

# Famous Secret Precision Machining, Inc.

## Aerospace Vendor Terms and Condition Agreement

As a vendor of Famous Secret Precision Machining Inc. (FSPMI), it is understood that your organization agrees to meet the following stipulations that support our AS9100 standards and business requirements whenever FSPMI Purchase Order (P.O.) specify that the order is for an aerospace application and or job (or contains some similar Aerospace AS9100 reference). These requirements are, therefore, to be considered terms and conditions to all Aerospace purchases. Any changes to these terms and conditions will be stated on the Purchase Order (P.O.).

1. Where required, the vendor must use FSPMI's customer-approved special process sources.
2. Vendor shall contact FSPMI thru call and/or email in the event of nonconforming product/material or services. All deviations from drawing/specification requirements are to be referred to our Purchasing Department. Approval of the disposition of the nonconforming product/material/services shall be authorized by FSPMI's Quality Manager or Head through Purchasing Department, before delivery.
3. Vendor is required to notify FSPMI thru call and/or email of any changes to the product and/or process and must obtain approval from an authorized FSPMI manager or Head before product and or process can be accepted.
4. FSPMI, their customers, and regulatory authorities retain the right of access to all vendors' facilities involved in the aerospace order and to all applicable records.
5. FSPMI shall ensure to flow-down all applicable customer requirements, regulatory and AS9100 requirements to the vendor, this includes purchasing documents, key characteristics (e.g. specification, drawing, process, method, etc.). Vendor must conform on FSPMI's given requirements. However, FSPMI does not allow its aerospace vendors to subcontract any product or process or conduct of service to sub-tier vendors without written notification and consent.
6. If FSPMI allowed the vendor to subcontract any product or process, vendor must flow-down to sub-tier vendors all applicable FSPMI Purchaser's requirement, regulatory and AS9100 standards requirements to include in the vendors purchasing documents as required.
7. FSPMI performs inspection activities to ensure that purchased product meets production requirements. FSPMI may include:
  - 7.1 Receiving inspections (of vendors' products/services/documents) shall performed by a designated employee. FSPMI verifies the authenticity of the products/services by certificate of conformity, material certificate, 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, FSPMI may inspect or audit at the vendor's facility.
  - 7.2 Products are inspected to ensure vendor meet the requirements (dimensions, etc.) and the results are recorded (as appropriate). The vendor is responsible & liable for the LOT and/or HEAT LOT integrity. All special processes and/or surface treatment (plating, anodizing, heat treatment, etc.) where the compliance cannot be verified by inspections will require a Certificate of Conformity.

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8. When appropriate, FSPMI may delegate the inspection authority to one of its approved vendors. FSPMI will communicate the inspection requirements (including approved monitoring, dimensions, measurement, equipment and methods/process) and FSPMI will maintain a record of those approved vendors to carry out such inspections.
9. When FSPMI or its customer intends to perform verification at the vendor's premises, FSPMI will first state the intended verification arrangements and the method of product release or service commencement/ completion. This information will be communicated on the FSPMI Purchase Order or via another acceptable purchasing arrangement.
10. The FSPMI's customer or customer's representative will be afforded the right to verify at the vendor's premises that the subcontracted product conforms to specified requirements. Verification by the customer is not used by FSPMI as evidence of effective control of quality by the vendor and shall not absolve FSPMI or its vendor of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
11. Prevention of Counterfeit product/services, Vendors shall provide Material Certificates/Mill Certificates, Certificates of Conformity, and /or other supporting documentation to ensure product safety, identification and traceability. Service providers shall provide documentation of process capability and traceability to recognized standards. These requirements may be specified on FSPMI's Purchase Order or may otherwise be communicated to the vendor.
12. Records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements and should otherwise be kept confidential.
13. FSPMI requires all documents, records, and quality reports (e.g. certificate of conformance, test reports, mill certificates) must be retained for **42 years** from the time of processing. The disposal method for electronic copies is to permanently delete the file and hard copies must be shredded and shall request the approval of the FSPMI before disposal.
14. FSPMI requires specific actions where timely and/or effective corrective actions to a vendor issue/s are not achieved. . The vendor must submit on time the CAR, **(Findings with Major NC submission is Max. 3 working days and Findings with Minor NC, submission is Max. 1 week)**. 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 vendor from FSPMI's Approved Vendor List, and legal actions.