

These Terms and Conditions of Purchase apply to every order supplied to Alloys International and supersede any conflicting Terms and Conditions imposed by the selling company. Further requirements are stated on the Purchase Order. If there are additional Quality Clauses noted on the Purchase Order, please reference the *Alloys International Quality Clauses* document for explanations.

1. **FLOW-DOWN OF REQUIREMENTS.** All Purchase Order requirements, as well as all requirements stated in these Terms and Conditions, must be flowed down through the entire supply chain. Any additionally stated requirements pertaining to the order, included special Quality Clauses, must also be flowed down through the entire supply chain.
2. **WORK TRANSFER.** Alloys International must approve in writing any change of distributor or work transfer prior to implementation.
3. **SUPPLIER AWARENESS.** Supplier needs to be aware of their contributions to product or service conformity and to product safety, as well as the importance of ethical behavior.
4. **CERTIFICATIONS.** Original mill test reports must accompany all material unless otherwise agreed in writing. Additional certificates of compliance for any processes must also accompany all material with traceability numbers included.
5. **TRACEABILITY.** Material must be traceable through the supply chain to its source of manufacture. Traceability (lot) numbering must be maintained from manufacturing through any secondary processing and on to delivery. This includes all markings and certifications.
6. **MATERIAL IDENTIFICATION.** All material must be physically identified with traceability number(s). Permanent marking on all pieces is preferred. If pieces are too small or numerous, then identification tags may be attached in duplicate. In the case of multiple lots of material, all lots must be physically separated and marked/tagged separately.
7. **FOREIGN OBJECT DEBRIS (FOD).** Material must be 100% free of any foreign object debris.
8. **PACKAGING.** Material must be packaged in a manner to prevent potential damage from rough handling.
9. **COUNTERFEIT PARTS PREVENTION.** Each supplier shall plan, implement, and control processes/products/services to ensure that counterfeit or suspected counterfeit parts do not become part of material shipped to Alloy International.
10. **CHAIN OF CUSTODY.** Full transparency of the entire chain of custody from original mill production until delivery to Alloys International must be made available when required in order to satisfy statutory and regulatory requirements, or when required by our customer or end-user.
11. **RECORD RETENTION.** All records pertaining to Alloys international orders must be maintained for a minimum of 50 years, unless we are made aware of a decision to do otherwise.
12. **RIGHT OF ENTRY.** This contract affords Alloys International, our customers, and any regulatory agencies the right of access to all facilities and documents involved.
13. **NOTIFICATIONS.** In the event that a product quality deficiency is found, or in the event of a change in product definition, Alloys International is to be notified immediately. In the event that your quality system or certification status changes, Alloys International must be notified immediately.
14. **PARTIAL SHIPMENTS.** No partial shipments are allowed without prior approval, unless freight charges are prepaid.
15. **FREIGHT AND PACKAGE INSURANCE.** All freight billed to Alloys International is covered for damage and loss under an outside insurance contract. Do not insure any collect shipments to Alloys

International, nor any shipments where Alloys International is the 3<sup>rd</sup> party payor for said freight charges. Any accidental insurance charges will be the responsibility of the shipper.

16. **LATE DELIVERIES.** Every effort must be made to deliver product on time. If delays are expected, Alloys International is to be notified immediately.
17. **DESIGN AND DEVELOPMENT.** Alloys International does not perform any design or development. However, if design or development encompasses a part of the products/services that you supply, then all of our customer requirements must be flowed down to your external providers, including but not limited to material, specification, drawing requirements, etc. Verification and approval of these requirements will be performed by Alloys International.
18. **PRECEDENCE.** If any requirements on our Purchase Order, including any Quality Clauses, differ from that on these Terms and Conditions, then the Purchase Order and Quality Clauses shall prevail. Additionally, these Terms and Conditions supersede and override any conflicting Terms and Conditions by the seller, unless agreed in writing.
19. **LATEST REVISION.** The latest revision of these Terms and Conditions at the time the Purchase Order was written always supersedes any previous T&C versions.
20. **FORCE MAJEURE.** Alloys International will not be liable for any delay or failure to fulfil its obligations under a contract if the delay or failure results from an event of Force Majeure. **Force Majeure** means an event that was not foreseeable by the affected party at the time of execution of the contract, is unavoidable and outside the reasonable control of the affected party, provided that it cannot overcome such event despite all reasonable efforts, and that it provides notice to the other party within a reasonable time frame. Alloys international may terminate the contract forthwith by written notice without liability in the case of a force majeure event.
21. **TERMINATION FOR DEFAULT.** Alloys International may, by written notice, terminate the whole or any part of the order in any of the following circumstances: (i) if seller fails to deliver the goods or fails perform the services required by the order within the time specified therein, or any extension thereof granted by Buyer in writing; or (ii) if seller fails to perform any of the other provisions of the order or so fails to make progress as to endanger performance of the contract in accordance with its terms.
22. **TERMINATION FOR CONVENIENCE.** Alloys International may, by written notice, terminate an order, in whole or in part, for the convenience of the buyer for any reason.
23. **SEVERABILITY.** If any of these Terms and Conditions are waived in writing by Alloys International, all other Terms and Conditions shall remain intact.
24. **CODE OF CONDUCT.** Alloys International's Code of Conduct can be found on our website. All parties involved in an order are expected to follow similar conduct.
25. **ENVIRONMENTAL, HEALTH AND SAFETY POLICY.** Alloys International's Environmental, Health and Safety Policy can be found on our website. All parties involved in an order are expected to follow similar policies.
26. **ANTI-DRUG POLICY.** Alloys International's Anti-Drug Policy may be found on our website. All parties involved in an order are expected to follow similar policies.