



## MILTECH MACHINE CORPORATION TERMS & CONDITIONS

**General.** As a supplier to Miltech Machine Corp (“Miltech Machine Corp”), you become a key contributor to the products and services that we deliver to our customers. We value the conformance of your products and services to our specifications and requirements, your contribution to our product’s safety, and your ethical business practices. If you are bidding on one of our RFQs, it is understood that your organization agrees to meet the following AS9100 requirements whenever a Miltech Machine Corp purchase order specifies that the order is for an aircraft product subject to AS9100 requirements, hereafter called an “aircraft product” order.

**Scope.** These terms and conditions apply to all external suppliers and sub-tier suppliers which furnish products, processes, or services to be incorporated into Miltech Machine Corp contractually deliverable aircraft products.

1. Suppliers must use Miltech Machine Corp customer-approved special process sources (anodize, heat treat, welding, etc.) when indicated on a Miltech Machine Corp purchase order.
2. The supplier must contact Miltech Machine Corp in the event of nonconforming product/material. Arrangements for the approval of supplier nonconforming product/material must be as directed by a Miltech Machine Corp authorized manager or designee.
3. The supplier shall notify Miltech Machine Corp of any changes to a product and/or processes, including changes of external providers or location of manufacture, that may affect conformance to specifications or requirements, and to obtain approval from an authorized Miltech Machine Corp manager or designee prior to production. If a First Article of Inspection (FAI) was required by the contract for the first product, a new FAI shall be required from the supplier.
4. Miltech Machine Corp, our customers, and regulatory authorities retain the right of access to supplier:
  - a. Facilities involved in the aircraft product order.
  - b. Records applicable to product conformance to specifications, which shall be retained for four years from date of purchase order.
5. Miltech Machine Corp will require our external providers to apply the appropriate controls to their direct and sub-tier external providers to ensure that product requirements are met. The appropriate controls may include customer/regulatory/AS9100 specific requirements and will be indicated on the Miltech Machine Corp purchase order.
6. Miltech Machine Corp performs inspection activities to ensure that purchased product meets requirements, including:
  - a. Receiving inspections (of supplier products / services / documents) performed by a designated employee. Miltech Machine Corp verifies the authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications, or by other means. When necessary, Miltech Machine Corp may inspect or perform an audit at the supplier’s facility.
  - b. Product inspections to ensure they meet requirements, dimensions, etc. Special processes (anodizing, heat treat, welding, etc.) where compliance cannot be verified by inspection will require a Certificate of Conformity.
  - c. Product/service conformity and on-time delivery will be monitored by Miltech Machine Corp
7. When Miltech Machine Corp or its customer intends to perform verification at the supplier’s premises, Miltech Machine Corp will first state the intended verification arrangements and the method of product release. This information will be communicated on the Miltech Machine Corp RFQ, purchase order, or via another acceptable purchasing arrangement.
8. To ensure product identification and traceability, Miltech Machine Corp will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting



documentation from its suppliers as is appropriate. These requirements may be specified on Miltech Machine Corp RFQ, purchase order, or may otherwise be communicated to the supplier.

9. All special process must be performed by qualified and competent persons.
10. Miltech Machine Corp requires that the Supplier have policies and procedures to identify potential Counterfeit Parts from suppliers. Seller shall immediately notify Miltech Machine Corp with the pertinent facts if Supplier becomes aware of or suspects that Counterfeit Parts may have been used in a product delivered to Miltech Machine Corp. If products delivered under this order constitutes or includes Counterfeit Parts, Supplier shall, at its expense, promptly replace such Counterfeit Parts with genuine parts conforming to the requirements of this order. Notwithstanding any other provision in this order, Seller shall be liable for all costs relating to the removal and replacement of counterfeit parts.
11. Miltech Machine Corp may also require specific actions where timely and/or effective corrective actions to a supplier issue are not achieved. These actions may include but are not limited to any or all of the following: withholding payment until the issue is resolved, removal of the supplier from Miltech Machine Corp Approved Supplier list, and legal action.