



PURCHASE ORDER TERMS & CONDITIONS

EXPECTATIONS

All suppliers shall be qualified according to the Axis Technologies supplier qualification process. Suppliers may be asked to complete a Supplier Quality Survey Questionnaire.

1. **Performance.** Axis Technologies Inc. evaluates suppliers based upon the quality, delivery and timeliness of responses to requests for corrective action.
2. **Purchase Order Changes.** Once the PO is accepted, any supplier-initiated change requests shall be initiated via e-mail to the buyer. Axis Technologies Inc. initiated changes should be communicated to the Supplier via a purchase order revision.
3. **Change Control.** Changes to Axis Technologies Inc. requirements is prohibited without prior approval. Supplier shall notify Axis Technologies Inc. of intended or actual changes that may affect the quality of delivered goods and services. This includes: process changes, equipment changes, and facility changes.
4. **Customer Furnished Material.** All customer supplied material must be handled with care and appropriately stored. If customer supplied material is found to be nonconforming, supplier must notify Axis Technologies Inc.
5. **Counterfeit Parts.** Suppliers shall not deliver or use counterfeit components or parts (*a part falsely represented in some manner, e.g. manufacturer, date code, lot code, reliability, level, markings, etc.*)
6. **Material Test Reports/Certificates of Analysis.** Supplier shall provide raw material certifications demonstrating compliance to the applicable material specification. Documentation shall include reference to Axis Technologies Inc. purchase order number.
7. **Certificate of Conformance.** Supplier shall certify that product supplied meets all specifications and requirements as stated on the purchase order. Documentation shall include reference to Axis Technologies Inc. purchase order number.
8. **Traceability.** Supplier shall maintain the traceability of parts and materials.
9. **Limited Shelf Life.** Materials with limited shelf life shall indicate the date of manufacture, lot/batch number and applicable specification on the container.
10. **Nonconforming Material.** Deliverable items failing to conform to applicable specifications, and/or purchasing documents shall not be delivered to Axis Technologies Inc. without prior written approval.
11. **Corrective Action Request.** Acceptance of this purchase order obligates the seller to perform, upon request, a corrective action investigation when discrepant material is received by the buyer. A written report shall be furnished which is specific and conclusive to prevent a reoccurrence of the discrepancy.
12. **Record Retention.** Unless otherwise specified, records must be maintained for a period of 7 years and must be retrievable.
13. **Packaging.** All items shall be packaged in such a manner as to prevent damage during shipment and subsequent storage at Axis Technologies.