 Rev B  |
| Quantity  | 47   |
| Vendor's job number, lot code, batch code, date code, and/or serial number. | Job 4567, Lot no. 234561, Traveler 34-B,<br>Internal Tracking no. 34 |
| Title of authorized Vendor representative                                   | QA Manager   |
| Signature of authorized Vendor representative                               | <i>Homer Simpson</i>   |