

PURCHASE ORDER ATTACHMENT PT-002

INSTRUCTIONS FOR REPAIR/REWORK ORDERS - ESTIMATE ONLY

- I. Repair, for the purpose of this attachment, is defined as the subjection of nonconforming material to an approved (by Buyer) process designed to reduce but not completely eliminate the nonconformance. The purpose of a repair is to bring the nonconforming material into an acceptable condition.

Rework, for the purpose of this attachment, is defined as the reprocessing of nonconforming material to make it conform completely to the drawings, specification, or contract requirements.
- II. Upon receipt for repair/rework of the material, which is the subject of this order, Seller shall immediately acknowledge such receipt including any evidence of damage in shipment. Seller is authorized to inspect the material, including disassembly if necessary, to determine the repair/rework required and prepare a fixed price quotation covering such rework.
- III. No work beyond the inspection and disassembly noted above will be undertaken by the Seller without express written approval from Buyer by a change order to this order or by other document to be confirmed by a change order.
- IV. Seller shall furnish a written quotation for the repair/rework required, including items to be repaired/reworked, by the date established in this order. The quote, shall inform the Buyer of the results of the inspection and shall be firm for sixty (60) days. The quotation should include the following:
 - A. Identify the work to be performed as repair or rework;
 - B. repair/rework price with separate detailed listings for parts and labor pricing;
 - C. firm delivery schedule from authorization of repair/rework to shipment;
 - D. warranty that will be applicable to the repaired/reworked material; and
 - E. replacement firm price for a new items of the same description and time span for replacement delivery.
- V. In the event the Seller determines that returned material, or any item thereof, is not repairable, Buyer shall be notified and requested to furnish written disposition instructions.
- VI. In the event the Buyer elects not to authorize repair/rework, Seller and Buyer mutually agree to enter into good faith negotiations to establish a reasonable price for the inspection and, if applicable, the disassembly.
- VII. Upon agreement on the scope, pricing, and delivery schedule for the repair/rework proposed, Buyer will issue a formal confirming change to the order.
- VIII. Seller shall reference Buyer's packing sheet number and unit serial number, if applicable, on all documents, invoices, and Seller packing sheets or shippers.

END OF DOCUMENT

The text of this document shall not be changed except by written agreement between Buyer and Seller.