


<i>Document Title:</i> Quality Clauses	<i>Document #:</i> PP-02-04F	<i>Rev.:</i> B	<i>DCC #:</i> DCC0000033	
<i>Objective:</i> To outline procurement authority and supplier expectations	<i>Support Docs:</i> PP-01 - Supplier Qualification and Risk Buy Authorization; PP-02 - Procurement; PP-01-01F - Supplier Guide; PP-02-02F – NTE Terms and Conditions			<i>Group:</i> Procurement <i>Owner:</i> Procurement Manager

Quality Clauses

"Buyer" = Nova-Tech Engineering LP "Seller" = Supplier, subcontractor, vendor and/or agents/representatives.
"Customer" = Nova-Tech Engineering LP's customer.

Specific Quality Clauses are identified on the Purchase Order and are listed below in numerical order. Seller is responsible for meeting all requirements of referenced Quality Clauses per the Purchase Order.

1 PART MARKING/IDENTIFICATION

Suppliers, including outside services, shall identify parts with the part number, job identification number. Means of identification, such as stamping, engraving, paint marking or tagging shall be requested by the NTE Project Manager. When required, suppliers of outside services will maintain component identification (for fly parts) throughout receipt, processing and delivery.

For raw materials, all individual pieces must be appropriately marked with lot numbers traceable back to the corresponding material certificates and test reports received with the shipment.

2 PACKING/PACKAGING

Seller must ensure that all items shipped under this Purchase Order are adequately packed and/or packaged to prevent damage, contamination and/or deterioration. Unless otherwise specified on the Purchase Order, Seller must use best commercial practices in packaging to prevent damage, contamination and/or deterioration to all items during transit.


3 DATA MANAGEMENT AND TRANSMISSION

All data provided to support this order is proprietary and shall not be reproduced in whole or part without the express written consent of Nova-Tech Engineering LP. Supplier is responsible to maintain and shall comply with standards such as Boeing D6-51991 and others as required by Nova-Tech Engineering LP and customers.

Where applicable, seller may receive requirements from buyer that is intended for further transmission. This data and/or other buyer's customer requirements, or other applicable requirements, shall be flowed down the supply chain as directed by the buyer.

4 INSPECTION

Inspection Reports for each part are mandatory on all orders showing documented evidence of inspection and verification of three (3) or four (4) place dimensions only with actual results. Inspection report should show variance of dimensions measured or results of measurements. When using a Computer Numerical Controlled (CNC) machine, a sampling plan per ANSI Z1.4 is acceptable. The report must show Nova-Tech Engineering LP part number, revision, purchase order number, and date.

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Reports must be submitted electronically (when possible) to the Buyer or be included with the shipment. Reports submitted in Supplier's format is acceptable.

5 FIRST ARTICLE INSPECTION

A detailed first article inspection (FAI) report must be provided as required. The report must include evidence of conformance to all elements including material and processes. Each drawing characteristic must be complete with the tolerance. The report must show Nova-Tech Engineering LP part number, revision and purchase order number. When FAI piece is required, it must be submitted separately.

6 ROOT CAUSE AND CORRECTIVE ACTION

When requested supplier shall provide proof of root cause determination and corrective action for any deficiencies deemed supplier responsibility.

7 SPECIAL PROCESSES

Each special process, including, but not limited to: soldering, cleaning / etching or passivation, welding, brazing, plating / coating, heat treating, magnaforming / swaging, electro polishing, acid pickling, impregnating, bonding, glass sealing, shot peening, silkscreening, magnetic particle / penetrant or X-Ray or N-Ray inspections, when required by Nova-Tech Engineering LP or other process specifications shall be performed by approved suppliers.

8 SURFACE TREATMENT AND MASKING


Mask off all machined keyways, slots and plug all machined/drilled/tapped holes. Otherwise surface treat as per drawing requirements.

Apply surface treatment against rust on machined surfaces with wax, oil, anti-rust spray or equivalent while staging. Parts shall be surface treated against rust prior to shipping.

9 CERTIFICATE OF CONFORMANCE

Seller shall submit with each shipment a Certificate of Conformance stating that the items furnished to Nova-Tech Engineering LP are in conformance to the Purchase Order/Drawing requirements applicable to the items delivered. This document clearly identifies that the entire order meets the PO requirements and that appropriate documents are available when requested (such as, inspection reports, first article inspection reports, material certifications – chemical, physical, etc...)

Any recognized aerospace, military and/or industry standard, when imposed by the drawing, specification or Purchase Order must be specifically stated and form a part of the certification. Each supplier certification must contain the following information: (a) Purchase Order Number (b) Lot Number

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(c) Quantity Shipped (d) Part Number (e) The date of issue, and (f) Signature and title of the Seller's authorized representative.

10 RECORD CONTROL

Seller shall have on file, as it applies to the Buyer PO, and retained for seven years after delivery of line item all data, material/chemical and physical test reports, and Certificates of Conformance for processes performed by themselves and their sub-tier suppliers and shall make these data and/or documents available for review by Nova-Tech Engineering LP upon request.

11 SUBCONTRACTING

Subcontracting ANY or ALL of the work procured on this purchase order without written approval of Nova-Tech Engineering LP is prohibited. All approved subcontracted operations must meet all provisions of the purchase order and customer's requirements as provided by NTE. Supplier is responsible for ensuring all sub-tier suppliers are in compliance with all applicable requirements. This includes, but is not limited to, the collection of any certifications, test documents, and objective evidence of conformance to processes passed along through relevant technical data (e.g., specifications, drawings, process requirements, work instructions).

For subcontracted special processes, a list of approved special processors shall be maintained by the Seller and provided upon request to the Buyer. Each shipment must include a report or certification of adequate data as to where the processing was accomplished, including name and address of processing source.

12 PHYSICAL AND CHEMICAL TEST REPORTS


Material test reports/certifications are to be supplied electronically (when possible) to Buyer or included with the shipment. Seller agrees to maintain physical/chemical test reports and/or certificates traceable to material being ordered per QA Clause 10 above. All material received must be marked per QA1 and traceable to supplied reports.

13 QUALITY SYSTEM REQUIREMENTS

Seller shall maintain a documented quality system that complies with the requirements of government and/or industry quality system standards. Seller's quality system is subject to verification and approval at all times by Nova-Tech Engineering LP.

14 DFAR

When informed by Nova-Tech Engineering LP that contract be DFAR compliant, Seller agrees to supply material in compliance with DFARS 252.225-7014. The origin of the material shall be from a qualifying country in accordance with DFAR 225.872-1.

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15 ITAR, EAR, and CGP

This purchase order may contain, and/or reference documents containing, information subject to the International Traffic in Arms Regulations (ITAR), the Export Administration Regulations (EAR), or the Controlled Goods Program (CGP). Seller shall not export, release, or disclose this information without first complying with the export license requirements of the applicable regulations.

16 NONCONFORMING MATERIAL CONTROL & LATENT NONCONFORMANCE NOTIFICATION

If nonconformance(s) is detected by seller (prior to or post shipment of product), seller (supplier) shall notify buyer of the nonconforming product. Disposition and any subsequent approval of nonconforming product shall be provided by Nova-Tech Engineering LP. The NTE Supply Chain Management representative, or delegate (Project Manager) shall provide disposition requirements.

17 CHANGES

Seller shall not make any changes to the process or materials specified under the purchase order. Seller shall notify Nova-Tech Engineering LP in writing prior to any proposed changes in product and/or process, suppliers/sub-tiers, manufacturing facility location and/or ownership, and where required, obtain Nova-Tech Engineering LP approval. Notification of such changes shall be directed to NTE Supply Chain Management or designate (Project Manager).

18 100% INSPECTION


Inspection is required with actual recorded results, for all characteristics on all parts to ensure conformance to drawing and specification requirements. A copy of this inspection record is required with the shipment of product.

19 NOVA-TECH ENGINEERING LP SOURCE INSPECTION

Nova-Tech Engineering LP source inspection is required. Inspection shall be conducted at the Seller's facility and shall be requested and accomplished prior to shipment. When the items on the Purchase Order are ready for inspection, notify the Buyers purchasing representative so that coverage can be arranged. Drawings, specifications and/or other pertinent data, as required by Purchase Order, shall be made available to the Nova-Tech Engineering LP Quality Representative, at the time of material presentation.

20 SHIPPING INSTRUCTIONS

Nova-Tech Engineering LP will specify premium shipping services as required and note same on each purchase order if required. Unless otherwise noted standard ground services such as UPS or USPS, for domestic shipments, is authorized via purchase order.

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For any drop shipments directly to an Nova-Tech Engineering LP customer, please contact Nova-Tech Engineering LP Procurement Department for specific instructions.

Failure to comply with Nova-Tech Engineering LP shipping instructions may result in Supplier being charged with any cost differences.

21 COUNTERFEIT PARTS

Seller shall make every effort to assure safe, reliable product and mitigate the risk of counterfeit parts entering the system. A counterfeit part is any item misrepresented as having been designed and/or produced under an approved system or other acceptable method. Seller shall immediately notify NTE with the pertinent facts regarding any confirmed or suspected counterfeit parts. If counterfeit parts are furnished under a purchase agreement, such items shall be impounded. The seller (and/or their applicable supply chain) shall promptly replace such items with items acceptable to NTE. Seller (and/or applicable supply chain) may be liable for all costs relating to impoundment, removal and replacement. NTE may turn such items over to US Government authorities (Office of Inspector General, Defense Criminal Investigation Service, Federal Bureau of investigations, etc.) for investigation and reserves the right to withhold payment for the suspect parts pending the results of the investigation.

22 SUBCONTRACTOR OVERSIGHT

Suppliers acknowledges their role in the contribution to product or service conformity, product safety, and the importance in maintaining ethical behavior in the marketplace.

23 SUPPLIER PERFORMANCE AND MEASUREMENT

Suppliers will be measured with regards to their on-time performance and quality of delivered parts. Suppliers deemed as not performing on a consistent basis may be removed from Sellers Approved Supplier List. Performance reviews will be given to Suppliers periodically and also may be requested from the Seller at any time.