

Purchase Order Addendum – Terms and Conditions

1. Hypernetics Ltd. will monitor and control the supplier's performance.
2.
 - a. All drawings, designs or process specifications forwarded to the supplier shall remain the property of Hypernetics Ltd., and shall not be shared, copied, or transmitted to any other body or person without the written permission of Hypernetics Ltd.
 - b. Hypernetics may require the supplier to provide test specimens for design approval, inspection/verification, investigation, or auditing purposes.
 - c. Suppliers will use customer-designated or approved external providers, including process sources when required.
 - d. The Supplier shall use statistical techniques for product acceptance using any related instructions provided.
3. Hypernetics Ltd. will give preference to approved Suppliers who maintain a Quality Management System and/or Special Processes Accreditation.
4. If any deviation from the specifications stated on this purchase order should occur, the supplier shall advise Hypernetics Ltd. prior to shipment of the product.

The supplier must notify Hypernetics Ltd. immediately (not to exceed 24 hours or the next business day) in writing, when a nonconformity is discovered in the supplier's processes or components/assemblies for a product already delivered. This notification shall include as a minimum:

 - a. A clear description of the nonconformity.
 - b. Affected part number, serial number, batch number, heat lot number, Manufacturing date etc.
 - c. Delivered quantity.
 - d. Containment plan, including corrective action(s).
5. The Supplier shall avoid and prevent the use of counterfeit parts and raw materials.
6. The Supplier shall notify Hypernetics Ltd. of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Hypernetics Ltd. written approval.
7. The Supplier shall flow down to external providers applicable requirements including customer requirements
8. The Supplier shall retain Quality Records for a minimum period of 10 years. Any records eligible for disposal shall be destroyed securely.
9. Suppliers that performs work for Hypernetics Ltd. shall not subcontract work to another supplier without the written consent of Hypernetics Ltd. Acceptance of a Purchase Order authorizes Hypernetics Ltd., Hypernetics' customer or Transport Canada access to review applicable areas of facilities and applicable document information, activities and processes related to the manufacture of the product or process contracted, at any level of the supply chain, as specified within the purchase order.
10. Suppliers shall ensure competent persons perform all work who shall be aware of their contribution to product or service conformity, product safety and the importance of ethical behavior.