**Our External suppliers should understand they have a critical impact on the ability of Admiral Metals to meet our customers requirements. According to the following terms and conditions must be adhered to.**

1. Our organization reserves the right to final approval of product procedures, processes and equipment.
2. All special processes required by this purchase order must be performed by qualified personnel.
3. All communications related to this order should be directed to the contact person listed on the purchase order. Notify us immediately of any issues affecting quality or delivery
4. Our organization reserves the right to review and approve the External Provider’s Quality Management System.

Standard QMS requirements include:

* 1. External Providers providing special processing must maintain a system for validating processes as required by this purchase order and/or by any applicable industry or statutory standard. Validation test reports shall be available upon request.
  2. Customer directed sources must operate in accordance with approved specifications and standards as dictated and controlled by the customer in question.
  3. External Suppliers initially approved for use via Certification (ISO 9001:2015) must notify our organization of any changes to that certification.

1. The External Supplier shall maintain proper identification and revision status specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
2. Our organization reserves the right to approve or specify any designs, tests, inspection plans, verifications, use of statistical techniques for product acceptance and any applicable critical items including key characteristics.
3. Our organization reserves the right to designate requirements for test specimens for design approval, inspection/verification, investigation or auditing.
4. The External Provider is required to:
   1. Notify our organization of nonconforming product immediately upon discovery.
   2. Obtain our organizational approval for nonconforming product disposition.
   3. Notify our organization of changes in product and/or process, changes of suppliers and changes of manufacturing facility locations.
   4. Flow down to the supplier chain the applicable requirements including customer requirements.
5. The External Provider is required to retain all records associated with the purchase order as required by contract for at least 10 Years unless noted otherwise.
6. The External Provider is required to provide the appropriate certification for all services or products provided to Admiral Metals covering the requirements stated in the purchase order specifications.
7. Our organization reserves the right of access by our representatives, our customers, our customers and any regulatory authorities to the applicable areas of all facilities, at any level of the supply chain involved in the order and to all applicable records. Included is the right to perform a source inspection and/or quality audit.
8. All External Providers providing calibration services must be certified . All calibration certificates must identify standards used and must be traceable to an ISO/IEC 17025 certified source.
9. Specialty Metals Clause and specifications
   1. All material needs to be produced to latest revision of ASTM or approved by exception
   2. When applicable for DFARS purchases

The purpose of this clause is to advise suppliers of products that it is necessary to comply with the specialty metals requirements associated with DoD contracts.

1. External Providers are expected to consider product safety throughout the product lifecycle.
2. External Providers are to apply appropriate controls to their direct and sub-tier external providers to ensure that requirements are met. This includes the avoidance of introducing counterfeit materials, parts or testing to the services and/or products provided.
3. Communication regarding orders should be documented by email, fax or mail and directed to the purchasing department
4. Inspection; Acceptance
   1. Delivery and performance shall not be deemed to be complete, and all Goods and Services will be received by Buyer subject to, Buyer’s inspection and acceptance at the destination or location specified in the Purchase Order. Acceptance or rejection of the Goods and/or Services shall be made within a reasonable time after delivery or completion, but Buyer’s failure to inspect and accept or reject Goods and/or Services or failure to detect defects by inspection, including latent defects, shall not relieve Seller from responsibility from providing Goods and Services that strictly conform to the Purchase Order nor impose any liability on Buyer for any Goods and/or Services that do not strictly conform to the Purchas Order. Buyer’s payment for the Goods and/or Services shall not constitute acceptance.
   2. If, upon inspection, any Goods or Services are determined to be defective or non-conforming, Buyer may, at its option and upon written notice to Seller, reject the Goods and/or Services and either (a) hold rejected Goods for disposition pursuant to Seller’s instructions at Seller’s risk and expense, (b) return the rejected Goods and/or Services to Seller at Seller’s risk and expense and receive a full refund of the purchase price, (c) require Seller to repair or replace the rejected Goods and/or Services at no cost to Buyer, and/or (d) accept the rejected Goods and/or Services and make an equitable reduction to the purchase price. Seller shall not repair or replace any rejected Goods or services without Buyer’s prior written consent. In addition, Buyer shall have the right, upon written notice to Seller, to cancel any unshipped or unperformed portion of the Purchase Order without liability to Seller.
5. Admiral metals. will employ on Time Delivery and Quality Metrics as measures for evaluating the performance of its external suppliers. Suppliers that fall below our acceptable threshold may be put on our conditional supplier list.
6. The External Provider is aware of their contribution to product or service conformity and expected to conform to product safety and other ethical business standards