(A) GENERAL:

(A.1) GENERAL ELECTRIC (GE) IS THE END USER.

(A.2) DURING PERFORMANCE OF THIS ORDER, YOUR QUALITY CONTROL SYSTEMS
 AND MANUFACTURING PROCESS ARE SUBJECT TO REVIEW, VERIFICATION,
 ANALYSIS, AND APPROVAL BY TCT, AND AUTHORIZED VOLVO AND FAA
 REPRESENTATIVES.

(A.3) TCT, VOLVO, AND THE FAA SHALL BE AFFORDED THE RIGHT TO
 VERIFY AT THE SUPPLIER’S PREMISES ANY INFORMATION RELATING TO THE
 MANUFACTURE, PROCUREMENT, TESTING, AND/OR INSPECTION OF PRODUCT
 REQUIRED FOR THE PERFORMANCE OF THIS ORDER.

(A.4) SUPPLIER IS RESPONSIBLE FOR COMPLYING WITH ALL OF THE
 REQUIREMENTS OF THIS PURCHASE ORDER INCLUDING PROVIDING COMPLETE AND
 PROPER DOCUMENTATION WITH EACH SHIPMENT OF PRODUCT. IF THE REQUIRED
 DOCUMENTATION IS INCOMPLETE OR INCORRECT, THE SUPPLIER’S ACCOUNT MAY
 BE DEBITED $200.00 PER OCCURRENCE.

(A.5) SUPPLIER IS SUBJECT TO ALL TERMS AND CONDITIONS SPECIFIED ON THE
 REVERSE SIDE OF THIS PURCHASE ORDER.

(A.6) THE INFORMATION DISCLOSED HEREIN IS PROPRIETARY WITH
 TURBOCOMBUSTOR TECHNOLOGY, INC (TCT), VOLVO, AND/OR GE, AND SHALL NOT BE DUPLICATED, USED,
 OR DISCLOSED TO REPRODUCE ARTICLES OR SUBJECT MATTER COVERED THEREIN WITHOUT WRITTEN
 PERMISSION OF TCT. BY ACCEPTANCE OF THIS P.O., THE SUPPLIER AGREES TO AFFIX THIS STATEMENT TO
 ANY DUPLICATION THEREOF IN WHOLE OR IN PART.

(A.7) UNLESS OTHERWISE STATED, ALL QUANTITIES STATED HEREIN ARE
 ESTIMATED QUANTITIES ONLY. TCT’S ACTUAL REQUIREMENTS MAY IN FACT BE
 LESS THAN THE AMOUNTS LISTED AS "MAXIMUM" OR "TOTAL". THE FACT THAT
NO RELEASES ARE MADE, OR THAT THE RELEASES MADE ARE LESS THAN THE
ESTIMATED QUANTITIES, WILL NOT SERVE AS A BASIS FOR AN EQUITABLE
ADJUSTMENT UNDER THE "CHANGE" CLAUSE OR ANY TERMINATION CLAUSE. TCT
MAY MAKE NO GUARANTEE, WARRANTY, OR ANY OTHER REPRESENTATION THAT ANY
THE QUANTITIES STATED IN THIS AGREEMENT WILL IN FACT BE REQUIRED. ANY
COST SELLER INCURS OUTSIDE THE AGREED UPON LEAD TIME IN ANTICIPATION
OF RELEASED REQUIREMENTS WILL BE SOLELY AT THE SELLER’S OWN RISK AND
TCT ASSUMES NO LIABILITY THEREFOR.

(A.8) ANY EXPEDITED DELIVERY COSTS (E.G. AIR FREIGHT) CAUSED BY
NON-ADHERENCE TO THE PURCHASE ORDER SCHEDULE SHALL BE THE
RESPONSIBILITY OF THE SUPPLIER.

(A.9) UNLESS OTHERWISE APPROVED IN WRITING BY TCT, PRODUCT SHALL NOT
BE DELIVERED EARLIER THAN TEN (10) DAYS PRIOR TO THE REQUIRED DELIVERY
DATE SPECIFIED ON THE PURCHASE ORDER. AT TCT’S DISCRETION, THIS
PRODUCT MAY BE RETURNED AT THE SUPPLIER’S EXPENSE.

(B) QUALITY SYSTEMS:

(B.1) SUPPLIER MUST BE CERTIFIED TO ISO9001.

(B.2) SUPPLIER’S QUALITY SYSTEM MUST CONFORM TO SQAR 215.

(B.3) N/A.

(B.4) SUPPLIER IS RESPONSIBLE FOR FLOWING DOWN AND FOR ENSURING
ADHERENCE TO THE REQUIREMENTS OF THIS PURCHASE ORDER BY ALL SUB-TIERS.

(B.5) NADCAP APPROVAL OR CURRENT GT-193 IS REQUIRED FOR THE PERFORMANCE OF ALL SPECIAL
PROCESSES AS IDENTIFIED IN SQAR 215 AND/OR THE GE SOURCE SUBSTANTIATION LISTING (SSL).

(B.6) SUPPLIER WILL RETAIN ALL RECORDS IN ACCORDANCE WITH SQAR 215 (UP
to 40 YEARS, DEPENDING ON THE RECORD TYPE), AND WILL MAKE THESE
RECORDS AVAILABLE TO TCT AND/OR VOLVO UPON REQUEST WITHIN 24 HOURS.
(B.7) AS REQUIRED TO VERIFY PRODUCTS AND PROCESSES, SUPPLIER SHALL USE
AND MAINTAIN CALIBRATED INSPECTION AND TEST EQUIPMENT IN ACCORDANCE
WITH ANSI/NCSL Z540.1, ISO 10012, AND ISO/IEC 17025, AS APPLICABLE.

(C) SOURCE SUBSTANTIATION AND FIRST ARTICLE REQUIREMENTS:
(C.1) SPECIAL PROCESSES SHALL NOT BE PERFORMED WITHOUT WRITTEN
AUTHORIZATION (VIA BLUEPRINT, P.O., OR SIMILAR). SOURCE SUBSTANTIATION
/ APPROVAL IS REQUIRED FOR ALL SPECIAL PROCESSES IN ACCORDANCE WITH GE S-1001 and P1TF17. NO
CHANGES MAY BE MADE TO APPROVED SOURCES OR PROCESSES WITHOUT TCT AND/OR VOLVO APPROVAL,
AS APPLICABLE.

(C.2) MATERIAL SHALL BE TESTED AND CERTIFIED BY A GE-APPROVED LAB IN ACCORDANCE WITH S-1001.

(C.3) UNLESS OTHERWISE SPECIFIED ON THE PURCHASE ORDER, A FIRST
ARTICLE SHALL BE MANUFACTURED, AND INSPECTION RESULTS SHALL BE
DOCUMENTED IN ACCORDANCE WITH S-1002. BOTH THE PRODUCT AND INSPECTION RESULTS SHALL BE
SUBMITTED TO AND APPROVED BY TCT ENGINEERING (AND/OR VOLVO IF APPLICABLE) PRIOR TO
CONTINUING PRODUCTION.

(D) PRODUCT REQUIREMENTS:
(D.1) UNLESS OTHERWISE APPROVED IN WRITING BY TCT OR VOLVO, 100% INSPECTION TO THE BLUEPRINT
(B/P) AND/OR P.O.
REQUIREMENTS SHALL BE PERFORMED ON ALL PRODUCT PRIOR TO SHIPMENT. ALL
SAMPLING PLANS SUBMITTED FOR APPROVAL SHALL BE STATISTICALLY VALIDATED
USING A SAMPLE SIZE OF AT LEAST 25. ONCE APPROVED, SPC METHODS SHALL
CONTINUE TO BE USED TO ENSURE THE PROCESS CAPABILITY (CPK) IS
MAINTAINED AT OR ABOVE A 1.3.

(D.2) HEAT NUMBER / LOT TRACEABILITY SHALL BE MAINTAINED FOR ALL
MATERIALS / PRODUCT DURING ALL STAGES OF PROCESSING THROUGH SHIPMENT
TO TCT.

(D.3) UNLESS OTHERWISE SPECIFIED, RAW MATERIAL SHALL BE LINE MARKED
WITH THE MATERIAL TYPE AND INDUSTRY SPECIFICATION, SIZE, MILL NAME, AND HEAT NUMBER. PROCESSED MATERIALS SUCH AS CASTINGS, FORGINGS, AND BLANKS SHALL BE INK MARKED WITH THE PART NUMBER AND HEAT NUMBER IF NOT OTHERWISE SPECIFIED ON THE P.O., B/P, OR OTHER REFERENCED DOCUMENTS.

(D.4) IF AN S-400 APPROVED LAB IS NOT USED (REFERENCE C.2), A SAMPLE OF MATERIAL OF THE SAME HEAT CODE AS THE PRODUCT SHALL BE PROVIDED FREE OF CHARGE TO TCT FOR INDEPENDENT VERIFICATION OF RAW MATERIAL PROPERTIES. THE SAMPLE SIZE SHALL BE 6" X 6" FOR SHEET, STRIP, OR PLATE; 6" LENGTH FOR WIRE, TUBE, OR BAR; OR AS OTHERWISE AGREED UPON FOR OTHER PRODUCT TYPES. THIS REQUIREMENT WILL BE IMPOSED BY MATERIAL SPECIFICATION AT A MAXIMUM FREQUENCY OF ANNUALLY OR WITH EACH SHIPMENT, WHICHEVER IS LESS. (GROUPING OF MULTIPLE PRODUCTS AND/OR MULTIPLE P.O.'S BY COMMON MATERIAL SPECIFICATIONS IS ACCEPTABLE.)

(D.5) ANY SPECIALTY METALS INCORPORATED IN ARTICLES DELIVERED UNDER THIS PO SHALL BE MELTED IN THE UNITED STATES OR OTHER QUALIFYING COUNTRY IN ACCORDANCE WITH DFARS CLAUSE 252.225-7014, "PREFERENCE FOR DOMESTIC SPECIALTY METALS", AND DFARS CLAUSE 225.872-1, "CONTRACTING WITH QUALIFYING COUNTRY SOURCES - GENERAL".

(E) SHIPPING REQUIREMENTS:

(E.1) PACKAGING SHALL BE ADEQUATE TO PREVENT DAMAGE AS WELL AS EXCESSIVE SHIFTING DURING TRANSIT.

(E.2) ALL CONTAINERS OVER 50 LB GROSS WEIGHT SHALL BE PLACED ON A PALLET TO ENABLE MECHANICAL HANDLING.

(E.3) PAPER, CARDBOARD, OR OTHER SUITABLE MEANS SHALL BE USED TO PREVENT METAL-TO-METAL CONTACT BETWEEN ALL MACHINED/FINISHED SURFACES
OF PRODUCT.

(E.4) PACKAGING SHALL BE CLEARLY IDENTIFIED WITH THE FOLLOWING INFORMATION: SUPPLIER NAME, P.O. NUMBER, PART NUMBER OR PRODUCT DESCRIPTION, BATCH NUMBER OR HEAT NUMBER, AND SHELF LIFE (IF APPLICABLE).

(F) DOCUMENTATION REQUIREMENTS:


(F.2) CERTIFICATE OF CONFORMANCE, WHICH INCLUDES SUPPLIER'S INFORMATION, THE PART NUMBER AND QUANTITY BEING SHIPPED, HEAT NUMBER, THE PACKING SLIP NUMBER, REFERENCE TO DOCUMENTATION AUTHORIZING SHIPMENT OF NONCONFORMING PRODUCT (IF APPLICABLE), AND THE P.O. NUMBER.

(F.3) UNALTERED PRODUCING MILL CERTIFICATION FROM AN APPROVED TESTING LAB, INCLUDING RAW MATERIAL TESTING RESULTS AND REFERENCES TO MATERIAL SPECIFICATIONS AS REQUIRED BY P.O.OR B/P AND TRACEABLE TO EACH HEAT CODE, SHALL BE INCLUDED WITH EACH SHIPMENT.

(F.4) MATERIAL SAFETY DATA SHEET (MSDS) - ONLY REQUIRED WITH THE INITIAL SHIPMENT ON THIS P.O.

(F.5) DOCUMENTATION FROM TCT AUTHORIZING SHIPMENT OF NONCONFORMING PRODUCT (IF APPLICABLE), WHICH REFERENCES THE P.O. NUMBER, PART NUMBER AND QUANTITY AUTHORIZED FOR SHIPMENT.

(F.6) N/A.

(F.7) N/A.
(G) NONCONFORMING PRODUCT:

(G.1) IF TCT ENGINEERING HAS AGREED IN WRITING (PRIOR TO SHIPMENT) TO ACCEPT NONCONFORMING PRODUCT IN ITS CURRENT CONDITION, THE SUPPLIER SHALL SUPPLY A SEPARATE CERTIFICATE OF CONFORMANCE FOR THE NONCONFORMING PRODUCT, REFERENCING THE P.O. NUMBER, PART NUMBER, QUANTITY, MEANS OF TRACEABILITY, ETC. THE DOCUMENT SHALL ALSO STATE THAT THE PRODUCT DOES NOT FULLY CONFORM TO THE PURCHASE ORDER REQUIREMENTS AND SHALL IDENTIFY AND TAKE EXCEPTION TO THE SPECIFIC NONCONFORMANCES IDENTIFIED. SUPPLIER SHALL ALSO INCLUDE DOCUMENTATION FROM TCT AUTHORIZING ITS SHIPMENT.

(G.2) IF PRODUCT IS FOUND TO BE NONCONFORMING UPON RECEIPT BY TCT (AND WITHOUT PRIOR NOTIFICATION OF THE NONCONFORMANCE BY THE SUPPLIER AND SHIPMENT AUTHORIZATION BY TCT), AND IS DEEMED BY TCT ENGINEERING TO BE REWORKABLE TO A USABLE CONDITION, SUPPLIER MAY BE HELD RESPONSIBLE FOR ALL COSTS INCURRED BY TCT ASSOCIATED WITH REWORKING THE PRODUCT, UP TO ITS ORIGINAL PURCHASE PRICE.

(G.3) WHEN SHIPPING TO TCT, NONCONFORMING PRODUCT SHALL BE PHYSICALLY IDENTIFIED USING A TEMPORARY METHOD OF IDENTIFICATION (PREFERABLY A RED TAG). NONCONFORMING PRODUCT, WHEN SHIPPED WITH CONFORMING PRODUCT, SHALL BE SEGREGATED IN SEPARATE BAGS, BOXES, OR OTHER APPROPRIATE PACKAGING. THE PACKING SLIP SHALL IDENTIFY THE NONCONFORMING PRODUCT (QUANTITY AND IDENTIFICATION/TRACEABILITY) SEPARATELY FROM THE CONFORMING PRODUCT.

[NEW 06/21/10; REVISED SQAR REFERENCES IN B2,B5,B6,C1,C3 05/31/12]