



STANDARD QUALITY CLAUSES & PO TERMS AND CONDITIONS

The supplier should read and understand the contents of these clauses as well as any/all drawings and specifications incorporated (by reference or otherwise) in the Purchase Order.

1. Suppliers of raw materials and chemical processing shall be third part certified to at least one of the following quality management system standards: AS9100, AS9120, ISO9001, or AC7004, as applicable to the products or services supplied. Suppliers of calibration services shall be compliant with at least one of the following standards: ISO 17025, ISO 10012, ANSI Z540-1.
2. Seller shall retain all required records conforming to purchase order requirements, including seller's records and certifications of the inspection, test performed, manufacturing, testing, and processing for a minimum of ten (10) years after the completion of the order. Such records shall be made available to the Buyer for review upon request. Seller shall notify the Buyer prior to the destruction of records.
3. All subcontractors and vendors shall demonstrate that they control test and inspection measuring devices in accordance with the principles of ANSI Z 540-1, MIL-STD-45662 and/or ISO 10012-1.
4. The supplier must understand that although sampling inspection may be used for acceptance of a lot of parts, one non-conforming part is cause for rejection of the entire lot. Supplier sampling shall as a minimum, meet requirements of ANSI Z1.4 Level II, AQL 1.5 zero rejects.
5. It is expected that the supplier shall have adequate test and measuring equipment to inspect the parts being produced. There is no requirement for Aerofit to use the same type of equipment. Example: The supplier has the option of using pitch wires to inspect threads. Aerofit is free to use single element gauging.
6. Acceptance of product/services is at Aerofit. However, Aerofit, or its Customer(s), may elect to impose source inspection. If this is done, it will be called out on the face of the Purchase Order. Source Inspection does not preclude subsequent inspection/acceptance at Aerofit.
7. Aerofit reserves the right of access by the organization, Aerofit's customers, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain. This clause specifically includes the conduct of quality system audits. Due notice shall be given to the supplier and time/date of entry shall be coordinated.
8. "Specialty metals" as defined under DFAR 252.225.7009 clause (Restriction on Acquisition of Certain Articles Containing Specialty Metals) shall be of domestic origin or supplied by DFAR qualified countries, unless specifically authorized by the Purchase Order.
- 8.a. No unauthorized raw material substitutions are allowed. This includes:
 1. Any deviation from the specification requirements for form, size, shape, chemistry, melt method, origin, temper/condition, product testing or surface finish;
 2. No conversion of raw material (e.g. heat treat to change the temper or condition) is allowed unless permitted by contracted specification;
 3. Raw material must not be re-certified with respect to thickness, diameter, width, cross-sectional area or product form. Machining or cutting of thicker product or other product forms shall not be supplied in lieu of specified product unless authorized by Aerofit. Raw material certifications shall reflect the form and size of the raw material as originally manufactured by the raw material producer.
 4. Raw material certifications shall reflect the full traceability of the material from melt to final product, including all thermal and chemical processes.
 5. The full chain of ownership of the raw material must be identified, from melt source to current supplier.
9. The supplier shall not subcontract any portion of an order without prior authorization of the Buyer. Only Aerofit and/or Customer approved vendors may be used upon authorization.
10. Supplier shall ensure that all activities regarding Aerofit's purchase orders are performed by a skilled and trained staff, including temporary employees. All final tests and inspections are to be carried out by operators authorized by the supplier's Quality Department. If a special process is carried out (i.e. non-destructive testing, welding) operators shall be trained, certified or qualified in accordance with AS9100 standards.
11. NADCAP Requirements - All suppliers performing or providing one of the following processes or products need to be NADCAP approved: Chemical Processing (CP); Coatings (CT); Composites (COMP); Conventional Machining as a Special Process (CMSP); Elastomer Seals (SEAL); Electronics (ETG); Fluids Distribution (FLU); Heat Treating (HT); Materials Testing Laboratories (MTL); Measurement & Inspection (M&I); Metallic Materials Manufacturing (MMM); Nonconventional Machining and Surface Enhancement (NMSE); Nondestructive Testing (NDT); Non Metallic Materials Manufacturing (NMMM); Non Metallic Materials Testing (NMMT); Sealants (SLT); Welding (WLD)
12. Customer approved sources requirements- Supplier shall check Aerofit Purchase Order for any specific customer approved sources requirements (e.g. D1-4426 Boeing).
13. The supplier shall ensure that **Foreign Objects** and subsequent **Foreign Object Damage (FOD)** is eliminated from all products/parts prior to shipment. The supplier shall maintain an FOD prevention program in compliance with NAS412 and AS9146.
14. The supplier shall notify Aerofit in writing within 24 hours if any product has been released and subsequently found not to conform to the applicable design data.
15. Aerofit monitors suppliers' performance. Aerofit communicate delivery and quality rating quarterly to individual suppliers who have had ten or more receipts during the quarter, and to suppliers that have less than ten receipts but don't meet Aerofit expectations for quality and on-time delivery. Suppliers are expected to achieve 98% quality and 93% on-time delivery (OTD). Suppliers who have had ten or more receipts during the quarter and who fail to maintain a quarterly rating of 98% for product quality and/or 93% for delivery will be required to submit an improvement plan for quality and/or delivery on time, as and when decided by Quality, and will be subjected to additional inspection upon receipt.



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Gage Loan Policy

The supplier must be aware there is a limitation of responsibility that Aerofit LLC is willing to assume when gages or other devices are loaned to suppliers. The supplier assumes accountability for the control, maintenance and proper storage of said equipment:

1. Gages are to be utilized only for inspection of Aerofit LLC parts and product
2. Loaned gages must be returned within 30 days of completion of the specific purchase order lot quantity. (Exceptions to gage return due date for back-to-back orders can be made by Aerofit LLC management)
3. Gages or other devices that are considered lost or not found at supplier's facility will be debited the full cost for replacement.
4. Any financial actions will be processed utilizing Aerofit's debit memo and assigned to the Supplier's account without prior notice or approval.

The loaning of gages to the Supplier does in no way relieve the Supplier from the proper measurement and control of its own processing or relieve the Supplier of the responsibility to deliver conforming product.

Packaging

Products received without packaging, packing and markings as set herein may be rejected by Buyer and returned to Seller at Seller's expense.

1. Each purchase order item must be packaged and identified separately.
2. Where a shipment contains goods from more than one lot, seller shall separately package and identify each lot.
3. DO NOT combine items in the same shipping container.
4. Indicate PO/Contract number(s) and total number of containers on all shipping documents.

Conflict Minerals

The Supplier shall take all necessary measures to comply with the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Changes - Supplier shall notify Aerofit immediately if any of the following occurs:

1. A change or anomaly to specified/qualified products and/or processes. Acknowledgment and/or approval of this notification will be made by the Buyer or a Quality representative prior to proceeding with the order.
2. Changes in Management Representative with assigned responsibility and authority for the quality system.
3. Changes in product and/or process definition, changes of suppliers, change of manufacturing facility/location and, where required, obtain organization approval.
4. Of any occurrence of natural disaster that diminishes Seller's ability to deliver conforming goods or services.

Manufacturers- First Article Inspection

First Article Inspection shall be performed per SAE AS9102. The First Article Inspection Report (FAIR) shall be submitted to Aerofit with the first shipment of parts on this Purchase order.

Suppliers performing Special Processes- First Article Inspection

Suppliers shall comply with the AS9102 requirements below

A Certificate of Conformance (CoC) provided by processors attests to satisfying the requirements. Suppliers providing special process(es) can satisfy this standard's requirements by either:

- Documenting the design characteristics and associated results on a First Article Inspection Report (FAIR) per AS9102
- Documenting the design characteristics and associated results on a detailed CoC

Counterfeit Product

Seller shall only supply buyer with new materials. Used, remarked, fraudulent & counterfeit materials will not be accepted. Seller shall establish a counterfeit control program that meets AS5333, AS6174 or equivalent, in order to prevent the acceptance and shipment of fraudulent and counterfeit materials. Seller shall immediately notify Aerofit LLC if it becomes aware or suspects that it has furnished fraudulent or counterfeit materials. Buyer shall not return or pay for any fraudulent or counterfeit materials but shall provide evidence of such to the seller.

ITAR and EAR Export Regulations

Supplier agrees to conform to all ITAR and EAR export regulations and related executive orders. Seller shall defend, with counsel of Buyer's choosing, indemnify and hold harmless Buyer from and against all claims, demands, causes of action, losses, costs, fees and damages arising directly or indirectly, from any actual or alleged failure by Seller to comply with any federal, state or local statutes or other legal obligations.

Publicity

Seller shall not release any publicity, advertisement, news release or denial or confirmation of same regarding this contract or the goods or program to which it pertains, without Buyer's prior written approval.

Flow down Requirements

To ensure conformance to all Purchase Order requirements, Seller shall flow down all applicable requirements to Seller's sub-tier sources, when such sources are used by Seller for procurement or processing of products.

Special Notes:

1. Aerofit is happy to exchange information with its suppliers. To be most efficient, please communicate via the person identified as your buyer/contact.
2. The information and design depicted on Aerofit drawings, hardware and/or specifications provided with this order are considered proprietary and shall not be reproduced or used for manufacturing purposes without written permission from Aerofit, Inc.



STANDARD QUALITY CLAUSES & PO TERMS AND CONDITIONS

3. Aerofit is an equal opportunity employer. All federal EEO and affirmative action requirements in race, sex, religion, national origin, handicap, veteran status, veterans or disabled veterans status found in 41 CFR 60-1.4, 60-250.4 and 60-741.4 are herein incorporated by reference.

Application of Acceptance Authority Media (AAM)

Seller shall comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of the Acceptance Authority Media (AAM) requirements.

Seller shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS).

Seller shall, upon Aerofit request, be able to demonstrate evidence of communication to its employees and to its supply chain; use of AAM must be considered as a personal warranty of compliance and conformity.

Seller shall maintain compliance to the AAM requirements by assessing its process and supply chain as part of its internal audit activities. The areas of focus of this assessment shall include but not limited to:

1. Authority Media Application Errors (i.e. Omission, Typos, Legibility, etc.)
2. Authority Media Application Untimely Use (i.e. Documentation is not completed as planned, "Stamp/Sign as you go," etc.)
3. Authority Media Application Misrepresentation (i.e., uncertified personnel, Falsification of documentation, Work not performed as planned, etc.)
4. Authority Media Application Training Deficiencies (i.e. Ethics, Culture awareness, Proper Use of authority media, etc.)

Employee Awareness

Seller shall ensure that all employees are aware about:

1. Their contribution to product and service conformity
2. Their contribution to product safety
3. The importance of ethical behavior

Ethical behavior

Aerofit, LLC requires that external providers adhere to highest standards of ethical behavior, and compliance with all applicable laws and regulations are key to protecting the reputation and long term success of our business relationship. In doing so, it seeks to take account of all of its stakeholders, including shareholders, employees, customers, suppliers, governments, regulatory bodies and the environment.

European Regulation (EC) 1907/2006 (REACH)

Where applicable, the supplier must comply with European Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals. See Candidate list available at <http://echa.europa.eu/web/guest/candidate-list-table>.

Aluminum Forgings

Suppliers of aluminum forgings in accordance with AMS4141H shall test for grain flow per para. 3.4.4 at a minimum frequency of once per quarter (January thru March, April thru June, July thru September, October thru December). This test is not required if forgings supplied to Aerofit are not manufactured in the quarter. Records of the tests shall be made available for review upon request.

APPROVED

By William Younkin at 2:05 pm, Oct 07, 2024

Reviewed and approved by (Quality): _____



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Revision Table (Revisions are also indicated by a bold bar next to the revised paragraph on the left side margin)

Revision	Date revised	Description of change
07-22	07/18/22	REACH Clauses added: European Regulation (EC) 1907/2006 (REACH)
04-23	04/07/23	Remove General Purchase order terms and conditions from this document. Terms and conditions will be referenced with a link on each PO.
08-23	7/11/23	Para 7- completely revised
01-24	1/23/24	Clause 1 revised; from compliance to "shall be certified" for raw materials and chemical processing suppliers
10-24	10/03/24	Page 3- Added <u>Aluminum Forgings</u> paragraph on Page 3- requirement to test for grain flow on aluminum forgings -APPLICABLE TO ALL SUPLIERS Page 2- Added Supplier Performing Special Process First Article Clause