

## **Supplier Quality Terms & Conditions Agreement**

Advance Aero, Inc. is an AS9100:2016 Rev. D certified manufacturer and will establish the necessary requirements for its suppliers. As a supplier to Advance Aero, it is understood that by accepting a Purchase Order by Advance Aero, Inc., the supplier agrees to meet the requirements listed below. "Supplier", in this case, refers to a company or entity that Advance Aero contracts with by means of a Purchase Order to provide materials, products, or services that impact Advance Aero's ability to meet customer requirements and its AS9100 Quality Management System requirements.

- 1. The supplier commits to meet Advance Aero's requirements contained in the PO that may include as applicable:
  - The use of approved products, services, sub-suppliers, methods, processes, and equipment.
  - Meeting established criteria for inspection, testing, and verification prior to release to Advance Aero. This includes any special requirements, identified critical items, and key characteristics.
  - Providing test specimens, inspection data, certificates of conformity, material certification with full trace to supplier, or other evidence that Advance Aero requirements have been met.
  - Delivery of PO items on or before the stated required date.
- 2. In addition to requirements stated in the Purchase Order, other requirements such as current technical data, drawings, process specifications, or work instructions may also be communicated separately via drawings, CAD data, or email.
- 3. Should a supplier's changes to processes, product, service, sub-supplier, or location impact their ability to meet Advance Aero requirements, they must notify Advance Aero for approval in advance of making such changes.
- 4. When applicable, Advance Aero maintains approval authority over a supplier's design and development control for Advance Aero product.
- 5. Advance Aero will retain approval authority of supplier's products or services, supplier's methods, processes, and equipment, and the release of products or services. The supplier's inspection or testing activities of Advance Aero product shall include statistical techniques for product acceptance approved by Advance Aero, as applicable.
- 6. Suppliers must notify Advance Aero of any product found to be nonconforming. Disposition of nonconforming product must be in writing by Advance Aero.

Rev. Orig Date: 2/19/18 Page 1 of 2

- 7. In the event that nonconforming product has been found after shipment to Advance Aero, a formal Corrective Preventive Action may be issued to the supplier depending on the severity of the nonconformance. This will also impact whether the supplier remains qualified to stay on Advance Aero's Approved Vendor List.
- 8. Advance Aero expects 100% on time delivery in order to meet its customer requirements. If the required date stated on a PO cannot be met by a supplier, it must notify Advance Aero in advance. OTD is a key requirement for suppliers to be listed on Advance Aero's Approved Vendor List.
- 9. Suppliers shall establish and maintain a quality management system and will be expected to complete and return Advance Aero's form F125 Supplier Quality Survey when provided to them. In addition to product conformity and OTD, these self-evaluations are designed to keep Advance Aero records up to date and provide necessary information regarding the supplier's quality system and the risks and opportunities associated with the supplier.
- 10. Suppliers are responsible for taking necessary steps to prevent the introduction of counterfeit parts into their materials, services, and product. Proof of full traceability for material will be required along with any conformity statements.
- 11. Advance Aero retains the right to perform validation activities at the supplier's facility and will be communicated to the supplier in advance in such cases. Advance Aero, its customers, and Advance Aero's regulatory authorities also retain the right of access to all applicable supplier facilities and records related to materials, products, or services provided to Advance Aero.
- 12. Suppliers must retain records related to supplied material, product, or services to Advance Aero for a minimum of 5 years. In cases where this retention period must be increased, specific requirements will be provided in the PO.
- 13. Suppliers are responsible for ensuring that its personnel are competent and qualified and aware of how they contribute to compliance with these terms and conditions, including their contribution to product conformity, product safety, and the importance of ethical behavior.
- 14. Suppliers are required to flow down Advance Aero requirements and its customer requirements, including these terms and conditions, to any sub-supplier they use.

Rev. Orig Date: 2/19/18 Page 2 of 2