

Document #	QOP-TC01	Document Name	MN Aerospace Terms and Conditions	
Revision	C	Revision Date	12/22/2022	
Prepared by	Mike Blankenship	Approved by	Mike Nance	

In accepting this order, the supplier agrees to the following terms and conditions:

1. Acknowledgment copy attached must be completed and returned immediately. (Advise price for unpriced items.)
2. Purchase Order Number must show on all invoices, shipping papers, correspondence, and packages.
3. Ship via least expensive way possible, unless otherwise specified. Enclose one detailed copy of the packing slip with each shipment.
4. Render original only of itemized invoices on day of shipment with copies of all shipping papers attached, showing shipping point and routing. MN AEROSPACE INC. part number must show on shipping papers and invoices.
5. No charge will be allowed for boxing or cartage unless otherwise specified on the purchase order.
6. Purchaser reserves the right to cancel order if not filled as specified. This includes delivery date requirements as specified on Purchase Order.
7. The supplier agrees to protect MN AEROSPACE INC. against all claims for infringement of patents arising from purchase, installation, or use of these goods and to assume all expenses and damages arising from such claims.
8. Material is subject to MN AEROSPACE INC. inspection upon arrival, notwithstanding prior payment to obtain cash discount.
9. MN AEROSPACE INC. reserves the right to reject and return, at your expense, material that does not comply with all the requirements of the purchase order. Also, MN AEROSPACE INC. reserves the right to reject and return, at your expense, material exceeding the quantity ordered or material received prior to the scheduled delivery date.
10. The purchase order must not be filled at higher prices than last quoted or charged without MN AEROSPACE INC. specific authorization.
11. If during the duration of any long term agreement contract MN Aerospace Inc becomes aware of lower pricing, MN Aerospace will contact the contract holder and give opportunity to price match. If agreement can not be met MN Aerospace reserves the right to terminate said contract.
12. By accepting this order, the supplier agrees that they will indemnify, save harmless and defend MN AEROSPACE INC. from all liability for loss, damage, or injury to person or property arising in any manner out of, or incident to, the performance of this contract.
13. When the supplier has MN AEROSPACE INC. property at their facility, by virtue of this order the supplier is responsible for the safe return of the MN AEROSPACE INC. property.
14. Invoices will not be paid prior to the authorized delivery date.
15. The supplier represents that the merchandise covered by this order was not manufactured, and is not being sold, in violation of any federal, state, or local law.
16. The delivery dates as specified on the purchase order indicate the exact time which product must be delivered to the docks of MN Aerospace Inc. 1125 Satellite Blvd, Suite 110, Suwanee Georgia, 30024
17. The supplier certifies that the goods called for by this order have been or will be produced in compliance with Fair Labor Standards Act of 1938 and, insofar as applicable to this order, the Walsh-Healey Public Contracts Act, and the Work Hours Act of 1962 and any amendments thereto. The supplier agrees that this certification may be considered as the certificate contemplated by the amendment dated October 26, 1949, to the Fair Labor Standards Act of 1938.
18. The supplier warrants that each chemical substance delivered under this order is on the Inventory List published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act at the time of such delivery. If the supplier provides a product under this order which contains a toxic or hazardous substance as identified under Occupational Safety and Health Standards, 29CFR Sec. 1910.20 or 29CFR Sec. 1910.100 et seq (subpart 2), or a carcinogenic substance as identified under 19 General Statutes Sec. 329, Supplier shall provide MN Aerospace Inc. with a Safety Data Sheet (SDS) (OSHA Form 20 or equivalent) and any other information required by applicable law with the initial shipment of the product and when a change in formulation occurs. Supplier shall label each container of such products in a clearly legible and conspicuous form, stating that toxic or hazardous substance is contained therein.
19. Supplier agrees to comply with Buyer's environmental, health and safety standards, requirements, and restrictions (QOP-EHS-001) during Supplier's performance hereunder and when at Buyer's jobsites, including, without limitation, adhering to Buyer's safety instructions, notifying Buyer prior to the commencement of work and providing Buyer with any test reports or results related to Goods and/or Services, as applicable. Supplier agrees to provide, upon and as requested by Buyer to satisfy any applicable regulatory or customer requirements restricting the use of any hazardous substances, all reasonably necessary documentation to verify the material composition, on a substance-by-substance basis including quantity used of each substance, of any Goods and/or Services ordered by Buyer and/or of any process used to make, assemble, use, maintain or

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repair any Goods ordered by Buyer. Separately and/or alternatively, Supplier agrees to provide, upon and as requested by Buyer to satisfy any applicable regulatory or customer requirements restricting the use of any hazardous substances, all reasonably necessary documentation to verify that any Goods and/or Services ordered by Buyer and/or any process used to make, assemble, use, maintain or repair any Goods ordered by Buyer, do not contain hazardous substances specified by Buyer.

20. Supplier shall ensure that all employees are aware of their contribution to product or service conformity, product safety and the importance of ethical behavior. See also MN Aerospace Code of ethics (QOP-COE1)
21. Suppliers may anonymously notify the applicable party regarding legal or ethical concerns to: Mblankenship@mnaerospace.net
22. The supplier shall comply with the Anti-Kickback Act of 1986. The supplier represents and warrants MN Aerospace Inc. that neither supplier (including any of its officers, partners, employees, or agents) nor any subcontractor below supplier or subcontractor employee has:
 - 1) provided or attempted to provide or offered to provide any kickback.
 - 2) solicited, accepted, or attempted to accept any kickback; or
 - 3) included, directly or indirectly, the amount to any kickback in the price applicable to this purchase order or in the subcontract price charged by any subcontractor to a higher tier subcontractor.
23. The supplier shall indemnify and hold harmless MN Aerospace Inc. from and against any loss or damage, including, without limitation, MN Aerospace Inc.'s costs, attorney's fees, or any fines or penalties assessed against MN Aerospace Inc., resulting from a violation of the Anti-Kickback Act of 1986 by supplier (including any of its officers, partners, employees, or agents); or by any subcontractor below supplier of subcontractor employees.

This contractor and all covered subcontractors shall abide by the requirements of 29 CFR Part 471, Appendix A to Subpart A, 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

24. If suspect (nonconforming) product is created or shipped, MN AEROSPACE INC. must be notified within 24 hours.
25. Suppliers shall obtain MN AEROSPACE INC. approval for nonconforming product disposition.
26. Customers and regulatory authorities are provided right of entry and access to the company's facilities and documented information.
27. Distributors are considered external providers and are required to flow applicable requirements to their supply base per Raytheon Technologies (RTX) ASQR-01 Rev 12 Table A1 and AS13100 Table 1 and Table 2.
28. Supplier must comply with the unique and special rules that apply to contracting with the US Government. If Supplier supports a MN Aerospace Inc contract with the US Government, it must at all times follow the US Government's rules for competing fairly; honor restrictions applying to US Government employees (e.g. receipt of gifts and employment); deliver products and services that conform to specifications, laws, and regulations; adhere to government accounting and pricing requirements; claim only allowable costs; ensure the accuracy of data submitted; and comply with all other applicable US Government requirements. The requirements of FAR 52.203-13 Contractor Code of Business Ethics and Conduct shall apply.
29. Supplier shall be compliant to NIST 800-171 and DFARS 252.204-7012.
30. Make to Print and Raw Material suppliers shall implement, document, and maintain a Software Quality Assurance program for all non-deliverable software per AS13100.
31. Supplier shall incorporate the applicable U.S. Government Contract Clauses to sub-tier subcontractors.
32. Supplier shall be compliant to NDIA Aerospace Industry Procedure Template Guideline for Property Management available at Government Property Tools (ndia.org)
33. If sub-tier suppliers are used, the requirements in this purchasing document must be flowed down, including any Key characteristics where required. Only customer or end-user approved special process sources may be used, unless otherwise specified.
34. MN AEROSPACE INC. Purchasing and Quality department, their customers, or regulatory agencies reserve the right to enter any place necessary to determine and verify the quality of contracted work, records, and material. Customer representatives may verify conformance to requirements as specified in the purchasing documents.
35. If the supplier plans to institute a change in the process or product, change of suppliers, change of manufacturing facility location, they must notify and obtain approval by MN Aerospace Inc. Quality Manager before that change is implemented.

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36. Records associated with the purchase order are required to be controlled within good Aerospace practices. A minimum of a 10-year record retention is required unless otherwise stated on purchase order.
37. Supplier agrees to incorporate the substance of this clause in all subcontracts.
38. Suppliers and their sub-tiers who transfer or disclose technical data to their employees or visitors who possess dual citizenship or are citizens of a foreign country must contact MN Aerospace Inc Quality Department.
39. No subcontracting or outsourcing is permitted without MN Aerospace Inc.'s written authorization and approval.
40. Goods ordered by MN Aerospace Inc. from seller are to be produced by the seller at their facilities, as identified on this order, unless agreed to in writing between the Seller and MN Aerospace Inc.
41. Catalog items sold by the Seller and ordered by MN Aerospace Inc. are acceptable for supply to MN Aerospace Inc. with certification by the Seller as to the country of origin of the individual items ordered.
42. **Counterfeit Parts:** The organization shall plan, implement, and control processes, appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to MN Aerospace Inc. The requirements of MN Aerospace QOP-16 Prevention of Counterfeit Parts and Materials, AS5553 (Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition), and AS6174 (Counterfeit Materiel; Assuring Acquisition of Authentic and Conforming Materiel) applies to all products and services provided to MN Aerospace Inc.
 - a. The supplier shall ensure that the counterfeit part prevention process includes a mechanism for reporting counterfeit parts to the organization's purchasing representative within 3 working days of it being confirmed.
 - b. For P&W end use parts report counterfeit parts to the organization's purchasing representative within 24 hours.
 - c. Procurement of material shall be subject to the applicable contract requirements pertaining to Fraud and Falsification (F&F). This shall include, but may not be limited to, the applicable pass-down clauses identified in AS6174 Rev. A Appendix D.
43. **Obsolescence:** When Supplier has knowledge that any material or hardware item to be provided in performance of this purchase order is obsolete, is marked for impending obsolescence, or has an established end of production date, Supplier shall immediately give initial notice thereof, including all relevant information with respect thereto, to Buyer. Such notice shall include, but not be limited to (1) complete details of which parts are affected; (2) date of obsolescence; (3) end of production date; (4) reason for obsolescence; (5) pricing and availability of last-time buy; and (6) Supplier's recommendation for replacement parts inclusive of known impacts to performance, pricing, availability, and lead time
44. **ITAR Notification:** Seller shall send notification of all parts, material, or any article controlled under ITAR regulations with the quote. A written notification will also be shipped with the item/s for every shipment. Any documentation controlled by ITAR regulations must be clearly marked on the document itself.
45. **Foreign Object Debris/Damage (FOD) Prevention Program:** A FOD prevention program shall be maintained. The supplier's FOD prevention program shall include the review of design and manufacturing processes to identify and eliminate foreign object entrapment areas and paths through which foreign objects can migrate. The supplier shall ensure work is accomplished in a manner preventing foreign objects or material in deliverable Items. The supplier shall maintain work areas and control tools, parts and materials in a manner sufficient to preclude the risk of FOD incidents.

SUPPLIER QUALITY REQUIREMENTS

- A. AS9100 Quality Management Systems Requirements for Aviation, Space and Defense Organizations.
This includes contracted suppliers that perform or outsource manufacturing of aerospace hardware.
- B. AS13100 AESQ Quality Management System Requirements for Aero Engine Design and Production Organizations and AS9145 Advanced Product Quality Planning and Production Part Approval Process.
- C. Pratt & Whitney ASQR-01 Aerospace Supplier Quality System Requirements.
- D. Suppliers and their subtiers shall be compliant or certified by an industry recognized and accredited QMS Certification Body for the associated scope(s) of work:

ORGANIZATION TYPE	QMS COMPLIANCE
Type 1: Make to Print/Build to Print: Manufacture, inspect, test, and certify the conformance of semi-	-AS9100 registration *or - <i>AS9100 compliant for P&W end use parts</i>

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finished and/or finished products (installed on aerospace engines or a component of such a product) to proprietary engineering drawings.	-AS9146 FOD Prevention Program compliant -AS6174 Counterfeit Part Prevention compliant -AS9145 APQP/PPAP compliant -AS13100 compliant
Type 3: Distributor.	-AS9120 registration *or <i>-*AS9120, AS9100, or ISO9001 certified for Collins/P&W end use parts</i> <i>-On RTX QDL for Collins/P&W end use parts</i> -AS9146 FOD Prevention Program compliant -AS6174 Counterfeit Part Prevention compliant
Type 4: Special Process. As part of an organization's <u>manufacturing scope</u> and/or Special Process Houses.	-Nadcap or Customer requirements. <i>-AS9100 or Nadcap AQS AC7004 certified for P&W end use parts</i> -AS9146 FOD Prevention Program compliant -AS6174 Counterfeit Part Prevention compliant
Type 4: Special Process. Organizations and Suppliers <u>that only provide the following special processes on P&W products</u> : CP, CT, HT, MTL, NCMSE, NDT, WLD.	<i>-NADCAP AQS AC7004 certified for P&W end use parts</i>
Type 5: Raw Material. Manufacture, inspect, test, and certify the conformance of Raw Material to proprietary engineering specifications.	-ISO 9001 registration -AS6174 Counterfeit Part Prevention compliant -AS9145 APQP/PPAP compliant
External Calibration or Laboratory Service Provider.	ISO/IEC 17025 or National Equivalent, e.g., UKAS, COFRAC, NIST. <i>ISO/IEC 17025, ISO 10012, or National Equivalent, e.g., UKAS, COFRAC, NIST certified for P&W end use parts.</i>
Industry Standard Part or Industry Standard Raw Material Manufacture.	-ISO 9001 registration -AS9146 FOD Prevention Program compliant -AS6174 Counterfeit Part Prevention compliant
Castings and Forgings Produced to a Proprietary Design.	-AS9100 registration <i>-AS9100 compliant for P&WA end use parts</i> -AS6174 Counterfeit Part Prevention compliant -AS9145 APQP/PPAP compliant

E. The Supplier shall notify MN Aerospace Inc of changes to, or loss of, accreditation by any Customer or Regulatory body within 3 working days.

F. The supplier shall notify MN Aerospace Inc of any significant change in their Quality Management System or business operations.

Revision Level	Description	Changed by/ Date	Approved by/ Date
Initial Release	Initial Release		Mike Nance 10/4/2010
A	Reviewed for accuracy, editorial changes	Mike Blankenship 10/25/2017	Mike Nance 10/25/2017
B	Reviewed for accuracy, editorial changes	Mike Blankenship 8/17/2020	Mike Nance 8/17/2020
C	Added Supplier Quality Requirements	Mike Blankenship	Mike Nance

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