

T'S & C'S EFFECTIVE June 11, 2018

1.0 TRANSMISSION SCANS ARE REQUIRED FOR ALL MELT LOT ID'S.

2.0 Should the Supplier anticipate difficulties that may prevent him from delivering on time or in the agreed quantities or quality, he shall notify the Purchaser thereof immediately, stating the reasons. Only in case a delayed shipment is more than 1 week, Novotech Inc., has the right to consider assessing a penalty of 0.5% for every 7 days late on delivery of goods or services. The maximum penalty shall not exceed 5.0% of the value of the Purchase Order Line item. Buyer shall have the right to cancel all or a portion of the parts owed if parts are late or seller indicates the parts will be delivered late where Buyer's manufacturing is negatively affected.

3.0 Novotech Supplemental Quality and product/service Specific Terms and Conditions are to be applied to all products and some consumed within the product build Supplier Purchase Orders.

4.0 These Novotech Supplemental Quality and product/raw materials/services specific Terms and Conditions are in addition to Novotech's Standard Purchase Order Terms and Conditions (current version available at www.novotech.net).

5.0 Supplier shall have a Compliant ISO 9001:2008 QMS system Supplier shall supplier copy of current ISO QMS System Certificate with the delivery or provide same at time of order acknowledgement.

6.0 Supplier shall provide finished item Certificate of Compliance/conformance to the requirements of this order including:

General statement of compliance with terms and conditions.

Conformance statement that all parts conform to the detail drawings and or technical specification(s) citing the actual drawing number revision and description listed on the PO and/or including the description stated in the drawing/Specification Title Block.

A statement of conformity with the material requirements including:

A restatement of the full material description as it appears in the drawing or specification or in the body of the purchase order.

Lot Traceability including Material Lot number, date of manufacture, associated Certificate of Analysis references for each individual group parts made from different material issues.

Total number of parts delivered in the shipment indicating how many parts were produced from each material lot/batch issued to the fabrication process.

7.0 Supplier shall supply two lot samples to buyer and retain a minimum of two lot samples (from each unique traceable material lot used in the production of the delivered items indicated on/in the CoC package for future evaluation in the event such an evaluation becomes necessary. The samples shall be identified for easily retrieval. Minimal identification information on sample labels shall be:

The Novotech issued PO number.

Associated part number, Revision level, item description as listed on the CoC (Certificate of Compliance).

QTY of items represented by the individual samples.

Supplier shall provide variable (record of actual measured parameters) inspection results for each item delivered (i.e. 100 % inspection is required), the supplied datasheet shall be indexed to the individual items in the delivery.

Supplier is not authorized to deliver any "NON-CONFORMING" or "REPAIRED" items without a written formal response from Novotech Inc., in response to a written supplier's request for deviation/waiver.

8.0 In the case where specific Material properties are stated/defined or otherwise delineated in or by reference the supplier shall provide objective evidence that the material properties/characteristics are met on each individual Lot/Batch of material delivered or used as part of the delivered items and or as test samples.

When test samples are used, the supplier shall provide objective evidence that the samples meet the sample material and fabrication requirements (size, shape, surface finish, flatness, power, irregularity etc.) stated within the Purchase order proper and/or attachments including secondary and/or lower tier referenced documents.
