

MANES MACHINE & ENGINEERING

PURCHASE ORDER TERMS & CONDITIONS

SUPPLIERS SHALL ONLY USE END USER APPROVED SOURCES AND SHALL PROVIDE MANUFACTURER'S CERTIFICATIONS. SUPPLIERS SHALL FOLLOW GUIDELINES FOR COUNTERFEIT PARTS PREVENTION WHICH SHALL APPLY TO ALL PURCHASED PRODUCTS (REFERENCE CORP DOC 3, LMA APPENDIX QX, AS5553 AND AS6174).

SUPPLIERS SHALL APPLY APPROPRIATE CONTROLS TO THEIR DIRECT AND SUB-TIER SUPPLIERS, TO ENSURE THAT ALL PURCHASE ORDER REQUIREMENTS ARE MET.

SUPPLIERS SHALL USE AND CERTIFY TO THE LATEST RELEASE OF ALL SPECIFICATIONS, DRAWINGS, PROCESS REQUIREMENTS, INSPECTION/VERIFICATION INSTRUCTIONS AND OTHER RELEVANT TECHNICAL DATA, UNLESS OTHERWISE DIRECTED BY MANES MACHINE AND ENGINEERING IN WRITING.

ALL BLUEPRINTS, DOCUMENTS AND/OR TOOLING FURNISHED FOR AN ORDER, SHALL BE RETURNED TO MANES MACHINE UPON COMPLETION OF THE ORDER.

ALL CHANGES OF SUB TIER SUPPLIERS, MANUFACTURING LOCATION OR CHANGES TO THE PRODUCT/PROCESS SHALL BE BROUGHT TO THE ATTENTION OF MANES MACHINE & ENGINEERING FOR APPROVAL.

ALL NON-CONFORMANCES ON MANES MACHINE AND ENGINEERING PO'S SHALL BE ADDRESSED WITH A ROOT CAUSE AND CORRECTIVE ACTION BY THE SUPPLIER. SUPPLIERS SHALL MAINTAIN RECORDS OF NON-CONFORMANCES AND PROVIDE THEM TO MANES MACHINE UPON REQUEST.

VENDOR SHALL RETURN ALL UNUSED MATERIALS AND NON-CONFORMING PRODUCT AFTER THE COMPLETION OF THE PURCHASE ORDER. NON-CONFORMING PRODUCT SHALL BE CLEARLY IDENTIFIED AND INCLUDE DETAILS ON THE NON-CONFORMANCE.

SUPPLIERS SHALL IMMEDIATELY NOTIFY MANES MACHINE & ENGINEERING OF ANY NONCONFORMANCES DISCOVERED AFTER DELIVERY ALONG WITH THE EXTENT OF THE NONCONFORMANCE, THE LOT NUMBERS EFFECTED AND THE QUANTITY AND DATE SHIPPED.

QUALITY RECORDS SHALL BE RETAINED FOR A MINIMUM OF 10 YEARS. IN THE CASE OF FRACTURE/MAINTENANCE CRITICAL PARTS RECORDS WILL BE RETAINED FOR 30 YEARS AND 40 YEARS FOR UTC FLIGHT SAFETY, CRITICAL/MAJOR ROTOR PARTS.

MANES MACHINE & ENGINEERING, IT'S CUSTOMERS, AND REGULATORY AGENCIES SHALL BE ALLOWED THE RIGHT OF ACCESS TO INSPECT AT THE SOURCE AND VERIFY THE QUALITY OF WORK, RECORDS, PROCEDURES, PROCESSES, SUPPLIES AND/OR SERVICES PROVIDED BY YOUR FACILITY AND ANY OF YOUR SUB-TIER'S FACILITIES.

SUPPLIERS OF CALIBRATION SERVICES OR CALIBRATED DEVICES ARE REQUIRED TO PROVIDE CERTIFICATES OF CALIBRATION BEARING TRACEABILITY TO THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST).

LOT TRACEABILITY IS MANDATORY ON ALL RAW MATERIAL AND COMPONENT HARDWARE ORDERED, UNLESS OTHERWISE SPECIFIED. A UNIQUE LOT/CONTROL NUMBER ASSIGNED BY THE MANUFACTURER TO THE MATERIAL PROVIDED AND TRACEABLE TO PROCESSING AND TEST RESULTS IS REQUIRED.

MATERIAL SUPPLIED BY MANES MACHINE SHALL HAVE A UNIQUE LOT/ CONTROL NUMBER ASSIGNED BY THE MANUFACTURER AND SHALL BE TRACEABLE TO PROCESSING AND TEST RESULTS.

A CERTIFICATE OF COMPLIANCE SHALL ACCOMPANY EACH SHIPMENT, STATING THAT THE PRODUCT SUPPLIED MEETS ALL DRAWING, SPECIFICATION, AND PURCHASE ORDER REQUIREMENTS. THE CERTIFICATE OF COMPLIANCE SHALL ALSO INCLUDE THE PART NUMBER LISTED ON THE PURCHASE ORDER, PRODUCTION LOT NUMBERS, AND SIGNATURE OF AN AUTHORIZED SUPPLIER REPRESENTATIVE.

SUPPLIERS SHALL ENSURE THAT THE MATERIAL PROVIDED IS PROTECTED FROM FOREIGN OBJECT DEBRIS/DAMAGE (FOD) PER NAS-412 DURING ASSEMBLY, PACKING, AND SHIPPING PROCESSES. MATERIAL FOUND TO BE DAMAGED UPON RECEIPT MAY BE SUBJECT TO REJECTION AND RETURN TO SUPPLIER.

ALL MATERIALS PROCESSED AND RETURNED TO MANES SHALL BE PACKAGED IN A MANNER WHICH SUFFICIENTLY PROTECTS THEM FROM DAMAGE DURING TRANSIT. IN ADDITION, ALL MATERIALS SHALL BE RETURNED TO MANES IN MANES SUPPLIED CRATES WITH ANY MANES SUPPLIED INSERTS WHEN SUCH ITEMS ARE PROVIDED.

SUPPLIERS SHALL TAKE CORRECTIVE ACTIONS WHEN MANES MACHINE OR ITS CUSTOMERS FLOW DOWN CORRECTIVE ACTION REQUIREMENTS, IN CASES WHERE IT IS DETERMINED THAT SUPPLIERS ARE RESPONSIBLE FOR ROOT CAUSE. ACTIONS SHALL BE DOCUMENTED USING MANES MACHINE'S ACTION FORMS, MANES MACHINE'S CUSTOMER'S FORMS, OR SUPPLIER FORMS, AS APPROPRIATE. SUPPLIERS ARE REQUIRED TO RESPOND TO CORRECTIVE ACTION REQUESTS IN A TIMELY MANNER. CORRECTIVE ACTIONS SHALL DEMONSTRATE ROOT CAUSE ANALYSIS, ACTION IMPLEMENTATION AND VERIFICATION OF EFFECTIVENESS. SHOULD ACTIONS PROVE INEFFECTIVE, ALTERNATE ACTIONS MAY BE REQUESTED, OR SUPPLIERS MAY BE DISQUALIFIED FROM USE.

SUPPLIERS SHALL SUBMIT IN ADVANCE FOR APPROVAL, ALL PROCESSING CERTIFICATIONS, PHOTOGRAPHS OF PART IDENTIFICATION AND RESULTS OF ANY APPLICABLE DIMENSIONAL CHARACTERISTICS AS REQUIRED PRIOR TO DROP SHIPPING DIRECTLY TO OUR CUSTOMER IF/WHEN DIRECTED OR REQUIRED TO DO SO.

MANES MACHINE & ENGINEERING COMPANY FULLY COMPLIES WITH ALL U.S. EXPORT CONTROL LAWS AND REGULATIONS, INCLUDING WITHOUT LIMITATION THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR), THE EXPORT ADMINISTRATION REGULATIONS (EAR), THE FOREIGN ASSET CONTROL AND SPECIALLY DESIGNATED NATIONAL REGULATIONS ADMINISTERED BY THE OFFICE OF FOREIGN ASSETS CONTROL (OFAC) IN THE DEPARTMENT OF THE TREASURY. ALL PRODUCTS, TECHNICAL DATA, SOFTWARE OR TECHNOLOGY TO BE EXCHANGED BETWEEN MANES MACHINE & ENGINEERING AND YOUR COMPANY MUST BE HANDLED IN COMPLIANCE WITH U.S. EXPORT CONTROLS. IN ADDITION EXTERNAL PROVIDERS SHALL HOLD ALL INFORMATION RECEIVED FROM MANES MACHINE & ENGINEERING IN CONFIDENCE AND NO THIRD PARTY REQUEST FOR INFORMATION WILL BE AUTHORIZED UNLESS APPROVED IN WRITING BY MANES MACHINE & ENGINEERING CO.

SUPPLIERS SHALL ENSURE THAT ALL EMPLOYEES AND PEOPLE WORKING ON ITS BEHALF ARE TRAINED AND COMPETENT TO PERFORM ACTIVITIES IN ACCORDANCE WITH PURCHASE ORDER REQUIREMENTS. RECORDS OF SUCH TRAINING AND PROOF OF COMPETENCY SHALL BE MAINTAINED AND MADE AVIALABLE UPON REQUEST.

MANES MACHINE & ENGINEERING WILL SCORE ITS SUPPLIERS BASED ON QUALITY, DELIVERY AND/OR SERVICES PROVIDED. EXCESSIVE LATE DELIVERIES OR NONCONFORMANCES MAY RESULT IN CORRECTIVE ACTIONS. FAILURE TO RESPOND TO CORRECTIVE ACTIONS COULD RESULT IN PROBATION OR REMOVAL FROM MANES MACHINE'S APPROVED SUPPLIER LIST.

THE SUPPLIER SHALL USE STATISTICAL TECHNIQUES AND/OR SAMPLING PLANS CONSISTENT WITH TYPICAL INDUSTRY STANDARDS UNLESS OTHERWISE SPECIFIED OR AGREED UPON IN WRITING BY MANES MACHINE & ENGINEERING COMPANY.

WHEN SPECIFICALLY REQUESTED BY MANES MACHINE & ENGINEERING IN WRITING, SUPPLIERS SHALL MAINTAIN A QUALITY SYSTEM COMPLIANT TO AN INDUSTRY RECOGNIZED QUALITY MANAGEMENT SYSTEM OR A SYSTEM APPROVED BY MANES MACHINE & ENGINEERING COMPANY.

SUPPLIERS MUST BE COMMITTED TO THE HIGHEST STANDARDS OF ETHICS AND BUSINESS CONDUCT. SUPPLIER MUST COMPLY WITH THE LAW AND REGULATIONS APPLICABLE TO THE OPERATION OF THE BUSINESS AND CUSTOMER RELATIONS, HONOR COMMITMENTS, ACT IN GOOD FAITH AND BE HELD ACCOUNTABLE. SUPPLIERS MUST NOT OFFER, PROMISE, AUTHORIZE, OR PROVIDE DIRECTLY OR INDIRECTLY, ANYTHING OF VALUE (INCLUDING GIFTS OR COURTESIES) WITH THE INTENT OR EFFECT OF INDUCING ANYONE TO ENGAGE IN UNFAIR BUSINESS PRACTICES. SUPPLIERS WILL AVOID INVOLVEMENT IN ACTIVITIES THAT MAY BE PERCEIVED AS A CONFLICT-OF-INTEREST. SUPPLIERS WILL RESPECT THE LEGITIMATE PROPRIETARY RIGHTS AND INTELLECTUAL PROPERTY RIGHTS OF CUSTOMERS AND THEIR SUPPLIERS AND TAKE PROPER CARE TO PROTECT SENSITIVE INFORMATION, INCLUDING CONFIDENTIAL PROPRIETARY AND PERSONAL INFORMATION. SUPPLIERS WILL SUPPORT PRODUCT SAFETY BY ENSURING ROBUST MANAGEMENT OF SPECIAL REQUIREMENTS, CRITICAL ITEMS AND KEY CHARACTERISTICS. IF THERE ARE CONCERNS WITH RESPECT TO PRODUCT SAFETY, SUPPLIERS WILL COMMUNICATE THEM TO MANES MACHINE & ENGINEERING. IF THERE IS A CONCERN AT THE SUPPLIER'S PREMISES WITH RESPECT TO SAFETY DURING THE MANUFACTURE OR SERVICE OF THE PRODUCT, SUPPLIER WILL NOTIFY ITS OWN EMPLOYEES OF THE CONCERN AND WHENEVER POSSIBLE, MITIGATE THE CONCERN. SUPPLIERS WILL ENSURE THAT EMPLOYEES AND PEOPLE WORKING ON ITS BEHALF ARE AWARE OF:

- THEIR CONTRIBUTION TO PRODUCT OR SERVICE CONFORMITY
- THEIR CONTRIBUTION TO PRODUCT SAFETY
- THE IMPORTANCE OF ETHICAL BEHAVIOR.

THE ABOVE TERMS AND REQUIREMENTS PERTAIN TO EACH MANES MACHINE PURCHASE ORDER AND PURCHASING CONTRACT. ACKNOWLEDGEMENT AND ACCEPTANCE OF THE ABOVE TERMS AND REQUIREMENTS WILL BE EVIDENCED BY SUPPLIER'S ACCEPTANCE OF MANES MACHINE'S PURCHASE ORDERS OR PURCHASING CONTRACTS.