

LW031

L&W DOCUMENT

TITLE: Purchase Order General Terms and Conditions

REVISION: REV 2, 9-12-13

CREATED BY: Ray Oliver

1.0 Scope

1. When referenced in the Purchase Order, the following conditions apply.

2.0 Terms and Conditions to be shown on Purchase Order:

- 2.1 PLEASE ACKNOWLEDGE RECEIPT OF THIS ORDER AND CONFIRM THE SHIP DATE.
- 2.2 VERBAL AGREEMENTS OR INSTRUCTIONS ARE STRICTLY PROHIBITED.
- 2.3 FOLLOWING THE AWARD OF CONTRACT, NO VARIATION IN QUANTITY OR UNIT PRICE, AS IDENTIFIED BY THE PURCHASE ORDER, SHALL BE ALLOWED WITHOUT THE WRITTEN APPROVAL OF THE L&W BUYER.
- 2.4 L&W ALLOWS A 5-DAY EARLY WINDOW ON ALL DELIVERIES. ANY SHIPMENT ARRIVING OUTSIDE THIS WINDOW IS SUBJECT TO REFUSAL OF SHIPMENT AND RETURN TO SUPPLIER AT SUPPLIER'S EXPENSE.
- 2.5 L&W MACHINE CO., L&W FLUID INC, ITS CUSTOMERS AND REGULATORY AGENCIES RESERVE THE RIGHT OF ACCESS TO THE SUPPLIER'S PREMISES TO DETERMINE QUALITY OF WORK, RECORDS AND MATERIAL.
- 2.6 THE TERMS AND CONDITIONS OF DOCUMENT LW031 ALSO APPLY.

3.0 Other applicable Terms and Conditions:

- 3.1 Upon receipt, quantity must be verified within 48 hours. If incorrect, L&W Machine Co shipping department must be notified or our count will be assumed correct.
- 3.2 Upon receipt, quality of the shipment must be verified within 48 hours. L&W shipping department must be notified of any damage or problems within 48 hours or shipment shall be assumed acceptable
- 3.3 Certificates of Conformance, lab certifications and/or dimensional inspection reports on material to blueprint or processes are required.
- 3.4 Material certifications required with each delivery.
- 3.5 Vendor certificate of conformance required with each delivery.
- 3.6 All certifications must have listed on them:
 - 3.6.1 L&W purchase order number,
 - 3.6.2 Quantity of parts,

- 3.6.3 Date
- 3.6.4 Complete part number and material specification (if applicable),
- 3.7 Significant operations cannot be changed without prior L&W approval,
- 3.8 First Article Inspection Report required with first shipment, when appropriate.
- 3.9 Packaging must comply with P.O. requirements.
- 3.10 Supplier must maintain appropriate record retention procedures.
- 3.11 Calibrate equipment per manufacturer and/or industry standards.
- 3.12 Supplier shall:
 - 3.12.1 Prevent handling damage, foreign object damage (FOD), chemical contamination and metal-to-metal contact of product, either in place or during shipment, by using safe and prudent handling practices and equipment.
 - 3.12.2 Furnish certifications identifying processes performed. Certifications shall provide current specification level, items such as but not limited to thickness, hardness, results, or special process perimeters with each shipment.
- 3.13 Supplier must perform 100% visual inspection for FOD and Cosmetic requirements noted within the Purchase Order, Blueprint or governing Specification. Inspection to be completed by authorized inspection personnel.
- 3.14 Supplier shall notify L&W Purchasing Department of any non-conformance to delivery or purchase order requirements
- 3.15 Supplier shall notify L&W Purchasing Department of any non-conformance to the requirements of the blueprint or drawing specification.
- 3.16 All non-conformances (Drawing/Purchase Order) must be reported and have L&W approval in writing prior to shipment.
- 3.17 In the event of a failure, the supplier shall, upon request, provide a written and detailed failure analysis with root cause and corrective action with appropriate objective evidence.
- 3.18 All non-conformances shall be documented within the shipping documents and individual parts specifically identified as non-conforming.

4.0 Change History

<u>Issue</u>	<u>Date</u>	<u>Comment</u>	<u>Author</u>	<u>Approved by/date</u>
1	04-22-10	Original Issue	R. Oliver	B. Rygalski, 4/29/10 M. Carter, 4/29/10
1A	10-21-10	No changes, added header / footer.	R. Oliver	B. Rygalski, 10/21/10 M. Carter, 10/21/10
2	10-24-13	Renumbered 2.5 & 2.6 as 3.1 & 3.2, reworded 2.7 and renumbered as 2.4, renumbered 2.3 as 2.5.	R. Oliver	B. Rygalski, 10/24/13 M. Carter, 10/24/13