

## **TERMS & CONDITIONS:**

### **Purchasing Contact**

Supplier contact for all matters related to purchased products and services, including quality and delivery, shall be Judson A. Smith Company's Purchasing Department. The phone number for the Purchasing Department is 610-367-2021; the fax is 610-367-0962. Mailing Address:

Judson A. Smith Company  
857-863 Sweinhart Road P.O. Box 563  
Boyertown, PA 19512

### **Acceptance**

By accepting this order from Judson A. Smith the supplier warrants that an effective quality management system is in place and being utilized to fulfill this order. Commencement of performance pursuant to this Purchase Order constitutes acceptance of all the terms and conditions of this Purchase Order. Delivery date is defined as the date it is due on Judson A. Smith Company's dock. If the Seller cannot meet the delivery dates set forth by the Company in this Purchase Order, the Seller shall immediately inform the Company of the Seller's best possible delivery date for the Company's consideration. The Company shall then have the right to accept or reject the proposed delivery date and contract of purchase. "No change without prior approval."

### **Packing List/Shipping Documents**

Material received from suppliers must be accompanied by a packing list and all relevant shipping documents, which references the Judson A. Smith Company purchase order number.

### **Certification**

All raw material and designated outside process suppliers to Judson A. Smith Company shall provide a Certificate of Analysis, which must be received with the shipment of material. Certificate of Analysis must indicate the Judson A. Smith Company purchase order number, any requested specifications and the results of any required tests. Failure to provide certifications with received material shall be cause for rejection of the material at receiving/inspection. No invoice will be paid until certifications are received.

### **Traceability**

All material received at Judson A. Smith Company must be identified as to assure appropriate traceability. Raw material must indicate Judson A. Smith Company's purchase order number on certifications; material sent to subcontractors by Judson A. Smith Company shall retain traceability markings on containers, forms and tags, so as to assure traceability from Judson A. Smith Company to the sub-contractor, and back to Judson A. Smith Company. Relevant records should be retained for an indefinite period unless otherwise instructed.

### **Product Verification and Acceptance, and Discrepant Material**

Judson A. Smith Company shall perform a receiving inspection of material furnished, which may include various inspection methods and statistical techniques. Material found to be discrepant at receiving inspection shall be rejected, and handled in accordance with the provisions of Judson A. Smith Company Policies regarding inspection & Testing, and Control of Nonconforming Product. Rejected items which are returned by a supplier to Judson A. Smith Company after sorting or rework shall be kept separate from other material, and clearly identified as re-submitted.

### **Deviations from Purchase Order Requirements**

Supplier requests for deviation from purchase order requirements shall be directed to the Judson A. Smith Company's Purchasing Department. Judson A. Smith Company's Supply Chain Manager shall consult with the Material Review Board, and communicate approval or disapproval to the supplier. Without written notification of deviation approval from the Supply Chain Manager, the Supplier is to furnish material or service in compliance with all purchase order requirements.

### **Partial Shipments of Material**

Partial shipments of material represent additional cost to Judson A. Smith Company, in the form of additional manufacturing setups and missed delivery dates to customers. Suppliers who must make shipments of material which represent less than the full quantity ordered by Judson A. Smith Company shall notify the Supply Chain Manager in advance of the partial shipment, and shall indicate at that time the date and quantity of subsequent shipments to complete the order.

### **Packaging and Shipping**

The supplier shall maintain a system which ensures adequate control of the packaging and shipping phases of the process in order to protect material in consideration of expected shipping and storage conditions. Any special Judson A. Smith Company packaging requirements will be stated on the Purchase Order. Purchase orders will state the method of shipment.

### **Corrective Action**

Judson A. Smith Company shall employ a Discrepant Material Report (DMR) to identify material which fails to meet purchase order requirements. The Supply Chain Manager shall provide the supplier with a copy of the DMR, in the event that Judson A. Smith Company's Material Review Board requests corrective action of the supplier. The supplier's response to a request for corrective action shall be returned by the supplier to Judson A. Smith Company's Supply Chain Manager after no more than 15 calendar days, or as otherwise specified on the DMR. Suppliers requiring additional time to complete a corrective action response must notify the Supply Chain Manager. The supplier's response must identify the corrective action taken to prevent recurrence of the problem, and the repair or rework needed to bring the rejected material into conformance with the purchase order.

### **Supplier Subcontractors**

Material and services provided by suppliers' subcontractor shall be subject to the same Provisions as to suppliers. It is the supplier's responsibility to ensure that these Provisions are known and understood by their subcontractors throughout the entire supply chain. If designated or approved external process providers are required, they will be indicated on the purchase order.

### **Compliance with Laws**

Supplier represents and warrants that the performance of this order and the furnishing of goods called for shall be in accordance with the applicable standards, provisions, and stipulations of all pertinent Federal, State or local laws, rules, regulations, and ordinances.

### **Liens, Claims, and Encumbrances**

Supplier warrants and represents that Judson A. Smith Company will receive good title to all the goods and materials ordered herein, free and clear of all liens, claims, or encumbrances of any kind.

### **Risk of Loss**

Regardless of F.O.B. point, Supplier agrees to bear all risks of loss, injury, or destruction of goods and materials ordered herein which occur prior to delivery, and such loss, injury, or destruction shall not release Supplier from any obligation hereunder.

### **Compliance with Government Regulations**

By acceptance of the Purchase Order, Seller represents compliance with Executive Order 11246 (Non-segregated Facilities): EEO clause published at 41 CFR 60-1.4(a); Executive Order 13465 (Employment Eligibility Verification) and 73 FR 67704; 41 CFR 60-300.5(a) (discrimination against qualified protected veterans); Executive Order 13496 (Employee Rights Under National Labor Relations Act): 29 CFR 471, Appendix A to Subpart A; and, 41 CFR-60-741.5(a) et. seq. (this Page 9 of 11 regulation prohibits discrimination against qualified individuals on the basis of disability); and 21 CFR Part 820; and No child or forced labor materials are used in the processing of the order;

### **Ethics**

Suppliers are integral in ensuring end product conformity and safety. Suppliers must proactively promote ethical behavior within their organization; provide information that is accurate, completely objective, relevant, timely, and understandable; Maintain the confidentiality and security of information and drawings, regardless of form, entrusted to them by Judson A. Smith or its customers unless authorized, or legally obliged to do so; Ensure that all parts and information provided to Judson A. Smith are genuine in nature and supplied parts meet all technical, regulatory, and commercial specifications.

### **Fraud/Counterfeit Parts Prevention**

Fraud is defined as any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain. Judson A. Smith Senior Management has adopted a "no fraud tolerance" attitude. All suppliers have responsibility for preventing, detecting and reporting fraud. In addition to the definition of fraud set out above, this policy covers any dishonest or fraudulent act, including but not limited to: Disclosing confidential and proprietary information to outside parties; Intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to procure an advantage, benefit or gain; Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials..

### **Notification**

The supplier agrees to notify Judson A. Smith of the following for approval: Disposition of any non-conforming product, process, or service; Approval of any process, product, or service changes including external providers or location of manufacture. No process changes without prior approval from Judson A. Smith.

### **Validation or Verification Activities, Audits, and Test Specimens**

Supplier agrees to allow access to the applicable facilities and/or records by Judson A. Smith, their customers, and any regulatory authority, throughout the supply chain, if required Supplier agrees to supply test specimens when needed for inspection, investigation, verification and auditing.