

SIPCO VENDOR TERMS & CONDITIONS

LEVEL III

A. Order Acceptance

By accepting this purchase order, you indicate that you will supply material or product(s) according to the description(s), drawing(s), and/or technical specification(s) as applicable which have been furnished to you, either with this order or previously provided.

B. Confirmation

Within (5) five working days after receipt of this purchase order, your confirmation of this order must be made by return fax or e-mail with any changes to pricing, delivery dates and /or quantities, clearly shown.

C. Packaging / Conformity

Vendor will package the goods in accordance with good commercial practice so as to ensure that no damage results from weather or transportation.

If any goods are defective or otherwise not in conformity with the requirements of this order, SIPCO may reject them or require correction(s) or replacement, at seller's expense.

D. Material Safety Data Sheet

Vendor shall submit a Material Safety Data Sheet (MSDS) for each toxic or hazardous substance or mixture containing such substance that is shipped against this order.

E. Packing List

Vendor shall provide a packing list containing, as a minimum, the proper purchase order number, SIPCO part number and quantity per part.

F. Delivery

Time is of the essence for this order. Failure of the seller to make delivery of items or provide services within the time specified on the face hereof, or within any extension specified by written amendment hereto, shall be a breach hereof. All or any portion of this order are, at SIPCO's option, subject to cancellation, refusal and re-delivery without liability on buyer's part if delivery is not made as or when specified or within a reasonable time if not specified.

G. Certificate of Conformance or Calibration

Vendor shall provide a certificate of conformance or calibration (as applicable).

H. Right of Entry and/or Installation of Source Inspectors

SIPCO and its appointed representative shall have unlimited access and/or right to install source inspector(s) to inspect/audit the equipment during production in the workshops where the production takes place with sufficient notice.

I. Documentation / Special Processing

Vendor shall provide the following documents identified by PO number (if applicable);

- Dimensional Inspection Reports required with delivery
- Material Traceability listing where material is used
- Material Test Reports
- Welding report
- N.D.T Reports
- Heat Treating Charts
- Paint Reports
- Plating Report
- A copy of acceptance release forms certifying the product(s) meet the contract requirements signed by quality control inspector

J. Raw Material / Finished Parts

Vendor supplied raw material requires the material test report. Material Test Report must include chemical and appropriate physical properties substantiating vendor compliance with designated specifications. The mill test report must be legible and in English.

All machined parts are to be inspected by the vendor and inspection results are to accompany the parts to SIPCO.

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