

PURCHASE ORDER TERMS & CONDITIONS

The following terms and conditions set-forth apply to all purchases orders created by CSP America. Any deviations from these terms and conditions must be expressed in writing and signed by both customer and vendor to be accepted in lieu of these terms and conditions.

TERMS:

1. Terms will be assumed to be NET 30 days unless expressed in writing from vendor or otherwise stated on order.
2. Shipping point is assumed to be FOB-Destination unless expressed in writing from vendor or otherwise stated on order.
3. Payment aging will begin only once the following has been accomplished:
 - a) All parts are received and approved for production
 - b) Required reports as required on the order (certification of compliance, etc) are received and are correct.
4. Backorders are not acceptable. Vendor may ship partial orders, but may not submit invoice until shipment is complete. Vendor will be responsible for additional freight costs for shipping partial orders, unless otherwise agreed.
5. CSP will pay only for quantities that were ordered. A vendor, at their discretion may ship an overrun of parts; however, CSP will be expected to pay for only the ordered quantity.

ACCEPTANCE:

1. Receiving parts from the shipping company does not constitute acceptance of the shipment. CSP shall have a reasonable period of time to inspect the parts for defects, non-conformities, and actual verification of quantity received.
2. Vendor is responsible to ensure that all products reach our facility in a safe and acceptable manner. The vendor is responsible to provide adequate packaging so to avoid damage and lost parts. Freight claims to be handled by the vendor.

DEVIATIONS/NON-CONFORMITIES:

1. CSP has a right to refuse product that does not meet all drawings, specifications, and order requirements. No deviations will be allowed unless otherwise stated in writing.

QUANTITY VARIATIONS:

1. An allowable shipping quantity variance is shown on the purchase order. If none is shown on the order, no variance is allowable.

DELIVERY DATE:

1. The due date as shown on the order is the date the product is due at our facility. It is the vendor's responsibility to account for shipping time in their production schedule. Due dates that fall on a holiday or weekend day are due in our facility by the next open business day. An unexpected delay caused by the freight company is an exception and the vendor will not be held liable.
2. CSP reserves the right to refuse a shipment or cancel an order not received by the due date unless otherwise agreed in writing.
3. Vendors shall contact CSP in a reasonable amount of time **prior** to the due date and request a reasonable delivery extension if it is known that the order will not be delivered by the original due date.
4. In the case where a vendor delinquency or delivery modification will require CSP to obtain a delivery extension from the government (CSP customer), the vendor will be charged a \$150.00 minimum charge or 1% of the order amount; whichever is greater.
5. The delivery date terms are established to encourage communications by the vendor to inform CSP of potential problems. Late orders delay CSP's production schedule and cost the company money.

ORDER ACKNOWLEDGMENT:

1. The vendor, upon receipt of an order, shall provide CSP with an Acknowledgment in writing to document that the vendor received the order and has no objections to the order requirements (quantity, price, delivery or terms). In the event that a vendor fails to acknowledge an order and does not provide alternate terms and conditions that is agreed in writing by both parties, delivery of order constitutes vendor acceptance of the order and its' terms and conditions, and all other agreements provided, including tooling/prepayment agreements. CSP may, at any time, choose to provide a written termination notice if the order is not acknowledge by the vendor. Failure to acknowledge order does not automatically terminate the order unless a termination notice is sent to the vendor in writing.

GOVERNMENT ORDERS:

1. Orders that include contract number and DPAS rating are a rated order certified for national defense use, and you are required to follow all the provisions of the Defense Priorities and Allocations System regulation (15 CFR 700).