

Purchase Order Terms and Conditions

The following General Terms and Conditions (GTC) apply to all KT Engineering Purchase Orders and contracts unless otherwise noted.

Specific KT Engineering Quality requirements (KT QR) clauses apply when noted on the P.O.

GTC	RIGHT OF ENTRY: The Buyer and Buyer's customer, and their customer's, or any applicable Regulatory Agency will have the right to enter all applicable areas at any level.
GTC	ACCEPTANCE: Acceptance of this order, or the initiating of any process, or the furnishing of any product, or the acceptance of payment, constitutes unconditional acceptance by the seller.
GTC	AMENDMENTS: Amendments to this order, or KT Engineering Terms and Conditions shall be set forth in writing, via purchase order change notice, and/or revision to the purchase order terms and conditions. KT Engineering will consider seller requires to modification of, or exception to, only if such request is made in writing, prior to the acceptance of the order(ref. ACCEPTANCE CLAUSE)
GTC	PRICE: Price as stated on this order for all goods and services to be provided by the Sellers as specified in the order. These prices also cover all charges for packaging, containers, and transportation, unless otherwise specified on the face of the order.
GTC	SHIPMENT: Shipment of goods and services under this order shall be F.O.B. as set forth on the face of the order. Seller shall follow Buyers Instructions regarding the method of shipment, unless otherwise specified on the face of the order.
GTC	SCHEDULE: Schedule for delivery will be the responsibility of the Seller. The Seller shall not be held Liable for damages in respect to delivery delay due to causes beyond Seller reasonable control. However, if Seller does not meet the delivery date as specified on the face of the order, the Buyer may approve a revised delivery schedule, or terminate the order without Liability for such termination.
GTC	HAZARDOUS MATERIAL: Seller agrees to furnish the applicable Material Safety Data Sheet(s) (MSDS) with each shipment, for products designated by Industry, State, or Federal Agencies as Hazardous Material.
GTC	PACKAGING, PROTECTION, AND FOREIGN OBJECT DAMAGE/DEBIS: Packaging, Protection, and Foreign Object Damage/Debris(FOD), of the product shipped shall be in accordance with KT Engineering purchase order, or best commercial practices to protect the product from Damage and /or Deterioration. Packaging shall be free from any foreign object debris.

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GTC	<p>CANCELLATION: Cancellation shall remain the right of the Buyer and may be initiated at any time.</p>
GTC	<p>TOOLING: Tooling furnished by KT Engineering shall be maintained indoors. The Seller is responsible to ensure adequate care is utilized within Their facility, to maintain the tooling in Good Working Condition. Any damages to this tooling, while in the car of the Seller shall be reported to KT Engineering Buyer in writing. KT Engineering shall disposition damaged tooling prior to further processing by the Seller. Seller rework of KT Engineering shall not be performed unless specifically authorized in writing by KT Engineering Buyer.</p>

GTC	<p>QUALITY ASSURANCE: The External Provider (Supplier) shall comply with KT Engineering Quality System requirements as specified by KT Engineering Supplier Survey and/or purchase order. External Provider (Supplier) agrees to implement and maintain the Quality or Inspection System during the performance of this contract. An Authorized Certificate of Conformance is required with each shipment.</p> <p>EXTERNAL PROVIDER (SUPPLIER) SPECIAL PROCESS: Process Suppliers shall furnish a complete Certificate of Conformance with each shipment indicating the Supplier Name, purchase order number, specification(s) number, applicable revisions, and quantities accept and rejected.</p> <p>EXTERNAL PROVIDER (SUPPLIER) MATERIAL: Material Suppliers shall furnish Chemical/Physical test reports with each shipment identifying the applicable specification(s) and revision, actual chemical composition and physical properties, melt, heat, batch, or lot number(s).</p> <p>ADDITIONAL QUALITY REQUIREMENTS: Additional Quality Requirements(KT QR Clauses) apply when referenced by Purchase Order. The Supplier is not authorized to perform Material Review action of non-conforming material. Note: This clause does not apply to contracts for KT Engineering non-deliverable goods or services.</p> <p>Purchasing information shall describe the product to be purchased, including, where appropriate:</p> <ul style="list-style-type: none"> - requirements for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instruction for acceptance by the organization, and as applicable critical items including key characteristics, - requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection/verification, investigation or auditing, - requirements regarding the need for the Supplier to: <ul style="list-style-type: none"> notify the organization of non-conforming product, obtain organization approval for non-conforming product disposition, notify the organization of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required obtain organization approval, and flow down to the supply chain the applicable requirements including customer requirements.
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GTC	<p>QUALITY SYSTEM REQUIREMENTS: The External Provider (Supplier) shall implement a Quality System in compliance with ISO9001, SAE AS9100, or NADCAP as applicable. Period reviews of the supplier to be performed by KT Engineering and shall be used as a basis for establishing levels of controls to be implemented.</p>
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GTC	EXTERNAL PROVIDER (SUPPLIER) CALIBRATION: The Supplier and Supplier's subcontractors shall meet and maintain a Calibration System in compliance with Calibration System Requirements ANSI and/or NIST standards. Periodic reviews of the supplier to be performed by KT Engineering and shall be used as a basis for establishing levels of controls to be implemented.
GTC	EXTERNAL PROVIDER (SUPPLIER) RECORDS: External Provider (Supplier) shall retain all Quality and/or test records in accordance with this order and make readily available to KT Engineering, or it's Customer, upon request. Record retention shall be for a period of no less than 7 years after date of delivery, unless otherwise specified by KT Engineering Customer's specification requirements for serialized, traceable, critical part(s).
GTC	FLOWDOWN REQUIREMENTS: All KT Engineering Sub-tier External Provider (Supplier) shall comply with KT Engineering Customer Contractual Agreements. These requirements shall be flowed down to Sub-tier Suppliers as applicable. The External Provider (Supplier) shall notify KT Engineering of changes in product or process definition, change of Suppliers or change of location and to obtain approval where required and supply chain flow down of requirements, including customer requirements.
GTC	COUNTERFEIT MATERIEL PREVENTION: External Provider (Supplier) shall have a counterfeit detection process that meets the intent of SAE standard AS5553, Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition and/or SAE Standard AS6174, Counterfeit Materiel: Assuring Acquisition of Authentic and Conforming Materiel, utilizing the appropriate Appendices as guidance
GTC	EXTERNAL PROVIDER'S EMPLOYEES CONTRIBUTION AND ETHICAL BEHAVIOR: The external provider (supplier) shall ensure that their Employees are aware of their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior.
KT QR 1	SOURCE INSPECTION REQUIREMENTS: KT Engineering Source Inspection and/or Customer Verification are required at External Provider's (Supplier's) facility prior to shipment. KT Engineering Inspection representative will place an inspection stamp on the suppliers shipper to indicate Acceptance. Contact KT Engineering at least 48 hours prior to shipment from suppliers facility.
KT QR 2	GOVERNMENT SOURCE INSPECTION: Government Source Inspection is required at External Provider's (Supplier's) facility prior to shipment. Supplier shall contact KT Engineering and applicable Government Representative to arrange for Government acceptance prior to shipment from External Provider's (Supplier's) facility.

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KT QR 3	<p>SUPPLIER FIRST ARTICLE INSPECTION:</p> <p>Supplier shall perform a First Article Inspection on all items of the purchase order in accordance with the requirements set forth. Supplier shall forward a copy of the FAI report along with the first article part to KT Engineering for review and approval, prior to the continuation of any production runs. One copy of the Supplier first article inspection report shall be furnished to KT Engineering along with the first shipment for this purchase order/contract.</p>
KT QR 4	<p>SPECIALTY METALS:</p> <p>Specialty Metals incorporated in article delivered in fulfillment of this contract shall be melted in the United States unless allowed otherwise by DFARS 252.225-7014 Alternate I.</p> <p>The following Defense Federal Acquisition Regulation Supplement(DFARS) requirement applies to this agreement, and is binding on Supplier and each of its sub-contractors.</p>
KT QR 5	<p>INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR):</p> <p>Articles under this purchase order are ITAR controlled. Any person who engages in the United States in the business of either manufacturing or exporting defense articles or furnishing defense services is required to register and keep their registration current with the United States Department of State, Bureau of Political-Military Affairs Office pursuant to the Arms Export Control Act (AECA) and the International Traffic in Arms Regulations (ITAR Part 122). Registration serves as a precondition to submitting an application for an export license or other approval from the Directorate of Defense Trade Controls (DDTC), or to use of export exemptions. This registration does not satisfy the requirements for registering as a broker pursuant to ITAR Part 129.</p>