

 <b>Stag Enterprise, Inc.</b>	Document:	
	<b>SI – Purchase Order Terms &amp; Conditions</b>	
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Reviewed by Quality Manager Signature/Date:	Approved by Signature/Date:	

**Stag Enterprise, Inc.**  
**Purchase Order Terms & Conditions**

1. This order becomes a contract (1) when signed acknowledgment is received by Buyer, or (2) when shipment according to schedule of all or any portion of the goods covered by this order shall be made, or (3) when Buyer gives Seller written approval of the price and delivery schedule of the goods as stated by Seller if Seller's written acknowledgment of this order contains either: (a) a different price or delivery schedule or a different type of item, or (b) no price or no delivery schedule for the item or items to which Buyer's approval applies. Except as provided in the preceding sentence, it is a condition of this order that any provisions printed or otherwise contained in any acknowledgment hereof, inconsistent with or in addition to the terms and conditions herein stated, and any alteration in this purchase order, shall have no force or effect, and that Seller by such acknowledgment thereby agrees that any such provisions therein or any such alterations in this order shall not constitute any part of this contract of purchase and sale. This contract contains the entire agreement of the parties, and failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights or of any other rights hereunder.
2. Goods delivered (whether paid for or not) are subject to inspection, testing, and approval by Buyer, their customer and/or regulatory authorities before acceptance. Seller expressly warrants that all articles, materials, and work will conform to the applicable drawings, specifications, samples, or other descriptions given in all respects, and that the goods delivered hereunder will be of good quality, material, and workmanship, merchantable and free from defects. This warranty shall survive any inspection, delivery, acceptance, or payment by Buyer of the goods or services.
3. Any changes in product definition or products that are found to be nonconforming must be communicated to Buyer immediately upon receipt of Purchase Order, at which time Buyer will investigate and provide further instructions. All goods not fully up to standard and not in compliance with the specifications hereof, or shipped contrary to instructions, or in excess of the quantities herein provided, or substituted for goods described, or not shipped in containers conforming to Buyer's specifications (or, in the absence of such specifications, in recognized standard containers), or allegedly violating any statute, ordinance, or administrative order, rule, or regulation, may be rejected by Buyer and returned or held at Seller's expense and risk. Buyer may hold Seller liable for any and all damages arising from any breach or default hereinabove set forth.
4. Prices recorded in this order are not subject to increase. No additional amounts shall be chargeable to Buyer because of taxes or excises, presently or hereafter levied on Seller. If Seller's quoted prices for the goods covered by this order are reduced (whether in the form of a price reduction, close-out, rebate, allowances, or additional discounts offered to anyone) at time of any shipment, Seller agrees that the price to Buyer for such goods will be reduced accordingly, and that Buyer will be billed at such reduced prices. If price is not recorded on the face of this order, price shall be that of last previous order given by Buyer to Seller, subject to the provisions of this paragraph. If price includes taxes or excises, and if such taxes or excises or any part thereof are hereafter refunded to Seller, Seller shall immediately pay Buyer the amount of such refund.
5. Terms of payment are as previously arranged, or if specified in this order, then as so specified in this order.
6. Buyer's schedules are based upon the agreement that the goods will be delivered to Buyer by the dates specified on the face of the purchase order. Time is therefore of the essence and if goods are not delivered within the time specified hereon, Buyer may reject such goods and cancel order. The acceptance of later or defective deliveries shall not be deemed a waiver by Buyer of its right to cancel this order, or to refuse to accept further deliveries.

7. Each package shall be numbered and labeled with Buyer's order number, stock number, contents, and weight, shall contain an itemized packing slip and shall be properly prepaid for shipment so as to secure lowest transportation and insurance rates and to meet carrier's requirements unless otherwise specified. No charges will be allowed Seller for packing, breaking, freight, express, or cartage unless otherwise stated herein.
8. Seller accepts liability for payment of all payroll and Social Security taxes and all other federal, state, or local taxes now or hereinafter imposed by any governmental authority that pertain in any way to this order.
9. If terms on this order do not appear on or agree with Seller's invoice as rendered, Seller agrees that the terms and conditions of his purchase order shall control and that Buyer may change Seller's invoice to conform to this order and make payment accordingly. In the event that this purchase order follows a quotation, offer, option or other documentation of Seller, Buyer's acceptance of any offer contained therein is expressly conditioned upon Seller's assent to the terms and conditions contained in this purchase order.
10. Seller shall not delegate or assign any duties or claims under this order without Buyer's prior written consent. Any such delegation or assignment attempted without Buyer's previous written consent shall effect, at Buyer's option, a cancellation of all of Buyer's obligation hereunder. All claims for moneys due or to become due from Buyer shall be subject to deduction by Buyer, for any setoff or counterclaim arising out of this or any other of Buyer's orders with Seller, whether such setoff or counterclaim arose before or after any such assignment by Seller.
11. Prior to acceptance and/or prior to delivery of all or any part of any portion of this order, Buyer reserves the right to cancel all or any part of this order by notice to Seller. In the event of such cancellation, Buyer shall not be liable to Seller for loss of anticipatory profits. The provisions of this paragraph shall not limit or affect Buyer's right to terminate this purchase order for default of Seller.
12. Seller hereby waives and relinquishes all liens and claims statutory or otherwise which Seller now has or may hereafter have as a result of labor done and materials furnished by Seller or Buyer in performance of the within order.
13. Upon the happening of any one or more of the following events, Buyer shall forthwith have the unrestricted right to cancel and terminate the within contract without cost or liability to the Buyer: 1) Seller's insolvency or inability to meet obligations as they become due; 2) filing of voluntary or involuntary petition of bankruptcy by or against Seller; 3) institution of legal proceedings against Seller by creditors or stockholders; 4) appointment of a receiver for Seller by any court of competent jurisdiction. The acceptance of goods or performance after the occurrence of any of the events above enumerated shall not affect the right of the Buyer to cancel its additional obligations.
14. Where required, the vendor shall use end-user-approved special process sources. Unless otherwise specified in the purchase order, the design, test, inspection, verification, use of statistical techniques for product acceptance and related instructions for acceptance shall be determined by the customer. It is the responsibility of the Vendor to determine and conform to customer requirements, including flow down requirements to subcontractors.
15. The vendor shall notify Stag Enterprise immediately if non-conforming product is shipped either to our location, or shipped directly to customers.
16. The vendor shall obtain Stag Enterprise approval for disposition of any nonconforming product.
17. The vendor shall notify Stag Enterprise of any changes in product and/or process definition, changes of suppliers, change of manufacturing facility location, and obtain end-user approval if necessary.
18. The vendor shall conform to applicable requirements including customer requirements.
19. For products that are in use in Aerospace applications, vendors will determine and retain production and other applicable records in accordance with the end-user's record retention requirements.
20. The vendor's organization shall guarantee right of access by Stag Enterprise, Stag Enterprise's customers, and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain in the order, and to all applicable records.
21. The vendor shall determine and conform to end-user requirements with regard to certificates of conformity, test reports and/or airworthiness certificates.

22. Unless otherwise specified on the purchase order, verification activities as well as the intended verification arrangements and method of product release shall be determined by the vendor, shall be in conformance with customer requirements, and performed at the supplier's premises.

23. For Aerospace applications, vendors shall flow down all applicable elements of the AS9100 or AS9120 standards through the supply chain to their suppliers and/or other organizations in the supply chain.

24. Counterfeit and Unapproved Part Prevention and Detection: For items sold for Aerospace applications, as well as to other end-users who require it, the seller is responsible for conformance to the end-user's Counterfeit and Unapproved Part Prevention program. These may include but not be limited to: participation in GIDEP, developing and maintaining counterfeit and Unapproved Part prevention programs, and flowing down counterfeit and Unapproved Part detection and protection requirements to sub-tier suppliers.

25. For Aerospace items, the vendor shall ensure that persons are aware of their contribution to product and service conformity, their contribution to product safety, and the importance of ethical behavior.

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Date	Rev	Risk	Purpose and Potential Consequences	Resource Needs (Y/N)	Resp and Auth Change (Y/N)
9-20-2017	4	L	Added requirements for employee awareness and unapproved parts	N	N