

AS9100:2016 SUPPLIER TERMS AND CONDITIONS

As a supplier for Metal Finishing Group (MFG), your organization is a key contributor to the products and services that we deliver to our customers. We value the conformance of your products and services to our specifications and requirements, your contribution to our product's safety, and your ethical business practices. It is understood when accepting our purchase orders that your organization agrees to meet the following AS9100 requirements when the purchase order specifies it is for a product or service subject to AS9100 requirements.

These terms and conditions apply to all external suppliers and sub-tier suppliers which furnish products, processes, or services to be incorporated into MFG's contractually deliverable AS9100 products, processes, and services. The supplier ensures that persons are aware of their contribution to product and service conformity, including their contribution to product safety and the importance of ethical behavior.

The supplier warrants that in the performance of a Purchase Order, the supplier shall comply with all applicable statutes, rules, regulations, and orders of the Government and any of the state or political subdivisions thereof, and agrees to indemnify MFG against any loss, damage, cost, or liability by the supplier's violation of this warranty. Communication with MFG should be made to the Buyer on Record of the Purchase Order. If communication is handled in a non-written format, it should be provided in a written/electronic format as requested.

MFG reserves the right of final approval of products and services; methods, processes, and equipment; and the release of final products and services. All special processes required by a Purchase Order must be performed by qualified personnel. Key, critical, and special characteristics are to be identified and controlled as noted on a Purchase Order or specification.

Right of Access – The supplier grants right of access by MFG, our customers, and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records, to include verification and validation on site, as defined on a Purchase Order and arranged with the supplier.

Quality Management System – The supplier, including their sub-tier providers, must have established and maintain a Quality Management System (QMS) for goods or services purchased. MFG reserves the right to review and approve the QMS.

Method Changes and Approval – MFG reserves the right to approve or specify any designs, test, inspections, verifications (including production process verification), use of statistical techniques for product acceptance, and any applicable critical items including key characteristics. MFG reserves the right to designate requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection, verification, investigation, or auditing. The supplier shall notify MFG of changes in product and process, changes of suppliers, and change of facility location and, where required, obtain organization approval.

Performance Monitoring – Performance of suppliers is monitored using specific metric data that includes, but is not limited to, quality rejections and on-time deliveries. If on-time delivery cannot be met, the appropriate MFG Buyer of Record must be notified in advance.

Packaging and Shipping – All material must be packaged suitably for ground or air transportation and must provide protection from in-transit damage to ensure the quality, preservation, and safety of the shipment. All freight and shipping instructions must be executed. Failure to follow these instructions may result in a rejection of product or parts, non-liability for freight charges, and freight charges being billed to the supplier. MFG reserves the right to make a disposition of any damaged product to determine whether the product or parts will be returned for credit or deemed usable. If MFG determines the product or parts are damaged or dispositioned as not usable, MFG reserves the right to reject the shipment and return it to sender for reprocessing or sorting of damaged product or parts, at the sender's cost.

Incoming Inspection – MFG performs an incoming inspection to ensure the purchased product meets purchasing requirements. Products are inspected to ensure they meet requirements, and the results are recorded where appropriate. All special processes require a certificate of conformity, certificate of compliance, or other applicable certification documents to ensure the product conforms with all specifications and contractual requirements. Material certifications must accompany all product shipped for all Purchase Orders fulfilled stating that all materials supplied meet specification and purchase order requirements.

Non-Conforming Material – The supplier shall notify MFG of non-conforming product within 24 hours of discovery of such non-conformity, regardless of whether it be prior, during, or after receipt of the product. MFG does not grant disposition authority for non-conforming product. The supplier shall obtain MFG's approval for non-conforming product disposition. No known non-conforming product shall be shipped to MFG without express written authorization.

Corrective Actions – Corrective Actions flowed to the supplier shall be completed and returned in a timely manner. The supplier is required to flow down corrective action requirements to sub-tier providers when it is determined the sub-tier provider is responsible for the non-conformity.

Foreign Object Debris (FOD) Prevention – The supplier shall maintain a Foreign Object Debris (FOD) prevention program. Foreign Object Debris includes a substance, debris, or article alien to any raw materials purchased. The FOD program shall include the review of manufacturing processes to identify and eliminate FOD entrapment areas through which foreign objects can migrate. The supplier shall ensure work is accomplished in a manner that processes and products are free of FOD. The supplier shall maintain work areas in a manner sufficient to preclude the risk of FOD incidents. The supplier shall investigate each FOD incident and ensure elimination of its root cause.

Prevention of Counterfeit Parts – The supplier shall plan, implement, and control their process for the prevention of counterfeit or suspected counterfeit parts from use of inclusion into the product. The counterfeit part program is to eliminate the use of any unauthorized copy, imitation substitute, or modified part or component which is knowingly misrepresented as a specified genuine part or product of an original or authorized manufacturer. If counterfeit parts are detected in product procured, the supplier must notify MFG within 24 hours.

Prevention of Suspected Unapproved Parts – The supplier shall plan, implement, and control a process that identifies and prevents the release of unapproved and suspected unapproved parts or inclusion into the product.

Subcontractors – MFG does not allow its suppliers to subcontract any product or process to a sub-tier supplier without prior written approval from MFG. If a subcontractor is required, notification must be provided to MFG in writing, stating the service to be provided and the subcontractor(s) to be used.

Flowdown – Flow down to the supply chain the applicable requirements, including all Purchase Order requirements, customer requirements, and key characteristics, to the supplier's vendors of any approved outsourced products or services is required.

Record Retention – The supplier shall retain all records including disposition requirements associated with the Purchase Order as required by contract for a minimum period of 5 years and the records to be deliverable to the MFG Buyer of Record within 48 hours after request.