



2331 S. Mead  
Wichita, KS 67211

## **Purchase Order Terms & Conditions**

The following are the contractual requirements agreed between Optimuz Manufacturing, hereinafter "The Company", and the Supplier upon acceptance and/or performance of the Optimuz Manufacturing Purchase Order (PO).

Communication between The Company and Supplier will be through The Company's owners (or their delegate). Any communication with other Company personnel should be followed-up with written confirmation of the results of such communication with The Company's owners.

1) Quality Management System Requirement

- A) Suppliers of materials, products or services (hereinafter referred to as "product") which become part of The Company's deliverable product should maintain a Quality Management System compliant to ISO9001 or AS9100.
- B) If this Purchase Order (PO) is for Calibration Services, the Supplier shall be accredited by The American Association for Laboratory Accreditation to be compliant with NIST/ANSI/NCSL Z540-1.

Calibration Record shall include The Company gage serial number (as noted in body of PO) and, for each Supplier master gage/instrument used in calibration of the gages on this PO;

the Supplier's gage/instrument serial number, and associated NIST traceability number

Calibration Record shall include amount of uncertainty determined in the calibrated gage.

2) Certification of Product

Each shipment of product shall be accompanied with applicable certifications and/or test reports as required by specification to which the supplied product complies. At the minimum, Supplier shall certify compliance with the requirements noted on the face of the PO. The certification and/or test report should:

Identify the revision level of the engineering design/specification to which it certifies compliance. If the PO does not specify the engineering design/specification revision level, then the latest issued should be the revision level that applies to this Purchase Order.

Be signed, stamped or provide some means of identifying the person(s) who make such certification, including the date of certification.

If the product has limited shelf life, said certification shall have adequate information such that the remaining shelf life can be determined as required in the applicable specification(s). Unless otherwise specifically allowed in the PO all shelf life limited product should have at least 6 months remaining shelf life upon delivery to The Company.

3) Nonconforming Product – Corrective Action.

Supplier should not deliver known nonconforming product unless specifically authorized by The Company.

Should Supplier discover that nonconforming product was delivered to The Company (without specific authorization), Supplier shall provide written notice of such delivery specific to The Company PO, the specific nonconforming product, and each Packing List number and date of said Packing List with a complete description of the nonconformance.

Should The Company discover nonconforming product was delivered from Supplier. The Company will notify supplier and, if required, request investigation and/or corrective action by the supplier.

4) Notification of Changes

Supplier shall notify The Company, in advance of shipment, of any changes in product, processes, suppliers, or location of manufacturing facility. If required by The Company or The Company's customer, Supplier should obtain written approval of said changes prior to shipment to The Company.

5) Flow down of Requirements

Supplier shall flow down the requirements of this PO to Supplier's sub-tier suppliers. This includes appropriate controls to assure compliance to requirements in designs and specifications.

6) Record Retention Requirements

Supplier shall maintain records related to the product(s) and or service(s) supplied under this PO for a period of not less than 15 years from the on-dock date of shipment to The Company. Supplier will provide copies upon request of The Company.

7) Right of Access

Supplier shall provide Right of Access by The Company, The Company's customer(s), and/or Regulatory Agencies (FAA, etc.) to all applicable areas of all facilities, at any level of the supply chain, involved in the order and to applicable records.

8) Original Equipment Manufacturer (OEM) Defined Sources

If the OEM for the product being purchased by The Company identifies certain sources of supply for certain commodities or services, then Supplier must use such sources for the product being purchased under this PO. Such sources could be, but are not limited to, raw material mills and/or distributors, hardware manufacturers and/or distributors, and special process (aka surface treatments) sources. The Supplier remains fully responsible for the conformity of delivered product regardless of this requirement to use said OEM source(s) of supply. Supplier should contact The Company for guidance on these sources when needed. All items delivered to Company must maintain job/lot traceability.

9) Prevention of Counterfeit Products

Section 3.1 of AS9100D defines Counterfeit Parts as "An unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component), which is knowingly misrepresented as a specified genuine part of an original or authorized manufacturer.

NOTE: Examples of a Counterfeit Part can include, but are not limited to, the false identification of marking or labeling, grade, serial number, date code, documentation, or performance characteristics."

Supplier should plan, implement, and control processes, appropriate to the Supplier and the product, for the prevention of Counterfeit or suspect Counterfeit Part use and their inclusion in product(s) delivered to The Company.

NOTE: Counterfeit Part prevention processes should consider:

- training of appropriate persons in the awareness and prevention of Counterfeit Parts;
- application of a parts obsolescence monitoring program;
- controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources;
- requirements for assuring traceability of parts and components to their original or authorized manufacturers;
- verification and test methodologies to detect Counterfeit Parts;
- monitoring of Counterfeit Parts reporting from external sources;

– quarantine and reporting of suspect or detected Counterfeit Parts.

AS9100D Section 8.7.1 says “Counterfeit, or suspect Counterfeit, Parts should be controlled to prevent reentry into the supply chain.” As such, should The Company suspect Counterfeit Part(s) were delivered, The Company will manage said Counterfeit Parts per its Nonconformance Process and hold said parts while The Company works with the Supplier and The Company’s customer to make a determination as to whether the suspect Counterfeit Parts are really Counterfeit.

If, upon resolution with The Company’s customer and Supplier, it is determined Counterfeit Part(s) were delivered to The Company said parts will not be returned and the Supplier should not be paid for said parts. The Company will dispose of the parts as directed by The Company’s customer. In absence of specific direction from The Company’s customer, said Counterfeit Parts will be scrapped and disposed at The Company.

#### 10) On-Time Delivery

Time is of essence in the performance of the PO. The due date on the PO is the expected on-dock date for the product with required documentation (e.g., packing list, certifications, test reports, FAls, etc.) +/- 7 days. Supplier on-time delivery performance will be measured based on the date the product is delivered on-dock at The Company.

Should The Company identify an negative trend in performance (less than 95%), The Company may request corrective Action of the supplier.

#### 11) Packing and Preservation – Prevention of Foreign Object Damage/Debris (FOD)

The Supplier should establish a program, as applicable, to prevent, detect, and remove foreign objects/debris of any product provided to The Company. NAS412 should be used as a guide for control and prevention of FOD.

The Supplier should package product in such a manner suitable for preservation and to prevent damage to the product from each other (in the same box, container, etc.) or from normal handling and transport. By delivering items to The Company, Supplier shall be deemed to have certified that such items are free from FOD.

#### 12) Responsibility of Conformance to Design - Rejections

Regardless of any inspection acceptance of delivered product or service by The Company, The Company’s customer (or higher tier customer), the Supplier remains responsible to assure delivered product and or services complies with the designs and specifications to which the product or service was ordered.

Should The Company reject any item from Supplier a Nonconformance Report will be created. The Nonconformance Report will be sent to the Supplier for correction/rework/replacement of the rejected condition (if needed), as well as Cause and Corrective Action Investigation.

#### 13) Personnel Awareness

Supplier will have program and/or training in place to assure supplier personnel are aware of

- a. Their contribution to product or service conformity.
- b. Their contribution to product safety (ref AS9100D ¶3.4 for definition).
- c. The importance of ethical behavior.

#### 14) Force Majeure

The Company and Supplier should advise the other party within 30 days of any event that is deemed a Force Majeure Event. Neither Party should be responsible or liable nor be deemed to be in default on account of any

breach of any obligation directly attributable to a cause that is at the same time compelling, unpredictable, unavoidable and beyond its control and not occasioned by its fault or negligence (Force Majeure Event).

Following cessation of the Force Majeure Event and to the extent possible in anticipation thereof, the parties should resume the performance of their obligations under this PO.

In the event Supplier fails to deliver or has informed The Company that it should not be able to deliver the Product on-time due to a Force Majeure Event then the delivery of the Product should be suspended until such circumstances of the Force Majeure Event have been adequately addressed. The due date of Product should be extended by mutual agreement of the parties. If, however, the Force Majeure Event causes delivery to be delayed more than thirty (30) Days, The Company will be entitled to cancel the PO in whole or in part without a further notice being required or judicial intervention and without incurring any liability whatsoever.

15) Tooling, Materials and Documents

All tooling, materials, and documents, or other tangible items furnished by The Company, will be delivered to The Company at its request (or at the end of the contract) in good condition.

16) Indemnification

Supplier, its agents, contractors and employees waive any and all claims against The Company for personal injuries or property damage arising out of or related to providing the products or services under this purchase order.

17) Insurance

Supplier agrees to obtain and maintain policies of insurance including but not limited to policies providing public liability, product liability, auto liability, employer liability and worker's compensation coverage.

18) Trade Secrets and Confidential Information

Supplier shall not disclose or use, except to the extent required to fulfill this PO or requests for quotes, any confidential matter or trade secrets of The Company or its clients.

19) DPD/MBD Requirements

Supplier shall ensure control and conform to the requirements when using digital datasets.

20) Equal Opportunity Clause

Supplier shall not maintain segregated facilities or discriminate against any employees because of age, race, color, religion, sex or national origin or any other ground prohibited by law.

21) Environmental Policy

The Company is committed to managing its operations in a manner that is environmentally responsible and protects the current and future environmental interests of the community in which it operates. Suppliers shall:

- a) maintain compliance with all federal, state and local environmental laws and regulations,
- b) seek to eliminate and/or reduce environmental pollution that may be attributed to Supplier's operation, and
- c) convey the requirements of this section to its subcontractors.