



Supplier Quality, Terms & Conditions Agreement

As a supplier to Advance Aero, it is understood that by accepting a Purchase Order (contract) from Advance Aero, Inc., the supplier agrees to meet the requirements listed below. "Supplier", in this case, refers to any company or entity that Advance Aero contracts with by means of a Purchase Order to provide materials, products, or services to Advance Aero in order to meet its customers' requirements and industry or regulatory 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, or other evidence that Advance Aero requirements have been met. Material certifications are required to be traceable to the original Mill Lot and/or Heat Number or Date Code. Processing certifications are required for all suppliers providing special processes and must indicate that the process has been done in accordance with drawing requirements.
- The use of Advance Aero designated or approved sub-suppliers may be required and detailed on the PO. Advance Aero retains the right to require NADCAP approved suppliers at its discretion.
- Delivery of PO line items shall be on or before the stated required date. Suppliers providing product with limited shelf life shall ensure the service life of delivered product is not less than eighty percent (80%) of its maximum service life from date of delivery.

2. In addition to requirements stated in the Purchase Order, other requirements such as current technical data, drawings, process specifications, or work instructions may be communicated separately via drawings, CAD data, or email, as applicable. All products and services are to be manufactured or performed to current revision levels of drawings and specifications unless otherwise agreed upon.

3. Should changes to a supplier's processes, product, services, sub-suppliers, location, or organizational structure impact their ability to meet Advance Aero requirements, they must notify Advance Aero in writing before the contract is agreed to.

4. Advance Aero shall retain approval authority over a supplier's design and development control for Advance Aero product.

5. Advance Aero shall retain approval authority of supplier's products or services, supplier's methods, processes, and equipment, and the release of products or services as it relates to Advance Aero product. The supplier's inspection or testing activities of Advance Aero product shall include commonly established statistical techniques for product acceptance.

- 6.** Inspection and test records shall be made available upon request for each shipment received by Advance Aero. These records shall include the nature and number of observations and traceable by part number to the product or services provided.
- 7.** Advance Aero retains the right of access to perform validation activities at the supplier's facility or their sub-tier supplier's facility and will be communicated to the supplier in advance if such activity is required. This extends to Advance Aero's regulatory authorities and customers as well and all records related to materials, products, or services provided to Advance Aero. This will also include any required US Government Source Inspections or Advance Aero Source Inspections.
- 8.** Product produced by Advance Aero suppliers are subject to First Article Inspections in accordance with AS9102 when required by the PO. Certificates of Conformance may also be required with a statement attesting that product and services conform to all PO and drawing requirements.
- 9.** Suppliers must notify Advance Aero of any product found to be nonconforming before shipment. Disposition of nonconforming product must be in writing by Advance Aero.
- 10.** In the event that nonconforming product has been found after shipment to Advance Aero, a Corrective – Preventive Action may be issued to the supplier depending on the nature and severity of the nonconformance. This will also impact whether the supplier remains qualified to stay on Advance Aero's Approved Vendor List.
- 11.** Calibration services for Advance Aero must be performed in accordance with ANSI/NCCL Z540-1, or ISO 10012-1, or ISO/IEC 17025, or equivalent. The Advance Aero PO number and tool number must appear on calibration documents. Actual calibration results shall appear on the certifications.
- 12.** 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.
- 13.** Suppliers shall establish and maintain a quality assurance system that meets or exceeds industry standards and documents compliance to ensure a high level of product conformity with appropriate objective evidence. The supplier may be required to complete and return Advance Aero's Form F125 Supplier Quality Survey if provided to them.
- 14.** Suppliers are responsible for taking necessary steps to prevent the introduction of counterfeit parts or FOD into their materials, services, and product. Proof of full traceability for material will be required along with any conformity statements.

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- 15.** Suppliers must retain records related to supplied material, product, or services to Advance Aero for a minimum of 10 years. In cases where this retention period must be different, specific requirements will be provided in the PO.
- 16.** All product supplied shall be suitably packaged to protect product from damage and shipped in accordance with Advance Aero instructions.
- 17.** Suppliers are responsible for ensuring that its personnel are competent and qualified and aware of how they contribute to product conformity and product safety along with the importance of ethical behavior in their workplace.
- 18.** Suppliers are required to flow down Advance Aero requirements and its customer requirements, including these terms and conditions, to any sub-supplier (2nd Tier, 3rd Tier, etc.) they contract with.
- 19.** For any contracts (PO's) involving US Government CUI projects, the supplier, by accepting this PO, certifies that all personnel who may gain access to CUI are US Persons and have been properly identified and OPSEC trained.
- 20.** Advance Aero reserves the right to require its suppliers to meet requirements and terms and conditions from US Government sources and/or aircraft OEM sources with which it contracts with as either a primary or sub-tier supplier.
- 21.** Advance Aero has established a Safety Management System for regulatory compliance. It reserves the right to require suppliers to have a SMS program or its equivalent.