

Triton Alloys Corp

36 Sawgrass Dr. Bellport, NY 11713

Document QAP-SC0002-04

Terms and Conditions of our purchase orders.

1. **EXTRA CHARGES.** No charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by Purchaser in writing. Price is to cover net weight of material unless otherwise agreed.
2. **TRANSPORTATION.** Transportation of goods purchased will be F.O.B. Destination - Freight Collect, as detailed on this order – unless otherwise stated on the face of the order. No premium transportation or insurance costs will be allowed unless authorized in writing. "Risk of loss of goods ordered hereunder regardless of cause shall be Seller's responsibility until goods have been delivered to the F.O.B. point specified on the face of the purchase order".
3. **DELIVERY SCHEDULE.** Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Purchaser's delivery schedule. It is Seller's responsibility to comply with this schedule but not to anticipate Purchaser's requirements. Goods shipped to Purchaser in advance of schedule may be returned to Seller at Seller's expense.
4. **DELAYS IN DELIVERY.** Seller will not be liable for damages for delays in delivery due to causes beyond its reasonable control. It is Seller's responsibility to comply with this schedule but not to anticipate Purchaser's requirements. Goods shipped to Purchaser in advance of schedule may be returned to Seller at Seller's expense. If Seller; however, for any reason does not substantially comply with Purchaser's delivery schedule, Purchaser at its option may either approve a revised delivery schedule or may terminate the order without liability to Seller on account thereof.
5. **REJECTIONS.** If any of the goods are found at any time to be defective in material or workmanship or otherwise not in conformity with the requirements of the order including drawings and specifications, Purchaser, in addition to any other rights which it may have under warranties or otherwise, shall have the right to reject and return such goods at Seller's expense, such goods not to be replaced without suitable written authorization from Purchaser.
6. **PURCHASER'S PROPERTY.** Unless otherwise agreed in writing, all tools, equipment or material of every description furnished to Seller by Purchaser or specifically paid for by Purchaser and any replacement thereof or any materials affixed or attached thereto, shall be and remains the personal property of Purchaser. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of Triton Alloys Corp." and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Purchaser's property and shall not use such property except in filling Purchaser's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Purchaser and shall be subject to removal at Purchaser's

written request, in which event Seller shall prepare such property for shipment and shall redeliver to Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted.

7. CHANGES. Purchaser shall have the right to make changes in the order, but no additional charge will be allowed unless authorized in writing by Purchaser. If such changes affect delivery or the amount to be paid by Purchaser, Seller shall notify Purchaser immediately and negotiate an adjustment.

8. NON-ASSIGNMENT. Assignment of this order or any interest therein or any payment due to become due thereunder without the written consent of Purchaser shall be void.

9. SET-OFF. Purchaser shall be entitled at all times to set-off any amount owing from Seller or any of its affiliated companies against any amount due or owing Seller with respect to this order.

10. COMPLIANCE WITH LAWS. Seller shall comply with all applicable State, Federal and local laws, rules and regulations. Without limiting the generality of the foregoing, Seller in accepting this order represents that the goods to be furnished or the services to be rendered hereunder were or will be produced or performed in compliance with all applicable requirements of Section 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended and of all valid and applicable regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof. Seller shall insert a certificate on all invoices submitted in connection with this order stating that the goods or services were produced or rendered in accordance with the foregoing representation.

11. INFORMATION DISCLOSED TO PURCHASER. Any knowledge or information which Seller shall have disclosed or may hereafter disclose to Purchaser in connection with the purchase of the goods or services agreed upon in writing by Purchaser will be deemed to be confidential or proprietary information, and shall be acquired free from any restriction [other than a claim for patent infringement] as part of the consideration for this order.

12. FOR WORK ON PURCHASER'S OR ITS CUSTOMER'S PREMISES. If Seller's work under the order involves operations by Seller on the premises of Purchaser or one of its customers, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and, except to the extent that any such injury is due solely and directly to Purchaser's or its customers negligence, as the case may be, shall indemnify Purchaser against all loss which may result in any way from any act or omission of Seller, its agents, employees or subcontractors, and Seller shall maintain such Public Liability, Property Damage and Employee's Liability and Compensation insurance as will protect Purchaser from said risks and from any claims under any applicable Workmen's Compensation and Occupational Disease Acts. Certificate of insurance required prior to starting work.

13. TERMINATION. If Seller ceases to conduct its operations in the normal course of business [including inability to meet its obligations as they mature] or if any proceeding under bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for benefit of creditors is made by Seller, Purchaser may terminate the order without liability except for deliveries previously made or for goods covered by the order then completed and subsequently delivered in accordance with the terms of the order.

14. QUANTITIES. It is the Seller's responsibility to furnish the proper quantity called for on this order. No variation in the quantities specified herein will be accepted as compliance with this order except by prior written agreement. The Purchaser reserves the right to return excess shipments at Seller's expense.

15. APPLICABLE LAW. This purchase order and matters connected with the performance thereof shall be construed, interpreted, applied and governed in all respects by the laws of the State shown in the address on the reverse side hereof at which the Purchaser is to be invoiced.

16. EQUAL EMPLOYMENT OPPORTUNITY. The Equal Employment Opportunity clause in Section 202 of the Executive Order 11246 as amended relative to Equal Employment Opportunity in the implementing rules and regulations of the Office of Federal Contracts, compliances are incorporated herein by specific reference unless exempted by the executive order or those rules and regulations.

17. SPECIAL PROCESS APPROVAL. A Seller who is NADCAP or 3rd party certificated may use their accreditation for the approved service. Special process suppliers that are not 3rd party certificated for the contracted service, must be approved prior to the initiation of any task required in the completion of this purchase order. Special Processes include but are not limited to: welding, brazing, heat treating, metal forming, surface preparation, film or plating applications, and non-destructive testing. Note: approval encompasses the special processing equipment, procedures, personnel, and sub tier suppliers. The Seller is responsible for obtaining such approval as required by this purchase order. The certification of conformance, which must accompany each shipment of the material required by this purchase order, must specify the process[es], specification, the name of the agency which performed them [if other than the seller] and contain the name and title of the authorized representative signing the form.

18. FROZEN PLANNING. When Triton Alloys Corp. identifies by contract to have the suppliers planning frozen; no changes to processes, materials or procedures are allowed without written permission from Triton Alloys Corp. A copy of the approved process, Material or Procedure shall be kept on file at the supplier's location and shall be subject to review upon request. Any changes shall be submitted to Triton Alloys Corp. for review and approval prior to implementation.

19. AGE CONTROL & LIFE LIMITED PRODUCTS. Age control and life limited products shall be identified with the date of manufacture, test time or cycle at which useful life will be expended. [IE: shelf life or cycle life]. Products supplied to Triton Alloys Corp shall have a minimum of 75% of its life expectancy remaining.

20. Conflict Minerals: If Conflict Minerals are to be used in the completion of this purchase order; the supplier MUST contact Triton Alloys Corp or approval prior to beginning work.

1. SCOPE

This document establishes requirements for supplier's quality control systems. These requirements are in addition to those set forth in any other contractual document.

2. APPLICABLE DOCUMENTS

The following documents form a part of this document to the extent specified herein.

AS9102 First Article Inspection

NIST HANDBOOK 150 Procedures and General Requirements

ISO 9000 Quality management and quality assurance standards [and applicable ISO 9000 family section including ISO 10012 series and Guide 25]

SAE AS9000 Aerospace Basic Quality System Standard

3. APPLICABILITY

This specification shall apply to all supplies and services. The requirements of this document shall be satisfied in addition to all detail requirements contained in any other portions of the contract or purchase order. Meeting the requirements contained herein is a requirement for remaining on the contracted Triton Alloys Corp. approved supplier list. The supplier is responsible for furnishing articles, which meet all requirements of the contract or purchase order. Should any inconsistency occur between this specification and any other contractual document, the supplier shall be responsible for bringing this to the attention of Triton Alloys Corp for resolution.

4. FLOWDOWN

There shall be a flow-down of the quality requirements of this contract to any subcontractor used in the performance of this contract.

5. RIGHT OF ENTRY

Items purchased under this Purchase Order are subject to Buyer Surveillance at seller and/or Sellers subcontractor's facilities. Allow right of access by Triton Alloys Corp, or customer, and regulatory authorities, to all facilities involved with this order and applicable records. The Buyers Quality Representative may elect to conduct an inspection either on a random basis or to the extent of a 100% inspection. Seller will be notified if the Buyer inspection is to be conducted on a specific shipment. No shipments are to be held for buyer inspection unless notification is received prior to shipment.

6. SUPPLIER RESPONSIBILITY

The Quality Assurance Manager of Triton Alloys Corp. shall be notified, in writing, when any changes are made to the quality control system that may affect product quality. The quality system shall be maintained so as to assure that all supplies and services offered for acceptance are subjected to all of the examinations and tests required to prove conformance to contract or purchase order requirements.

That the quality system maintains an adequate process for skills assessment and training in order to ensure only qualified employees are assigned on buyers products.

Notify Triton Alloys Corp. of any changes in product and/or process definition; non-conforming product; changes of suppliers; and manufacturing facility location.

7. DOCUMENTS, RECORDS AND CORRECTIVE ACTION

Records

The supplier shall maintain any quality record associated with this purchase order in good practice for ten years. The records shall indicate the nature and number of observations made, the number and type of deficiencies found, the quantities approved and rejected and the nature of corrective action taken. These records shall be available, and copies

of individual records furnished upon request, to Triton Alloys Corp. representatives. Records shall be kept for a period of seven [10] years after final payment for supplies or services.

Corrective Action

The supplier shall take prompt action to correct assignable conditions which have resulted, or could result in, non-conforming products or services being offered to Triton Alloys Corp for acceptance which do not conform to any of the following:

- [1] The quality assurance provisions of the item specification
- [2] Inspections and tests required by the contract or purchase order, and
- [3] Other inspections and tests required to substantiate product conformance. Discrepant material delivered under contract to Triton Alloys Corp. facilities or our customers will be held for ten days pending supplier's disposition instructions. After this time, the material will be returned to the supplier at the supplier's expense.

8. First Article Inspections [FAI] /First Article Inspection Report [FAIR]

Triton Alloys Corp First Article requirement is identified by line item on the PO, and requires that all supplier FAIR's be performed per the requirements listed in AS9102. It is also the supplier's responsibility to track, identify and perform any Delta FAI's per the requirements listed in AS9102. A copy of the FAIR must be delivered to Triton Alloys Corp with the purchased part. If Triton Alloys Corp has a current FAIR on file; a new FAIR will not be required unless dictated by AS9102. Suppliers may use or refer to Triton Alloys Corp FAI documents. If a supplier has questions concerning FAI's, please contact Triton Alloys Corp Quality Assurance Department.

9. SPECIFICATIONS AND CHANGES

Unless otherwise specified on the contract or purchase order, the supplier's quality control system shall provide for procedures which will assure that the latest applicable drawing, specification and instructions required by the contract or purchase order, as well as authorized changes thereto, are used for fabrication, inspection and testing. Copies of Triton Alloys Corp customer's drawings, specifications and/or procedures supplied by Triton Alloys Corp shall not be reproduced except for internal use. Such proprietary items shall be controlled to preclude their use for other than contract work with Triton Alloys Corp

10. MEASURING AND TEST EQUIPMENT

The supplier shall provide and maintain sufficient gauges and other measuring and testing devices which are accurate enough to assure product conformance, these devices shall be calibrated at established intervals against certified standards which have known valid relationships to national standards. If production tooling, such as jigs, fixtures, templates, and patterns are used as a media of inspection, such devices shall also be proved for accuracy at established intervals. Calibration of inspection equipment shall be in accordance with NIST HANDBOOK 150 or ISO 10012.

11. GOVERNMENT/ Triton Alloys Corp

EVALUATION.

Triton Alloys Corp, its customers and/or airworthiness authority's representatives shall have the right to conduct QMS, process and product audits at the supplier's [including sub-tiers] facilities in order to verify the compliance with the contract and/or purchase order requirements. The schedule of audits shall be mutually agreed by Triton Alloys Corp and supplier.

12. REFERENCED DATA

All documents and referenced data for purchases applying to the contract or purchase order shall be available for review by Triton Alloys Corp., its customers and or Regulatory Authorities, to determine compliance with the requirements for the control of such purchases.

13. RECEIVING INSPECTION

Subcontracted or purchased supplies will be subject to inspection at destinations, as necessary to assure conformance to contract or purchase order requirements. Acceptance of order at destination does not relieve the supplier of any responsibility regarding non-conformances.

Purchase Order Terms and Conditions continued.

14. NON-CONFORMING MATERIAL

The supplier shall establish and maintain an effective and positive system for controlling non-conforming material, including procedures for the identification, segregations, presentation and disposition of reworked or repaired supplies. Repair of non-conforming supplies is the prerogative of and shall be as prescribed by Triton Alloys Corp. All non-conforming supplies shall be positively identified to prevent use, shipment and intermingling with conforming supplies. The supplier shall report to Triton Alloys Corp if a product, article or service has been released [shipped, delivered, etc.] from that supplier and subsequently found not to conform to the applicable design data within 72 hours of discovery. The supplier shall perform the following:

* Email a Quality Representative to disclose the escapement at Tom@Tritonalloys.com

15. DEVIATION REQUESTS

Requests for deviation from the requirements of the contract or purchase order shall be submitted to and approved by Triton Alloys Corp prior to shipment. Product accepted on a deviation request by Triton Alloys Corp will be shipped with all certifications and shippers referencing the nonconformance.

Authorization to ship discrepant or substitute material must be obtained in writing prior to shipment. Discrepant material shipped without approval will not be accepted.

16. CERTIFICATION

The supplier shall provide a Certificate of Compliance [C of C] attesting that the product complies with drawings and/or specifications imposed by the purchase order or contract. The C of C shall state that, "Substantiating evidence is on file

and available upon request". The C of C shall be attached to the packing slip, and shall accompany each shipment. The report shall contain the name, title and signature of the company duly authorized representative as shown below:

* Supplier Name / Address

* Triton Alloys Corp / Purchase Order Number

* Part Number / Quantity

* Part Nomenclature / Description

* Lot Number [supplier lot information required [sub tier's also if packaging materials include them or if marked on part]

* Serial Number [supplier serial number information required [sub tier's also if packaging materials include them or if marked on the part]]

* Manufacturer's Date / Date Code [if available]

* Shelf Life [if it is a life limited component]

* Statement that part conforms to process specification / rev:

* Statement that part conforms to drawing / rev:

* Printed name and title of authorized representative and date

17. FEDERAL ACQUISITION REGULATION [FAR] & DEFENSE FEDERAL REGULATION SUPPLEMENT [DFARS] REQUIREMENT

Triton Alloys Corp requires its suppliers to be FAR and DFARS compliant. For a list of requirement or additional information please contact the buyer listed on the Purchase Order

18. Product Safety.

Please be prepared to supply material safety data sheets upon request if requested. In addition Triton Alloys Corp. requires full traceability back to the original manufacturer for all the products we purchase.

19. Ethical behavior.

Please be advised that our purchasing agents are not permitted to accept gifts or entertainment of any value. A breach of this policy can result in the vendor being disqualified.

20. Counterfeit Risk Mitigation

Supplier is required to have a part and material counterfeit risk mitigation program in effect. Suppliers are required to supply all products with actual mill test reports to prevent the use of suspected unapproved or counterfeit parts. The supplier must also have a program in place to prevent the shipment of unapproved parts.