

Payne Magnetics, Inc.
854 Front Street, Covina, CA 91722
PH 626-332-6207 FAX 626-332-2224

Supplemental Purchase Order Conditions

The following terms and conditions apply to all orders received by Payne Magnetics for custom magnetic products:

1. Requirements for approval of product, procedures, processes and equipment

The supplier shall maintain an inspection and calibration system in compliance with the requirements of ISO/9001/AS 9100 as applicable. Quality records shall be maintained for a minimum of seven (7) years or as otherwise stated in the contract.

2. Requirements for qualification of personnel

Where applicable, only qualified/certified personnel shall be used based on process specification requirements. Records shall be maintained of the personnel/certifications.

3. Quality Management Requirements

Suppliers Quality Management must conform to the requirements of ISO 9100.

4. The name/product description or other positive identification, and applicable issues of specifications, drawings, process requirements, inspection instructions and other relevant technical data (e.g., revision level)

Identification of all materials and applicable reports is required by specification to provide lot or batch number.

5. Requirements relative to supplier notification to organization of nonconforming product

Supplier must notify Payne Magnetics, Inc. (PMI) of nonconforming product prior to fulfillment of Purchase Order.

6. Requirements for the supplier to notify the organization of changes in product definition`

The Supplier shall notify the PMI of any changes in product definition as it relates to the Purchase Order.

7. Right of access by the organization, their customer, and regulatory authorities to all facilities involved in the order and to all applicable records

During the performance of this purchase order, the supplier will grant reasonable access to PMI to all the supplier's facilities, to representatives of PMI, PMI's Customers and regulatory agencies for the purpose of evaluating supplier's conformance to requirements.

8. Requirements for a certificate of conformity and test reports.

As applicable, Certificates of Conformance, Material Certifications and/or Test Reports are required for all purchase orders.

9. Other requirements

10. Purchase Order number must appear on all documentation, labeling and packaging. Packing slips are required for all deliveries.

If for any reason you cannot meet any part of these requirements, please notify us immediately.