

## AS9100D FlowDown and Terms and Conditions

**Acceptance of any purchase order indicates acknowledgment and agreement of items 16 through 36**

**For all aerospace components, acceptance of our purchase order indicates understanding that your organization agrees to meet the following AS9100 requirements outlined in items 1 through 15. Items 1 through 15 are not applicable to components that do not directly affect the quality of parts we supply to our aerospace customers.**

**When required, it is the seller's responsibility to request clarification whether items 1 through 15 are applicable.**

1. Russell Plastics reserves the right of final approval of product, procedures, processes, and equipment.
2. All special processes required by this purchase order must be performed by qualified personnel.
3. **QUALITY MANAGEMENT** Our organization reserves the right to review and approve the Suppliers Quality Management System. Standard QMS requirements include:
  - a. Suppliers providing special processing must maintain a system for validating processes
  - b. **Customer directed sources must operate in accordance with approved specifications and standards as dictated and controlled by the customer in question.**
  - c. Suppliers approved for use via Certification (ISO, AS9100, ISO 17025, AS9120, NADCAP etc.) are considered as having an approved QMS and must notify our organization of any changes to that certification.

4. **APPROVAL/INSPECTION** Our organization reserves the right to approve or specify any designs, tests, inspection plans, verifications, use of statistical techniques for product acceptance, and any applicable critical items including key characteristics.

**The Supplier will perform 100% inspection, unless otherwise specified or agreed upon in writing by Russell Plastics and their customer where applicable.**

5. **COUNTERFEIT PREVENTION** All Suppliers and their sub-tiers must adhere to AS6174 regarding, Counterfeit Material and Assuring Acquisition of Authentic and Conforming Material and must have a system for monitoring and identifying counterfeit materials.
  - a. The Supplier warrants that Counterfeit Supplies shall not be supplied to the Purchaser or installed in the Purchaser's products by the Supplier.
  - b. The Supplier warrants that only new, unused, authentic, genuine, and legitimate Items shall form part of the Supplies supplied to the Purchaser. Purchasing Standard Terms, Conditions and Supplier Quality Requirements according to AS9100D 16.
  - c. Distributors may only purchase materials/components directly from original manufacturers.

6. **DOCUMENTATION** To ensure product identification and traceability, Russell Plastics requires material certificates, certificates of conformity, and/or supporting documentation from its suppliers and their sub-tiers.

Each shipment must be accompanied by one legible copy of a statement of conformance. A certificate of conformance (C of C) supplied with the shipment must provide at a minimum: Supplier name, part number, purchase order number, quantity of parts, engineering revision, title and name of authorized supplier representative (typed and signed) and statement of conformance.

When drawings, specifications and/or purchase order requires special processes, a certification is required for each special process including those performed by a supplier's sub-tier.

7. **SHIPPING AND PACKAGING** Supplier must use the carrier and mode of transportation identified on the PO or unless otherwise authorized, in writing. The supplier shall provide effective damage-avoidance packaging, including no metal-to-metal contact of parts (i.e.; provide separators between each part and appropriate dunnage (e.g. avoid parts rattling in the container).fully protecting all parties in case of damages in transit. All cost incurred due to improper packing will be paid by Supplier.

8. **CONDUCT** All external providers to Russell Plastics must be aware of the importance of their contribution to product and service conformity, their contribution to product safety, and the importance of ethical behavior, including consequences for their actions. Suppliers are expected to adhere to high standards of safe working conditions, fair and respectful treatment of employees, and ethical practices. Suppliers are expected to adopt or establish a management system to carry out these responsibilities.

The management system will be designed to ensure suppliers' operations:

- a. Comply with our requirements and applicable laws and regulations.

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- b. Conform to these responsibilities; and
- c. Identify and mitigate operational risks related to these responsibilities.

It should also facilitate continual improvement.

Suppliers standing will be rated based on their delivery and quality performance. Suppliers with a combined rating of less than 95% may be considered a risk. A supplier's standing may also be affected by failure to address nonconformances and respond to corrective action requests. The result of which can include removal of the supplier from the approved supplier list and preclusion of any future procurement as well as termination of active purchase orders at no cost to Russell Plastics

**9. The supplier is required to:**

- a. Maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
- b. Notify our organization of nonconforming product immediately upon discovery, including any escapes (defects in products in already delivered).
- c. Maintain a system for identifying non-conforming product. All parts that are dispositioned as nonconforming must be identified with a discrepant part tag or other means of identification and shall be coordinated with Russell Plastics.
- d. Notify our organization of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations. The Supplier shall wait for approval from Russell Plastics (and Russell's customers where applicable), before processing any parts with the proposed changes.
- e. Flow down applicable purchase order requirements to their sub-tier suppliers.
- f. Provide root cause analysis, effective corrective and preventive action as requested
- g. For Age controlled materials, the Supplier is required to supply product that has a remaining shelf life of at least 75% of original life as of the date of shipment.  
Age controlled materials must be clearly identified with the respective cure date, manufacturing date, shelf life, and expiration date if applicable
- h. The Supplier is required to retain all Records associated with the Purchase Order for (10) years or (50) years for Flight Safety components from the date of payment or as required by contract.

**10. RIGHT TO ACCESS** Russell Plastics, its customers and/or any regulatory authority shall have the right of access to the supplier's facility to verify the contracted work conforms to specified requirements including all applicable records for parts/services purchased.

**11. CALIBRATION** All Suppliers providing calibration services must be certified to ISO 17025 (or equivalent). All calibration certificates must identify standards used and must be traceable to NIST (National Institute of Standards Technology).

**12. TOOLING, GAUGING & SPECIAL TEST EQUIPMENT:** Supplier shall maintain suitable tools, gauges and test equipment for fabricating, measuring and testing for conformance. Supplier shall maintain a system for periodic inspection & calibration of the test equipment traceable to the National Institute of Standard Technology (NIST) and is required to have a system in place to recall equipment and product where the finished product quality may have been compromised.

For purchase orders in which Special Tooling is utilized, the supplier is required to have a management system governing the storage, configuration management, identification, and traceability of Special Tooling. Where applicable, requirements per D950-11059-1, SA7303 and FAR 52.245-1, are hereby invoked.

**13. DIGITAL PROCESS DEFINITION (DPD) & MODEL BASED DEFINITION (MBD)** Where 2-d derivatives cannot be utilized and 3D model files are required, Digital Process Definition (DPD) and Model Based Definition (MBD) may be required. If these requirements apply, supplier agrees to follow the guidelines of current version of the Boeing DPD D6-51991.

**14. DPAS PRIORITY RATING** As applicable, the Supplier shall comply with the DPAS priority ratings, imposed by the Federal Government, referenced on the purchase order. DPAS Ratings: (DX) Highest national defense urgency. (DO) Critical to national defense. (<http://www.dcmamail.com/DPAS/>)

**15. EXPORT/IMPORT/ITAR COMPLIANCE** Information furnished to supplier under this purchase contract may contain data subject to U.S. Export Laws and Regulations. Supplier is advised that such data may not be exported or re-exported to foreign persons, employed by, or associated with, or under contract to supplier or supplier's lower-tier suppliers, without the prior written consent

## **GENERAL TERMS & CONDITIONS:**

**16. ACCEPTANCE:** This purchase order constitutes the Buyer's offer to the seller. The terms and conditions of this offer must be accepted by the Seller. Upon the failure of the Seller to acknowledge this purchase order in writing and agree to its terms, the commencement of performance required by this offer shall be conclusive evidence of the Seller's approval of, and consent to, the terms and conditions of purchase herein contained.

**17. PACKING:** Unless this order states otherwise, no charge shall be made for packing, crating, drayage, or other similar costs.

Goods shall be packed in accordance with good commercial practice to insure against damage from weather and/or transportation.

**18. INSPECTION AND PAYMENT:** Goods purchased hereunder are subject to final inspection and acceptance at Buyer's plant, notwithstanding any other Inspection, unless otherwise specifically stated on this order. Neither compliance by Seller with instructions or suggestions by any employee of Buyer, nor Buyer's payment of Seller's invoice for any goods prior to final inspection shall be deemed an acceptance of the goods or a waiver of the right of inspection or any other right herein reserved or relieve Seller of any obligation or liability under the terms and conditions of this purchase order. Defective goods will be rejected by the Buyer and the aggregate unit prices thereof may be debited against the invoice covering the shipment in which such Defective goods are rejected by the Buyer, may be debited by Buyers against any other invoices of Seller to Buyer, or may be invoiced by Buyer to Creditor for refund. Articles rejected will be held at Seller's risk and subject to Seller's disposal for a reasonable time and, if not disposed of by the Seller, will be sold or otherwise disposed of by the Buyer for the Seller's account.

**19. INSPECTION AND AUDIT:** All work during the performance of this purchase order shall be open to inspection and test at Seller's plant by authorized representatives of Purchaser, Purchasers' Customer and/or of the United States Government. For inspection Seller shall at all times allow such representatives free access to the plant, supplies, facilities, and services as may be required for this work. However, final inspection and acceptance of materials and finished articles will be made after delivery, unless otherwise stated.

**20. WARRANTY:** Seller warrants that the goods delivered hereunder will conform to final specifications, drawings or other descriptions agreed in writing to be applicable, that they will be free from defects in material and workmanship and, to the extent that such goods are not manufactured pursuant to detailed designs furnished by Buyer, that they will be free from defects in design and suitable for the intended purposes of Buyer. This warranty shall run to the Buyer, its successors, assigns, customers and users of the products including or incorporating goods covered by this purchase order. Goods ordered to United States Government specifications shall comply with such specifications as are current at the date of this order, unless otherwise particularly specified by the Buyer.

**21. PATENT PROTECTION:** To the extent the subject goods are not manufactured pursuant to design originated by Buyer, Seller agrees it will save Buyer and/or its agents or customers or users harmless from any loss, damage or liability which may be incurred on account of any alleged infringement of the United States patent with respect to such goods upon Buyer's request, and that Seller will, at its own expense, defend Buyer in any action, suit or claim in which such infringement is alleged. Buyer agrees to notify Seller promptly of any suit or claim against Buyer for any alleged infringement of patent related to the subject goods.

**22. (a) TOOLS, MACHINERY AND INFORMATION:** If any designs, sketches, drawings, blueprints, patterns, information, dies, molds, models, tools, gauges, materials, equipment, or special appliances should be made or procured by Seller especially for producing the product covered by this order, then, unless otherwise provided, immediately upon manufacture or procurement they shall become the property of the Buyer. Unless otherwise provided on the face of this order or by Supplement or Change Order, any such item or materials or any engineering data or other technical or proprietary information furnished by and paid for by Buyer, shall become and shall be identified by Seller as property of Buyer, shall be held by Seller on consignment at Seller's risk, shall be used exclusively in the production for Buyer of products required by this order, shall be subject to disposition by Buyer at any and all times, and upon Buyer's demand, they shall be returned to Buyer, subject to the provisions of subparagraph (b). The Seller shall establish procedures for the adequate storage, maintenance, and inspection of Buyer's property and shall maintain inspection records available to Buyer upon request.

**(b) GOVERNMENT AUTHORIZATION TO SUPPLIER:** To the extent authorized by the U.S. Government by a direct contract with Seller for the manufacture of products for direct sale to the U.S. Government, and to the extent that such use will not interfere with Seller's performance of this or other orders from Buyer in effect at the time the Seller enters into such direct contract with the Government, and upon written notice to Buyer of such Government authorization and the contract number, the Seller shall have the right to use the designs, sketches, drawings, blueprints, patterns, information, dies, molds, models, tools, gauges, materials, equipment or special appliances mentioned in subparagraph (a) above, which the Government owns or has the right to use or the right to authorize others to use.

**23. REWORK:** Buyer shall have the right at its option to rework defective goods delivered by Seller hereunder. The cost of any rework that the Buyer performs to bring goods within manufactured tolerances and specifications, including but not limited to any labor costs, material costs, and shipping costs, will be charged to Seller by Buyer in the same manner as provided for rejected goods in paragraph 18, above.

**24. COUNTERFEIT PARTS PREVENTION:** All raw materials and associated details shall be validated and verified such that the introduction of counterfeit material or product shall be prevented. If any product is found to be suspect it shall be brought to the attention of Buyer's procurement with a detailed explanation of any suspect product shipped, or any at-risk product in process. Sellers shall flow down this requirement to their sub-tier suppliers. If Seller delivers goods that contain counterfeit product to Buyer then Buyer may withhold payment to Seller the associated amount, including, but not limited to, any labor costs, material costs, rework costs, and shipping costs. If any Customers are affected by the counterfeit product and penalties are imposed on Buyer, then Buyer may impose equivalent penalties, including punitive charges, with interest upon Seller.

**25. TAXES:** Buyer shall not be liable for any Federal, State, or local taxes unless separately stated on this purchase order.

**26. TERMINATION:**

**(a)** Buyer may terminate or cancel this order, in whole or in part, without liability to the Buyer, if deliveries are not made at the time and in quantities specified, or in the event of a substantial breach of any of the other terms or conditions hereof;

**(b)** Buyer also may terminate this order, in whole or in part, even though Seller is not in default hereunder and no breach hereof has occurred by notice in writing at any time; such notice shall state the extent and effective date of termination and upon the receipt by Seller of such notice, Seller will, as and to the extent prescribed by the Buyer, stop work under this order and placement of further orders or subcontracts hereunder, terminate work under orders and subcontracts outstanding hereunder, and take any necessary action to protect property in the Seller's possession in which the Buyer has or may acquire an interest. If the parties cannot by negotiation agree within (60) days from the date of the termination notice, or within such further time as may be agreed by the parties, upon the amount of fair compensation to Seller for termination pursuant to the immediately preceding sentence (b). Buyer, in addition to making prompt payment of amounts due for articles delivered or services completed in accordance with this contract prior to the effective date of termination will pay to Seller, in full settlement of all claims of Seller by reason of such termination, the following without duplication; (i) the contract price for goods or services completed in accordance with the contract and not previously paid for; (ii) actual cost incurred by Seller which are properly allocable or apportionable under recognized commercial accounting practices to the terminated portion of the contract, including liabilities to subcontractors which are so allocable, and excluding any charge for interest or materials which may be diverted to other orders, plus a reasonable profit on work actually done by Seller prior to such termination; provided that the total settlement shall not exceed the contract price of goods included in the termination portion of the contract.

**(c)** Termination by Buyer under this paragraph shall be without prejudice to any claims for damages or otherwise of Buyer against the Seller.

**(d)** Buyer shall have the right to audit all elements of any termination claim and Seller agrees to make available to the Buyer at its request all books, records, and papers relating thereto.

**27. CHANGES:** Buyer reserves the right at any time to make changes in drawings, designs, of specifications as to any material and/or work covered by this order, shipping and packing instructions, the delivery schedule, quantities ordered, or place of delivery. In such event there will be made an equitable adjustment of price and time of performance, mutually satisfactory to the Buyer and Seller. Any claim by the Seller for adjustment under this clause must be submitted in writing to Buyer within thirty (30) days from the date of advice to Seller by the Buyer of the notification of change. Where materials or parts are made obsolete or unusable as a result of a change and the cost thereof is included in the Seller's claim for adjustment, the Buyer shall have the right to prescribe the manner of disposition of such materials or parts.

**28. INSOLVENCY AND BANKRUPTCY:** In the event Seller shall become insolvent or makes a general assignment for the benefit of creditors, or files or has filed against it a petition in bankruptcy or for reorganization, or pursues any other remedy under any law relating to the relief of debtors, or in the event a receiver be appointed of Seller's property or business, Buyer may at its option, cancel this order.

**29. COMPLIANCE WITH APPLICABLE LAWS:** Seller agrees to comply with all applicable Federal, State, and local laws and executive orders and regulations. Seller's invoices shall certify that goods covered thereby were produced in compliance with all applicable requirements to the Fair Labor Standards Act as amended, including Section 6, 7, and 12, thereof, and the regulations and orders of the U.S. Department of Labor issued under Section 14 thereof. Seller agrees to comply with all provisions of the Occupational Safety and Health Act of 1970. By acceptance of this order, Seller certifies that all goods supplied under this order will conform and comply with said act. Seller further agrees to indemnify and hold Buyer harmless for all damages assessed against Buyer as a result of Seller's failure to comply with said Federal, State or local laws or for failure of goods furnished under this order to so comply.

**30. NON-ASSIGNMENT:** This order is placed upon the condition that Seller shall not assign it or any interest therein, including any payment due or to become due with respect thereto, and any assignment or any attempt to assign shall be void without Buyer's prior written consent, and the Buyer shall be entitled at all times, to set off any amounts owing from the Seller to Buyer against any amount due or owing Seller with respect to this order.

**31. SUBCONTRACTS:** Except for goods proprietary to Seller, no subcontracts hereunder shall be made by the Seller herein with any other party for furnishing any of the completed or substantially completed goods, any spare parts or work herein contracted for, without prior written consent of the Buyer and Buyer's approval as to source.

**32. ADVERTISING:** Seller shall not, without prior written consent of the Buyer, in any manner advertise or publish the fact that the Buyer has placed this order; notwithstanding the aforesaid restriction, Seller is authorized to provide any such information to the Government if requested to do so by the Government.

**33. NOTICE OF LABOR DISPUTES:** Whenever any actual or potential labor disputes is delaying or threatens to delay the timely performance of this order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer.

**34. APPLICABLE LAW:** This order shall be construed in accordance with the laws of New York and shall be deemed to be made in and a contract of the State of New York.

**35. MECHANIC'S LIEN AND INDEMNITY:** If this order calls for work to be performed upon property owned or controlled by Purchaser it is agreed that; (a) Seller will keep the premises and work free and clear of all mechanics' liens, and agrees to furnish Purchaser such affidavits and waivers as, in Purchaser's opinion, are necessary or appropriate to insure immunity from mechanic's liens arising from the performance of this order, all as a condition precedent to any payment by Purchaser hereunder; (b) The work will remain at Seller's risk prior to written acceptance by Purchaser and Seller will replace at his own expense all work damaged or destroyed by fire, force or violence of the elements or any other cause whatsoever; (c) Seller will indemnify, save harmless, and defend Purchaser from all liability for loss, damage or injury to person or property in any manner arising out of or incident to Seller's performance of this contract; (d) Seller will indemnify, save harmless, and defend Purchaser from any and all claims, demands or suits made or brought against Purchaser on account of any of the terms or provisions of any applicable Worker's Compensation Law and will furnish Purchaser with proper evidence that Seller is insured against all liability under such law.

**36. GENERAL:** All warranties shall be construed as conditions as well. No waiver of a breach or of any provision of this order shall constitute a waiver of any other breach or of such provisions. No modification or change in, or departure from, the provisions of this order shall be valid or binding on the Buyer unless approved by Buyer in writing. "This purchase order is subject to and incorporates by reference the provisions of Section 3 of the Vinson-Trammel Act, as amended. By signing or accepting this purchase order the subcontractor or vendor hereunder accepts and agrees to be bound by the provisions of Section 3 of the Vinson-Trammel Act, as amended."