

As a supplier ("you" or "Supplier") to Dayton Precision Aerospace, Inc. ("DPA"), you agree to comply with the additional terms and conditions listed below with respect to any product or services provided to DPA if any such product or service relates to any aviation, space, or defense application, project or any request for quote, purchase order or similar document issued by DPA contains any reference to the AS9100 standards. The terms and conditions listed below are in addition to and are deemed to be an integral part of DPA's standard terms and conditions of purchase.

**QUALITY SYSTEM:** The Supplier is expected to implement and adhere to a Quality Management System. The minimum requirements are compliance to ISO 9001 latest revision. The Supplier shall communicate as necessary with DPA acceptance of issued Purchase Orders and these additional terms and conditions or any deviation from the requirements stipulated. Suppliers will be monitored for both delivery and quality performance for each shipment of product or services provided and reviewed each month regarding their performance.

**EMPLOYEE DEVELOPMENT:** Employees of the Supplier are expected to have acquired the competence necessary to perform the work requested. Qualifications may be requested by DPA on an as needed basis. The Supplier shall ensure all employees involved in providing products or managing processes related to the DPA purchase order shall understand their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior in the activities they perform and the product they produce.

**PROCESS CONTROL:** Design and development controls are to be adhered to when stipulated by DPA or its customer. Special requirements, critical items, or key characteristics will be communicated by way of drawings and/or associated specifications as provided with the Purchase Order issued. Suppliers are expected to monitor and maintain acceptance levels of their own identified special requirements, critical items, or key characteristics. The Supplier shall have a process in place to prevent the use of counterfeit parts. Test specimens may be required for design approval, inspection verification, investigation, or audit by DPA and will be requested by way of Purchase Order when required. DPA expects all product purchased to be tested, inspected, or verified as acceptable as agreed upon between the supplier and DPA. The use of statistical techniques may be stipulated to perform these activities.

**NONCONFORMING PRODUCTS AND MATERIALS:** If at any time Supplier becomes aware that any shipped product or material is nonconforming, the Supplier will immediately notify DPA by telephone and promptly confirm in writing. All nonconforming products and materials must be documented and investigated. Supplier's investigation shall include root cause analysis, impact/assessment of scope and identification and timely implementation of effective corrective actions. All investigations will be documented and records maintained. Supplier shall obtain DPA's prior written approval with respect to the disposition of any nonconforming products or materials.

**PROCESS, PRODUCT OR LOCATION CHANGES:** Any changes in your manufacturing process, product or site of manufacture, and/or supplier change shall require advanced notification to and prior written approval of DPA.

**SUB-TIER SUPPLIERS; FLOW-DOWN REQUIREMENTS:** Suppliers may not outsource or subcontract any product, component, service or other work for or on behalf of DPA to any sub-tier supplier without the prior written approval of DPA. Supplier acknowledges and agrees that DPA's customers may require the use of pre-approved sources for plating, coating, heat treatment, welding and similar services. If DPA approves the use of any sub-tier supplier, Supplier must flow down to such sub-tier supplier any applicable customer, regulatory and/or AS9100 requirements, including, but not limited to, requirements

in any purchase order or other purchase document issued by DPA. All service work (plating, coating, heat treatment, welding and other services) performed by a sub-tier supplier must strictly comply with all customer specifications.

**CERTIFICATE OF CONFORMANCE:** Supplier must provide a Certificate of Conformance for all orders and lots, verifying that all products and lots meet applicable customer and order specification and requirements. All products and lots must be clearly identified and labeled and must be traceable to and linked to the Certificate of Conformance. Supplier retained process and product related records with respect to each order must be stored and protected in such a manner that they remain legible, readily identifiable, and retrievable. Records are to be retained for at least 10 years or as contractually stipulated. Disposal methods shall remain at the discretion of the supplier.

**RIGHT OF ACCESS:** DPA, its customers, governmental authorities and their respective representatives intend to perform verification activities at Supplier's premises when warranted and to assure product and services conform to specified requirements. Supplier shall provide DPA, its customers, government authorities and their respective representatives with access to all of Supplier's facilities and records relating to the performance and processing of DPA's orders.

**QUALITY:** Any inspection or verification activities undertaken by DPA, its customers or governmental authorities shall not be used as evidence of effective control of quality and shall not absolve the Supplier of the responsibility to provide acceptable, conforming products and services, nor shall it preclude DPA or its customer from rejecting any product or service provided by Supplier.

**COUNTERFEIT MATERIAL:** By accepting and fulfilling this purchase order, the seller acknowledges that counterfeit material is strictly forbidden. Counterfeit material is a part, assembly or material that is a copy or substitute supplied without legal right or authority or that whose material, performance and/or characteristics are knowingly misrepresented in the supply chain. It is also the seller's inherent responsibility to flow down this requirement in the event that any outsourcing by the seller has been approved by DPA.