

## Terms & Conditions

By accepting a purchase order issued by Stony Manufacturing Inc., the supplier agrees to the following terms and conditions:

- Purchase order line items will specify adequate relevant information for fulfilling the purchase order (item numbers, specifications, drawings, process requirements, work instructions, etc). Referenced documentation (drawings, specifications, etc) may accompany purchase orders where applicable. As applicable, the purchase order will specify any special requirements, critical items, or key characteristics.
- As applicable, the purchase order will provide requirements for the approval of the following:
  - Products and services;
  - Methods, processes, and equipment;
  - The release of products and services;
  - The use of statistical techniques for product acceptance and related instructions for acceptance by Stony
- Communications regarding the purchase order should be with the Stony employee who issued the purchase order, must be written in English, and either mailed to the company address or delivered via email (office@stonymfg.com). Communication will be effective when received via US mail or email receipt.
- Delivery, Packaging
  - Packaging must protect products from damage and rust. Any specialized packaging will be specified in the purchase order.
  - Stony measures the on-time delivery performance of its suppliers. Stony expects 100% supplier on-time delivery. Suppliers falling below 90% on-time delivery may receive a corrective action request to address delivery issues.
  - Supplier must notify Stony of any delays to the product/service.
- Inspection
  - In lieu of source inspection by Stony, the supplier is delegated final verification of product/service conformance, including verification of markings, labeling, and product/service quality.
  - When specified, supplier must agree to provide test specimens for design approval, inspection/verification, investigation, or auditing.
  - Supplier must request a disposition from Stony for product deemed to be nonconforming prior to shipping.
  - Supplier must afford Stony, their representatives and regulatory agencies the right of entry to verify product/service conformity and any relevant documented information to specified requirements at any level of the supply chain.
- General Provisions
  - Supplier must maintain a quality management system appropriate for the work to be performed.

- Supplier must ensure that personnel performing work must be qualified and properly trained to perform assigned work, be aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
  - Supplier must notify Stony of changes to the process, service, including changes of their external providers or location of manufacturing and obtain Stony's approval.
  - No outsourcing allowed without written approval. When specified, the supplier must agree to utilize Stony -designated or approved external providers, including any processes, products, or services and obtain approval for their disposition.
  - Supplier must ensure that counterfeit parts are not used in the fulfillment of the purchase order. The supplier shall plan, implement and control processes, appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfoil part use and their inclusion in product(s) delivered to the customer.
  - Supplier must flow down to external providers applicable requirements, including government ratings and Stony requirements.
  - Supplier must maintain complete product/service records for 40 years from the date of order fulfillment, including product/service disposition.
- Confidentiality
    - The parties will keep confidential any information (whether written or oral) of a confidential nature obtained via purchase order agreement and will not, without the written consent of the other party, disclose that information to any person (other than their employees or professional advisers). This provision will not apply to (a) any information which has been published other than through a breach of the agreement; (b) information lawfully in the possession of the recipient before the disclosure under the agreement took place; (c) information obtained from a third party who is free to disclose it; and (d) information which a party is requested to disclose and, if it did not, could be required to do so by law.