



Eagle Magnetic Additional Terms and Conditions

1. Right to Verify:

Eagle Magnetic Company Inc. Customer shall be afforded the right to verify at the Supplier's premises that the subcontracted product conforms to specified requirements when applicable.

2. Right of Entry:

The Supplier shall include provisions in the subcontracts to allow the Supplier, Customer, and Regulatory Agencies right of entry to applicable areas, at any level of the supply chain, involved in the order and to all applicable records.

3. Report of Non-Conformities or Inconsistencies with Product and/or Purchase Orders:

The Supplier shall review the Purchase Order and product manufacturing, processing, and/or testing requirements prior to its initiation. The supplier shall not ship non-conforming product to Eagle. In this scenario, if errors or inconsistencies are found, the Supplier must immediately notify Eagle Magnetic Inc or its acting delegation. Supplier proceeding with work without written concurrence does so at his own risk. The supplier must obtain organization approval / deviation in order to ship non-conforming product to Eagle Magnetic. Product will not be accepted by Quality Assurance Department until the Purchase Order and all documentation referenced thereon properly describe the product delivered.

4. Supplier Corrective Action Request:

When a Quality problem exists, Eagle Magnetic Company Inc. shall request Supplier Corrective Action (SCAR) from the Supplier requiring timely responses and should include the following information: Description of the Non-Conformance, Root Cause (analysis of the cause of the discrepancy) and the Corrective Action taken to prevent recurrence including the effective date.

5. Supplier Flow Requirements:

All suppliers are required to flow-down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

6. Documentation Retention:

The Supplier/sub-contractor will ensure that documents they have created and/or retained to substantiate, as applicable; procurement, production, calibration, certifications, chemical and physical properties, inspection, acceptance and other traceable information pertaining to the product fabricated and/or delivered must be retained for a minimum of 7 years unless otherwise specified by the purchase order.

7. Calibration:

When applicable, certification of calibration attesting to the accuracy of the items procured on this Purchase Order shall be supplied with each shipment. This certification must contain all the test parameters necessary to demonstrate conformance to the manufactures specifications and shall be traceable to NIST.