

## Supplier Agreement

### 1.0 DEFINITIONS

- 1.1 Supplier means the person, corporation or other legal entity of any tier and its legal representatives, authorized agents, successors and assignees which supply the Goods and/or services under the Purchase order.
- 1.2 Whizz Systems Inc. means its legal representatives, authorized agents, successors and assignees.
- 1.3 Contract means this Agreement between Whizz Systems Inc. and Supplier, which also includes the Purchase order (hereinafter referred to as P/O) placed by Whizz Systems Inc. and acknowledged by Supplier for the purchase of the Goods and /or service.
- 1.4 Goods means any machinery, tooling, materials, components, assemblies, sub-assemblies, castings, parts represented by Whizz Systems Inc.'s part number and or related documents, certificates or services of any kind to be supplied under the Contract.
- 1.5 Tooling means any pattern, artwork, jigs and fixtures, tools, non-consumables hardware or software, dies, associated accessories like stencils etc. not necessarily manufactured and supplied by or to Whizz Systems Inc. but paid for by Whizz Systems Inc. for the production of Whizz Systems Inc. parts.
- 1.6 Whizz Systems Inc. may issue the Supplier parts without charge for production of final product such as assembly, sub-assembly or to perform operations such as welding, painting, coating etc. All parts that are Issued free are to be managed by The Supplier and stock is checked regularly and when requested by Whizz Systems Inc. Any losses and scrap are to be advised to Whizz Systems Inc. and funded by the Supplier.

### 2.0 PO PLACEMENT & ORDER ACKNOWLEDGEMENT

- 2.1 The Supplier is to acknowledge Purchase Orders within (\*see terms below). The acknowledgement is to include Whizz Systems Inc. purchase order reference, part number & issue number, quantity, delivery date promise and Supplier work order reference. The Supplier must ensure that they are in possession of the latest issue drawing as specified on the PO or as otherwise advised.  
\*Based on the items below, the terms are based on the applicable commodity being provided:
  - 1) Quick turn PCBs in 3 hours, standard PCBs in 24 hours.
  - 2) Production PCBs 24 to 48 hours
  - 3) Electronic components in 2 hours
  - 4) Mechanical parts in 2 to 3 days
  - 5) Customer part orders in 1 to 2 weeks
- 2.2 The Supplier is to procure all materials and components and documentation required to complete the accepted purchase orders. Whizz Systems buyers are responsible to provide documentation to suppliers.
- 2.3 All prices are to be held for the duration of the acknowledged order.  
Note: The prices will not change for the duration of the project, specific to PCB ordering
- 2.4 Whizz Systems Inc. will make a commitment to buy from the Supplier for the Lifetime of products. If the Supplier agrees to maintain the prices for the same period (subject to satisfactory audits by Whizz Systems Inc. for Mechanical and PCBs).
- 2.5 The PCB supplier shall be responsible and liable for the cost of defects due to Delamination of PCBA, if it is determined to be scrapped to recover cost of components in addition to the bare PCB replacement.

### 3.0 FIRST ARTICLE INSPECTION

- 3.1 The Supplier will perform a First Article Inspection Report (FAIR) on the first production of all mechanical and PCBs from the production process. The FAIR will demonstrate that the Supplier's

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process is in control and is able to meet the requirements of the drawing. Any change in design, process or material will require a new FAI to be performed.

3.2 Whizz Systems Inc. will review and sign off or reject the FAIR within 5 working days of receipt.

### 4.0 SUPPLY

4.1 Whizz Systems Inc. may require supplier to push out or pull delivery dates based on demands.

4.2 Any required certificates or other documentation must be delivered with Goods and for each batch of the Goods are emailed to Whizz Systems Inc. or Buyer on the day the Goods are dispatched.

4.3 Deliveries are not considered complete until the required Certificates and Documentation is received.

4.4 Should Whizz Systems Inc. issue the Supplier with consigned material, the Supplier is to ensure that the control of the material is effective. The Supplier is to undertake a stock check of the materials at least twice per year and at Whizz Systems Inc.'s reasonable request. Any scrap material is to be reported to Whizz Systems Inc. with a brief report as to the reason for the scrap and whether any change to the process is required to eliminate the cause of the scrap in future.

The cost of the scrap is to be credited to Whizz Systems Inc.

4.5 All delivered parts are to carry a Bar Code which details the Whizz Systems Inc. part number.

### 5.0 REJECTS & WARRANTIES

5.1 Should the Supplier deliver non-conforming parts or documents to Whizz Systems Inc. the Supplier may replace the parts or agree that Whizz Systems Inc. rework the parts at the Supplier's cost. Whizz Systems Inc. reserves the right to impose the costs of processing such parts and such costs may include any tests to validate the product is useable, costs of processing rejects, etc. The Supplier may replace any non-conforming parts rather than Whizz Systems Inc. seek to use the parts, provided the replacement parts are delivered in a due time.

5.2 Whizz Systems Inc. will raise a Non-Conformance report that requires containment of all nonconforming part within 1 working day. Corrective and Preventive Action.

Report closed within 5 working days showing how the non-conformance has been permanently corrected.

5.3 Rejects will be returned to the Supplier for re-work or replacement at the Supplier's cost, including transport costs to return the Goods.

Supplier is required to provide RMA within 2 working days.

5.4 Should the parts be urgent and may prevent Whizz Systems Inc., delivering parts to its Customer then the supplier must expedite the rework/replacement process of the required quantity and date.

5.3 The Supplier is to advise Whizz Systems Inc., if there are any specific procedures to follow on the returning of any Goods.

### 6.0 TOOLING

6.1 All tooling to be marked 'Property of Whizz Systems Inc., Tooling Number upon receipt or creation of the Tooling.

6.2 All tooling is to be maintained by the Supplier at the Suppliers cost for fair wear and tear.

6.3 Should tools become so worn that the parts are no longer able to be produced Whizz Systems Inc. needs to be advised in sufficient time to discuss and agree with the Supplier the most appropriate tooling for the future requirements of Whizz Systems Inc.

### 7.0 PACKAGING AND MARKING

7.1 All Goods are to be packaged in a manner to protect the Goods from damage in transit.

7.2 Packaging must be re-usable and / or recyclable. The use of returnable packaging is



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encouraged if a practical method can be worked between the two Companies.

7.3 All Packaging must be clearly marked with the Supplier name and content.

7.5 PCB suppliers are required to keep paper between every two boards to prevent scratches before Vacuuming and add humidity paper under each vacuum pack.

### **8.0 INVOICE & PAYMENTS**

8.1 Supplier to include purchase order reference, Part number, Revision(s) and quantity delivered on all invoices.

### **9.0 OTHER TERMS OF BUSINESS**

9.1 Unless referred to above, Whizz Systems Inc.'s Terms & Conditions apply.