

Raytheon

This document is an integral part of the contract (purchase order) which calls it out.
The revision in effect at the time the purchase order was placed applies.

PN 015 REV 7

(11/17/08)

UNIVERSAL PROCUREMENT NOTE

The below requirements are applicable to all purchase orders.

1.0 BARCODING & PACKAGING FOR SHIPPING

This purchase order requires the affixing of a barcode label on the outside of all shipping containers in compliance with Raytheon's Barcode Shipping Label Specification, dated 10/25/93.

Each line item of the Raytheon Purchase Order must be separately boxed with its packing list and barcode. Each such box may then be either shipped separately or combined in a larger box for the purpose of shipping. In the latter instance the words "MIXED LOAD" shall be affixed on the outer box.

2.0 DISCONTINUATION OF MANUFACTURE

In the event the seller discontinues the manufacture of the item(s) deliverable under this purchase order for any reason, including the same or dissolution of his business, then the seller agrees to deliver, at Raytheon's request, all data which seller uses to manufacture the items. For the purpose of this document, data means all drawings, prints, specifications and the design and manufacturing data packages. These obligations shall survive the completion of this purchase order.

3.0 SHIP FREIGHT COLLECT, SPECIFIC CARRIERS

For domestic shipments, the supplier must ship "FOB – ORIGIN: FREIGHT COLLECT" and using only the authorized Carriers, dependent on weight, shown below. Raytheon Carrier account numbers are not required for such collect shipments. Furthermore, the supplier must NOT insure the shipment or declare its value. Raytheon will then assume all freight charges. Drop ship material should have "Third Party Billing" notations on the freight bills.

Raytheon will debit the supplier for freight shipments routed with unauthorized carriers and any insurance charges applied.

Shipment by air is allowed only if explicitly authorized by the buyer to ship air. (See remarks section on P.O. or verbal direction).

For additional information regarding international shipments or shipments requiring specialized transportation i.e. heavy hauling, truck loads, van lines, etc. contact Stephen Klemarczyk tel. 978-470-7483/e-mail: Stephen_Klemarczyk@Raytheon.com or the buyer whose name is on the P.O.

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3.0 SHIP FREIGHT COLLECT, SPECIFIC CARRIERS (cont'd)

Weight:	Service:	Shipping Region:	Carrier:
SURFACE SHIPMENTS/DOMESTIC (Company Policy" F.O.B. – Origin/Freight Collect)			
Under 85 lbs.	Small parcel ground	United States	UPS
Over 86 lb to 20,000 lb	LTL – Outside Regional area	United States	Yellow Freight Sys.
Over 85 lb to 20,000 lb	LTL – Within locations listed	CT,MA,MD,ME,NH,NJ, NY,PA,RI,VA,VT	New Penn Motor Express
20,000 lb or greater	Truck load	United States	Contact Traffic Dept.
Specialized (Oversize/ Overweight/Sensitive)	Specialized Equip.	United States	Contact Traffic Dept.
AIR SHIPMENTS/DOMESTIC (Company Policy: F.O.B. – Origin/Freight Collect)			
Letters to 85 lb	Next Day and Second Day Air	United States	UPS
85 lb or greater	Next Day and Second	United States	UPS Supply Chain Solutions (UPS_SCS)
Any Weight	Same Day Service	United States	DHL – Same Day
INTERNATIONAL/OCEAN & AIR (Company Policy: see below #)			
All Imports	International Air	International – Imports	DHL Global Forwarding 500 Rutherford Ave Charlestown,MA 02129 (USA) Tel#: 617-242-2222 Fax#: 617-241-0897
Documentation and hardware Under 70 lb	International Air	International – Exports	UPS Express (except for Defense related aml req'g a DSP-5, DSP-61, or DSP-73 clearance, use): DHL Global Forwarding 500 Rutherford Ave Charlestown,MA 02129 (USA) Tel#: 617-242-2222 Fax#: 617-241-0897
Freight 70 lb or Greater	International Air	International (Inbound & Outbound USA)	DHL Global Forwarding 500 Rutherford Ave Charlestown,MA 02129 (USA) Tel#: 617-242-2222 Fax#: 617-241-0897
Any Weight	Ocean	International	Contact Traffic Dept.
Any Classified or Hazardous Mtl			Contact Traffic Dept.

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Transportation Terms on domestic inbound shipments: F.O.B. – Origin/Freight Collect.
Recommended Incoterms on international inbound Freight: “Free Carrier” where free carrier. Means that seller fulfills obligation to deliver when he has handed over goods cleared for export into the charge of the carrier named by buyer at the port of export.

4.0 OVERSHIPMENT

Raytheon will not accept overshipments and will return any quantity in excess of the quantity stated on this confirming purchase order, freight collect, without contacting your company for authorization to do so. Please take appropriate action to assure compliance with this policy.

5.0 RETURN MATERIAL AUTHORIZATION

Upon notification that we are in receipt of nonforming material, you are required to either (preferably) accept return shipment of the material on Raytheon documentation or supply a Return Material Authorization number within five (5) working days of such notification.

6.0 PUBLIC RELEASE OF INFORMATION PROHIBITED

Seller shall not publish any information developed under this purchase order/subcontract nor distribute it nor make any news release about the subject matter of this purchase order/subcontract without prior approval of the Buyer.

7.0 ASSET MANAGEMENT

Timing is and shall remain a material element of this Purchase Order, and no acts of Raytheon, including, without limitation, modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Raytheon also reserves the right to refuse or return, at seller’s risk and expense, shipments made in excess of Raytheon’s orders or more than five (5) days in advance of contracted schedules, or to defer payment until scheduled delivery dates, on shipments made more than five (5) days in advance of contract schedules.

Seller shall notify Raytheon in writing immediately of any actual or potential delay to the performance of this Purchase Order and such notice shall include a revised schedule and shall not constitute a waiver to Raytheon’s rights and remedies hereunder.

8.0 EXCLUSION OF HAZARDOUS MATERIALS ON EPA 17 AND DoD TOP 10 LISTS

Every effort should be made to exclude chemicals and compounds found on the EPA 17 and DoD top 10 lists of hazardous materials in the equipment or supplies furnished under this Purchase Order. In addition, every effort should be made to exclude hazardous materials found on said lists in the processes used to furnish equipment or supplies under this Purchase Order. Reasonable steps shall be taken to ensure that said equipment or supplies are not contaminated with any chemicals and compounds on EPA 17 and DoD Top 10 Lists. Should the Technical Data Package require hazardous materials contained on EPA 17 and DoD Top 10 lists, notify the Raytheon buyer.

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**8.0 EXCLUSION OF HAZARDOUS MATERIALS ON EPA 17 AND DoD TOP 10 LISTS
(contd')**

EPA 17 List		DoD Top 10 List	
1	Benzene	1	Ethylene Glycol
2	Cadmium Compounds	2	Hexachlorobenzene
3	Carbon Tetrachloride	3	Hydrochloric Acid
4	Chromium & Compounds	4	Methylene Chloride
5	Chloroform	5	Methyl Ethyl Ketone (MEK)
6	Cyanide Compounds & Hydrogen Cyanide	6	Phenol
7	Nickel and Compounds	7	Tetrachloroethylene
8	Lead & Compounds	8	1,1,1-Trichloroethane
9	Mercury & Compounds	9	Toluene
10	Methylene Chloride	10	Zinc Compounds
11	Methyl Ethyl Ketone (MEK)		
12	Methyl Isobutyl Ketone		
13	Tetrachloroethylene		
14	Toluene		
15	1,2,2-Trichloroethane		
16	Trichloroethylene		
17	Xylenes (all)		

9.0 EXCLUSION OF MERCURY

The equipment or supplies furnished under this Purchase Order shall contain no metallic mercury or mercury compounds and reasonable steps shall be taken to ensure that said equipment or supplies are not contaminated with mercury or mercury compounds. Should the Technical Data Package require mercury or mercury compounds, notify the Raytheon buyer.

10.0 ELIMINATION OF OZONE DEPLETING CHEMICALS

The Clean Air Act (42 U.S.C. Section 7401) Title VI, Section 602A, as amended November 15, 1990, bans the production of Class 1 Ozone Depleting Chemicals (ODC) effective 1 January 1996. Process changes associated with the elimination of these chemicals, as applicable to the manufacture of the item(s) on this purchase order, must be approved by Raytheon prior to implementation. Notification must include technical rationale validating the new process. Should a reference for ODC be found within the Technical Data Package, please notify the individual whose name appears in the buyer field of the purchase order.

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11.0 ELIMINATION OF OZONE DEPLETING CHEMICALS (cont'd)

Every effort should be made to exclude Class 2 Ozone Depleting Chemicals in the equipment or supplies furnished under this Purchase Order. In addition, every effort should be made to exclude Class 2 Ozone Depleting Chemicals found on said lists in the processes used to furnish equipment or supplies under this Purchase Order. Reasonable steps shall be taken to ensure that said equipment or supplies are not contaminated with Class 2 Ozone Depleting Chemicals. Should the Technical Data Package require Class 2 Ozone Depleting Chemicals, please notify the individual whose name appears in the Buyer field of the Purchase Order.

12.0 MATERIAL SAFETY DATA SHEET (MSDS)

Whenever the material supplied in fulfillment of this Purchase Order is supplied to Raytheon for the first time, a current, detailed Material Safety Data Sheet (MSDS) shall accompany the shipment, given that the material is either toxic or hazardous or both as defined by any applicable law, code statute or regulation. Whenever an MSDS is revised, a post revision copy shall be furnished with the next shipment

Whenever an MSDS needs to accompany a material shipment to Raytheon, an additional copy of the MSDS shall be sent, under separate cover, to the cognizant Raytheon buyer.

13.0 ELIMINATION OF NON-VALUE ADDED ELEMENTS

Raytheon's intent is to fully utilize our Supplier's capabilities to identify *non-value* added elements that exist in Raytheon Bid packages. Non-value added elements might be part of drawings, quality notes, etc.. "*Non-Value Added*" elements do not enhance part function, reliability, etc.. *Non-Value Added* elements increase manufacturing costs and cycle time for both Raytheon and our Suppliers. Please identify to Raytheon's buyer or subcontracting administrator any non-value added elements (Tests, method of manufacture, material, design, etc). Raytheon welcomes any and all recommendations that decrease cost and cycle time. Raytheon's goal is to acknowledge recommendations and provide outlooks within thirty days after receipt.

Raytheon has a Supplier Development program, under which a *no cost* to the supplier Raytheon will evaluate the Supplier's processes for optimization. To learn more about this program, please contact Raytheon's buyer or subcontracting administrator.

Today's defense environment gives Raytheon more latitude in approving changes. The intent of this Q-Note is to generate better methods of manufacture, and procurement that will benefit both Raytheon and our Suppliers. Cost savings resulting from recommendations shall be shared as agreed upon.

NOTE: The supplier must await Raytheon's written approval prior to proceeding on implementing any recommendations.