



STANDARD TERMS & CONDITIONS

The purchase order, together with these terms and conditions, and any attachments and exhibits, specifications, drawings, notes, instructions and other information, whether physically attached or incorporated by reference (collectively the “Purchase Order”), constitutes the entire and exclusive agreement between the SBS Industries, LLC company (“SBS”) and the Supplier/Vendor (the “Supplier” or “Vendor”) identified in the Purchase Order.

Our organization reserves the right to identify the requirements for interaction with our external providers including:

- The use of interactive documentation;
- The use of email/Fax;
- Documented confirmation methods of all verbal interactions.

Our organization reserves the right of final approval of product and services, methods processes and equipment, and the final release of products and services.

Our Organization requires that the External Provider shall maintain the proper identification and revision status specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.

Our Organization requires that the Supplier must provide certification of conformance of the work being performed when required by SBS or other federal/state agencies.

Our Organization requires that all special processes required by this purchase order must be performed by competent qualified personnel.

Our Organization requires that the Supplier preserve, pack, package and handle the deliverables or service and products to protect from loss or damage and in accordance with best practices in the absence of any specifications SBS may provide. Without limiting the foregoing, Supplier shall observe the requirements of any local, state, & Federal laws and regulations relating to hazardous work, including, without limitation, with respect to its accompanying information, packing, labeling, reporting, carriage and disposal.

Our organization reserves the right to monitor our external provider’s performance including; Supplier risk, Quality of product or service delivered, and On-time delivery of product or service.

Our organization reserves the right of access by our representatives, our customers, and any regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

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Continued

Our organization reserves the right to require the need from external providers to:

- Implement a Quality Management System and we reserve the right to review and approve the External Providers Quality Management System.
- Require that the external provider uses customer-designated or approved external providers, including process sources (e.g., special processes)
- Require the External Provider to notify our organization of nonconforming product or services immediately upon discovery and obtain our organizational approval for nonconforming product disposition.
- Wherever applicable our organization reserves the right to require external providers to show evidence of processes to prevent the use of counterfeit parts.
- The External Provider is required to notify our organization of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations, our organization reserves the right to approve such changes.
- SBS supply chain is required to flow down the applicability requirements including customer requirements. All External Providers are required to flow down these requirements to all sub-suppliers. In addition, all raw material used in the manufacturing process must be DFAR & RoHS2 compliant unless otherwise stated on the purchase order.
- Our Organization reserves the right to require External Providers to provide test specimens for inspection/verification, investigation, or auditing.
- Our Organization requires that all External Providers are to retain all records associated with the purchase orders for a minimum of 15 years or as required by contract. Our organization requires the disposition of such documents to be controlled in accordance with the requirements of applicable QMS's.
- Calibration
 - o All supplier / sub-suppliers providing Calibration Services must be accredited in accordance with ISO17025 (or equivalent). All Calibration Certificates must identify standards used and must be traceable to NIST (National Institute of Standards Technology).
 - o All supplier /sub-supplier shall maintain a documented calibration system for the control and maintenance of measuring and test equipment.

Our Organization reserves the right to require and request evidence of External Providers ensuring that their personnel are aware of:

- Their contribution to product or service conformity;
- Their contribution to product safety;
- The importance of ethical behavior.
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