

CAMATECH Inc.
Conditions of Purchase Order**ACCEPTANCE OF CONTRACT**

This order, when accepted by your company (the Seller), shall constitute the entire contract with reference to its subject matter. If the seller is unable to deliver as per the instructions on the face hereof, or attached hereto, CAMATECH INC. (the Purchaser / Buyer) reserves the right to cancel this order in whole or in part without further obligation to the Purchaser. **CONFIRMATION IS REQUIRED ON ALL PURCHASE ORDERS.**

QUALITY AND INSPECTION

All articles, materials and or work supplied hereunder, whether by the Seller or a supplier to the Seller, shall be of new quality and free of defects. If any article, material, or work, in the Purchasers opinion, fails to conform to the Purchasers specifications, or is otherwise defective, the Seller shall promptly replace any article, material or work at the Seller's sole expense. No payment or acceptance by the Purchaser hereunder shall constitute a waiver of the forgoing, nor shall anything herein contained be construed to exclude or limit any warranties implied by law.

- All material must be **DFARS, AS9100, ISO9001, NADCAP and/or Controlled Goods Directive compliant (CGD)** unless otherwise stipulated in PURCHASE ORDERS.
- supply product conforming to the technical data provided via specifications, drawings, process requirements and work instructions that meet all customer requirements, approved vendors lists and key characteristics and that is verified through quality management systems, relevant testing, inspection, auditing, applicable statistical methods by competent and qualified personnel (requirements for approval of product, procedures, processes and equipment apply,
- when applicable, the Seller shall provide and maintain a Quality Management System that is registered to or compliant with AS9100, ISO9001, NADCAP and/or Controlled Goods Directive (latest revision). The Sellers capability to perform satisfactorily to these requirements shall be demonstrated by having either:
 - certification from an accredited registrar,
 - approval as QML / QPL,
 - evidence of Seller's customer or third-party approval.
- the identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data applies. Certificate of Compliance (C of C) is required on all shipments.
- requirements for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instructions for acceptance by the organization, and is applicable to critical items including key characteristics applies.
- requirements for test specimens (e.g., production, number, storage conditions) for design approval, inspection / verification, investigation or auditing applies.
- requirements regarding the need for the supplier to:
 - notify the organization of non-conforming product,
 - obtain organization approval for non-conforming product disposition,
 - notify the organization of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval,
 - flow down the supply chain the applicable requirements including customer requirements.
- the supplier shall maintain Quality records that provide evidence of product conformity to requirements for a minimum of 20 years after final delivery or according to procurement documentation. Unless otherwise required by customer terms or requirements. These records shall be made available to the Buyer upon request.
- rights of access by the organization, their customer and 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 that apply.

Neither this contract nor any claim against the Purchaser in connection with this contract shall be assignable by the Seller without the prior written consent of the Purchaser.

If the Seller becomes insolvent, enters into Bankruptcy (voluntarily or involuntarily) or makes an assignment for creditors, the Purchaser reserves the right to cancel this order in whole or in part, at the sole discretion of the Purchaser and without obligation to the Purchaser.

COUNTERFEIT PARTS

The Seller shall supply new and authentic parts:

- no counterfeit or suspect counterfeit parts are to be supplied,
- distributors shall purchase parts directly from the Original Component Manufacturer / Original Equipment Manufacturer (OCM / OEM) or through an authorized Distributor,
- upon receipt of parts CAMATECH INC. requested Certification documentation must provide information that authenticates traceability to the applicable OCM / OEM assignment.

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FOREIGN OBJECT (F.O.D.) PREVENTION

The Seller shall implement all necessary arrangements for an effective Foreign Object Damage (FOD) Prevention program to reduce FOD. The Seller's program shall utilize effective FOD Prevention practices to prevent, detect and eliminate foreign object debris during manufacturing, assembly, inspection, storage, maintenance, packaging and shipping. The program shall be proportional to the sensitivity of the design of the product(s) to FOD, as well as, to the FOD generating potential of the manufacturing methods. For Aerospace Supplier, FOD Prevention Program shall be in compliance with AS/EN/SJAC 9146.

PERSONNEL COMPETENCE AND AWARENESS

The Seller shall be responsible for ensuring competency of personnel, including necessary qualification they must possess and that their personnel are aware of:

- their contribution to product compliance or service conformity,
- their contribution to Product Safety through manufacturing, inspection, packaging and shipping,
- the importance of Ethical Behavior and Confidentiality.

CONFIDENTIALITY

All information concerning this order is to be considered confidential by the Seller and is not to be communicated to any third party without the written consent of the Purchaser. Dissemination of any information concerning this order to the Seller's employees and or officers shall be strictly limited to those employees or officers directly concerned with the manufacture or supply of the item listed on the face of this order and its accompanying documentation.

GOVERNING LAW

The Laws of the Province of Ontario shall govern the terms, interpretation, and the rights of the parties under this contract in the supplying and the manufacture of the goods. The Seller shall comply with laws of the place of origin and shall so manufacture the goods as to comply with the laws of the place of destination.

MARKINGS AND DOCUMENTATION

All Seller's documents pertaining to this order must display the Purchaser's order number and any additional information detailed in the supporting documentation conveyed to you with the order. Buyer may refuse to accept item if Seller fails to submit certifications, documentation, test data or reports required for procurement.

SUBSTITUTIONS

Substitutions of goods or services are not permitted without prior written consent of the Purchaser. Unauthorized substitutions of goods or services by the Seller shall be just cause for cancellation of this order by the Purchaser without further obligation of the Purchaser.

CORRECTIVE ACTION REQUEST

When a quality problem exists with any Seller item, Buyer may forward a "Corrective Action Request" to the Seller, requiring timely response (as stated on the Corrective Action Request), that shall include the following information:

- containment action,
- analysis of the cause of the problem (Root Cause),
- statement of the action taken to prevent recurrence,
- effectiveness of the action taken.

PURCHASER SUPPLIED ITEMS

Responsibility for the security and integrity of all items supplied by the Purchaser to the Seller that are to be incorporated into manufactured product or work performed as set out in this order rests solely with the Seller, excepting transportation to and from the Seller's premises. All discrepancies in item type and quantities received by the Seller shall be reported to the Purchaser within two working days of receipt by the Seller. The Seller shall be responsible for maintenance of a proper accounting of all Purchaser supplied items at all times and such accounting shall be available to the Purchaser on demand.

PARTIAL SHIPMENT

No partial shipments, short shipments or shipments with back orders are allowed without prior written consent of the Purchaser. Acceptance of any such shipment made by the Seller without the Purchaser's written consent is solely at the option of the Purchaser and any such shipment by the Purchaser remains at the sole risk and expense of the Seller.

SHELF LIFE, STORAGE OF GOODS AND / OR HAZARDOUS MATERIALS

If the Seller's goods supplied under this order have a limited shelf life or require certain storage conditions or are classed as hazardous goods by Transport Canada, then such information shall be supplied to the Purchaser in separate documentation sent with the Seller's commercial invoice to the Purchaser. Any documentation that may be attached to the goods by the Seller to satisfy any requirements of law concerning transportation of these goods is to be considered to be in addition to the documentation requirement mentioned elsewhere in this clause.