



PURCHASE ORDER TERMS AND CONDITIONS

General Clauses

1.	Shipping Tolerance for Wire and Cable orders is +10% / -0%.
2.	Any item received 4 days prior to the delivery is subject to return. Supplier will be responsible for incoming and return transportation changes.
3.	Vermillion reserves the right to cancel all, or any part of, the undelivered portion of this order, without penalty to Vermillion, if Seller does not make deliveries as provided in this contract or if Seller breaches any of the terms hereof.
4.	Vermillion requires confirmation of all purchase orders in 24 hours. Any difference must be communicated in 24 hours. If an order is not confirmed by supplier, Vermillion will consider order is not valid.
5.	Vermillion reserves the right to specify manufacturer of products.
6.	No substitutions shall be made without Vermillion's written approval.
7.	When a rated government contract is involved, all parties will abide by the DPAS rules and regulations. These rules and regulations can be found at http://guidebook.dcmamil/38/DPAS%20Guidebook.htm . Vermillion will provide contract number and DPAS rating with order.
8.	Seller's packing lists are to reflect the same part number and specifications of the PO.
9.	All parts ending with MX require a NAFTA certificate of origin.
10.	ITAR controlled products must be identified.
11.	Anything less than 116 lbs must be shipped Fed Ex, unless otherwise specified. Please use Vermillion's Fed Ex account for charges. If 116 pounds and over, please contact UTS @ 1-800-216-3806, www.myuts.net for instruction.

Quality Clauses

12.	Seller shall have a quality system in compliance with AS9100C, ISO9001:2008 or other applicable quality system requirements.
13.	Seller warrants all products to be free from defects.
14.	Manufacturer's Certificate of Compliance, with signature, is required on all shipments. Test reports required for wire, cable and shrinkable products, including shrinkable product contained in kits. Certificate of Analysis required with solder, flux, adhesives, potting compounds, etc.
15.	Limited life items must have 75% of shelf life remaining. Date of manufacture, lot number and shelf life requirement must be included. Shelf life to be calculated against military specifications, where available; not vendor or commercial specifications.
16.	Nonconforming material may be returned at full invoice price plus applicable incoming and return transportation charges. RMA's will be issued within 24 hours of request. If not received in 24 hours, Vermillion will return for credit. Seller will be responsible for initial freight and return freight.
17.	Supplier may not ship nonconforming product without written approval from Vermillion. Vermillion must be notified within 2 business days of any delivered product found to be

	nonconforming.
18.	Supplier shall notify Vermillion for approval of changes in product and/or processes, changes of suppliers or changes of manufacturing facility location.
19.	With prior notice, Vermillion, Vermillion's customers, and regulatory authorities will have the right to inspect any and all material and records at all facilities involved in this order.
20.	Requirements of this PO, including Vermillion's customer requirements, will be flowed down to all sub-tier suppliers.
21.	For manufacturers, all inspection records and manufacturer's Certificate of Compliance must be retained for ten (10) years; for distributors, records must be retained for seven (7) years.
22.	Supplier shall control calibration of all measuring devices against certified standards traceable to the National Institute of Standards and Technology (NIST) or applicable international standard; where no such standards exist, the basis used for calibration or verification shall be recorded.
23.	Material Safety Data Sheets (MSDS), if applicable, are required with each shipment.
24.	First article inspections shall be performed in accordance with AS9102. For Vermillion-designed product, documentation shall accompany first article shipment.

Counterfeit Parts

25.	Seller shall maintain a counterfeit parts detection process that meets the intent of SAE AS5553.
26.	Seller shall ensure only new and authentic materials are delivered to Vermillion. The seller may only purchase parts directly from the Original Component Manufacturers (OCMs), OCM authorized distributors, or authorized aftermarket manufacturers. Use of product that was not provided by these sources is not authorized unless first approved in writing by Vermillion. The seller must present compelling support for this request (e.g., OCM documentation that authenticates supply chain traceability of the parts to the OCM), and include in its request all actions taken to ensure the parts procured are authentic/conforming parts.
27.	The seller shall maintain a method of item supply chain traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and Electromechanical (EEE) parts being delivered per this contract. This supply chain traceability shall clearly identify the name and location of all the supply chain intermediaries from the manufacturer to the direct source of the product for the seller and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications.
28.	The seller shall supply full supply chain traceability including copies of Electrical, Electronic, and Electromechanical (EEE) part Manufacturer Certificates of Conformance (C of C). The C of C supplied by the Manufacturer shall be copied and passed through to the end customer. The seller's certificate shall also accompany each shipment of product to the end customer. In no case shall the manufacturer's certificate be altered or show signs of alteration. The seller shall retain copies of certificates with the lot records until the lot is completely shipped.