Kampi Components Co., Inc.
Serving Government and O.E.M.

Kampi Components Co., Inc. Purchase Order Terms and Conditions

1.**ACCEPTANCE**: Supplier's acceptance of this purchase order shall constitute an agreement to all terms and conditions; including but not limited to purchase order price, quantity, delivery, specifications, terms, quality requirements, and regulatory requirements. Upon acceptance and acknowledgement this purchase order constitutes a binding agreement between the Supplier and Kampi. The terms and conditions cannot be changed without prior consent of both parties.

2.**EXCEPTIONS**: Exceptions to the purchase order of any kind must be submitted in writing for approval, disapproval, and purchase order amendment if required. Correspondence regarding this order must reference Kampi' s purchase order number.

3.**COMPLIANCE WITH LAWS:** Suppliers must comply with State and Federal Equal Opportunity Employment, Affirmative Action, Employment Compliance / Reporting and Regulatory Requirements. Upon request a certificate attesting to such compliance may be required.

4.**ETHICS BEHAVIOR & CORPORATE RESPONSIBILITY:** The reputation that Kampi Components Co., Inc. has earned for ethical standards is one of our greatest business assets. Our goal has never been solely to comply with the law, but to abide by the highest principles of integrity and concern for others.

We strive to conduct business in ways that reflect our standards of business conduct– collectively as a company and as individual employees within the company. Through communications and training, we continually link individuals – including business associates – to Our Values. We do not sacrifice our integrity to achieve business objectives.

Our sense of ethics and doing what is right are the cornerstones of Kampi Components Co., Inc.'s exemplary reputation. They allow us to gain respect and support within our communities, help provide a competitive advantage in the marketplace, and attract and retain individuals who not only demonstrate, but also demand high standards of business conduct. Please join us in maintaining Kampi Components Co., Inc's reputation for integrity in the years to come.

5.**PRODUCT QUALITY AND SAFETY:** Kampi Components Co., Inc. is committed to product quality and safety and must always consider them during the manufacture, marketing, and sales lifecycle. Our employees must know and follow all applicable laws, regulations, and internal policies, standards, and procedures and report and respond to concerns in a diligent manner. Our management is responsible for addressing reported concerns and ensuring that our employees are properly trained in applicable laws and regulations and internal policies, standards, and procedures. We also work with our vendors so that their operations support these same objectives. These efforts together help define, protect, and ensure the long-term success of our company.

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6.**EXPORT COMPLIANCE:** Suppliers must comply with all applicable laws and regulations regarding export-controlled items, including but not limited to:

a. Export Administration Regulations (EAR), 15 CFR 730-774 International Traffic in Arms Regulations (ITAR), 22 CFR 120-130
b. Arms Export Control Act, 22 USC 2751-2794

If the Supplier engages in the U.S. in the business of manufacturing or exporting of defense articles or furnishing defense services, the Supplier is hereby acknowledging that it is registered with the U.S. Department of State Directorate of Defense Trade Controls, as required under ITAR 122.1, and that it fully understands and complies to the rules and regulations of EAR and ITAR. Supplier will provide Kampi with applicable export control classifications (ECCN or USML# and Schedule B#) for the products supplied and agrees to notify Kampi if any product within this P.O. is restricted by export control laws or regulations. Supplier will immediately notify Kampi if Supplier is or becomes listed in any Excluded, Debarred, or Denied Parties List or if Supplier's export privileges are denied, suspended or revoked in any capacity by any U.S. Government Agency.

7.**PRODUCT FOR GOVERNMENT CONTRACTS:** If the purchased product is for a government contract it will be noted on the purchase order along with the DPAS rating. If this is a rated order certified for National Defense use, you are required to follow all provisions of the Defense Priorities and Allocations System regulation (15 CFR 700). Product must be new / unused and of domestic manufacture (unless noted otherwise). This applies only to the extent made applicable by the relevant FAR/DFAR/DLAD clauses.

8.**NONCONFORMITY AND NOTIFICATION OF CHANGE**: The Supplier must notify Kampi immediately of any non-conforming product identified in manufacturing, or any changes in product and / or processes that will affect any requirements or terms of the purchase order. Any nonconformities or deviations discovered at the Supplier's facility must be conveyed to Kampi immediately in writing, prior to shipment. Kampi has the right to request written corrective action from the Supplier in order to address any nonconformances. The Supplier cannot use dispositions of "use-as-is" or "repair" without specific written authorization from Kampi.

9.**FOREIGN OBJECT DAMAGE PROTECTION**: Supplier must maintain a Foreign Object Damage Protection Policy (FOD).

10.**CERTIFICATIONS**: Any certifications, test reports, material safety data sheets, and other documents required as per the purchase order, must accompany the product at the time of shipment and copies are to be maintained at the Supplier's facility.

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11.**FLOW-DOWN REQUIREMENTS**: Supplier must flow down to sub-tier suppliers any applicable requirements referenced in the purchase order including specifications, key characteristics, critical safety items, terms and conditions, and Kampi's customer contractual requirements.

12.**MANUFACTURING PLANS**: The Supplier is responsible for maintaining documented records of the manufacturing processes, steps, sequences, verifications, and qualifications. Kampi has the right to request the Supplier to submit evidence of any manufacturing plans or special processes if required. Changes in manufacturing processes must be conveyed to Kampi.

13.**RECORD RETENTION**: Supplier shall maintain any records associated with this transaction. These documents shall be on file and available to Kampi for a period of at least 7 years.

14.**RIGHT OF ACCESS**: It is agreed, that in the execution of this purchase order, Kampi Components and/or its prime contractor, including government and regulatory representatives, will be permitted on site to review vendor facilities and procedures, as deemed necessary.

15.**LIFE LIMITED ITEMS**: If a product has a shelf life, this purchase order requires 90% shelf life remaining upon receipt at Kampi unless otherwise specified on the PO. Shelf life and cure dates must be clearly identified on certifications and/or packing slips.

16.**FRAUDULENT/COUNTERFEIT ELECTRONIC PARTS**: If applicable, Supplier must have a fraudulent/counterfeit detection parts procedure for electronic components and parts, in compliance with AS6496 and/or AS5553. If providing parts from an unauthorized supplier Kampi must be notified in advance.

17.**FIRST ARTICLE REQUIREMENTS**: If required, Kampi will request first article inspection (FAI) or first article testing (FAT) requirements. Kampi will specify the first piece or first article inspection, testing, reporting, documents, and product requirements on the purchase order.

18.**APPROVED SUB-TIER SOURCES**: The Supplier shall ensure the capabilities of any sub-tier supplier (including QPL's) are utilized in the performance of this purchase order and is responsible for the quality of the sub-tier supplier's work.

19.**PACKAGING**: Supplier shall package all products for suitable and safe protection, preservation, and transportation to avoid any possible damage.

20.**DELIVERY**: Supplier must notify Kampi immediately if unable to ship as specified. Product not received by the purchase order delivery date, receipt of non-conforming product, or receiving deficient documentation could result in purchase order cancellation at no cost to Kampi. Supplier may also be liable for any penalties or additional costs incurred by Kampi as a result of late delivery or delivery of nonconforming product.

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21.**PAYMENT**: In order to avoid delays in payment, all requirements of the purchase order must be completed as specified within the purchase order and the purchase order terms and conditions.

22.**FORCE MAJEURE**: Neither party shall be responsible for any failure to fill an order when due to failure to obtain export licenses/authorization, fires, floods, earthquakes, riots, strikes, freight embargoes, transportation delays, shortage of labor, inability to secure fuel, material, supplies or power or other energy requirements, or on account of shortages thereof, acts of God or of the public enemy, or any existing or future laws or acts of Government (including specifically, but not exclusively, any orders, rules, or regulations issued by any official of any such government) affecting the conduct of either party's business which, or to any other cause beyond either party' s reasonable control.2

23.**QUALITY MANAGEMENT SYSTEM:** The Supplier shall establish, implement, and maintain a documented quality management system.

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