

**As part of our Quality Management System (QMS) standards, we are required to ensure that all of our suppliers are following all applicable quality requirements, and have implemented a Quality Management System.**

1. American Products Company reserves the right of final approval of product, procedures, processes, and equipment.
  
2. All suppliers of products, services and special processes which are required by this purchase order must utilize qualified personnel who exercise ethical behavior, and who must be aware of their contribution to product or service conformity, as well as their contribution to product safety.
  
3. Our organization reserves the right to review and approve the Suppliers Quality Management System.

Standard QMS requirements include:

- 3.1 Suppliers providing special processing (such as heat treat, penetrant inspections, passivation, paint, anodize or other finishing) that is considered a controlled process must maintain a system for validating processes that is Nadcap accredited or other system as required by this purchase order. Suppliers are responsible to verify, review and comply with the most current applicable specification revisions at time of P.O.
  - 3.2 Customer directed sources must operate in accordance with approved specifications and standards as dictated and controlled by the customer in question.
  - 3.3 Suppliers initially approved for use via Certification (ISO, AS9100, ISO 17025, AS9120, etc.) must notify our organization of any changes to that certification.
  - 3.4 Suppliers providing Nadcap certified services must provide current documentation of these services and shall notify American Products Company of certification changes such as process, scope and revision.
  - 3.5 Supplier shall maintain on file and make available a list of approved sub-tier suppliers. Supplier shall flow down American Products Company AS9100 Terms and Conditions to their sub-tier suppliers.
4. The Supplier shall maintain on file and make available to (upon request) American Products Company, its customers and/or regulatory authority, all quality data/records such as certificates of material and/or processes, acceptance test reports, inspection records, control plans and other applicable quality control data for a minimum of 7 years from completion of purchase order that directly affects the quality of parts./services ordered by American Products Company. Suppliers must be aware that some purchase orders may require a 40 year retention

period for items identified as “frozen process” or “flight safety” parts. At the end of the retention period supplier shall provide the option for American Products Company to take possession of the records.

5. To ensure product identification and traceability, American Products Company requires material certificates, certificates of conformity, and /or supporting documentation from its suppliers as is appropriate. These requirements will be specified on the purchase order if applicable.

6. American Products Company may require a Corrective Action Report from its suppliers when nonconforming material/product/service is discovered. Specific actions may be implemented where timely and/or effective corrective actions to a supplier issue are not achieved. These actions may include, but are not limited to, removal of supplier from the approved supplier list.

7. In order to maintain the integrity of the first article inspection process with our aerospace customers, the supplier is required to:

7.1. Notify our organization of nonconforming product immediately upon discovery, including any latent defects in products already delivered to American Products Company.

7.2. Obtain our organizational approval for nonconforming product disposition. All parts that are dispositioned as nonconforming must be identified with a discrepant part tag or other means of identification.

7.3. Notify our organization of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations.

7.4. Flow down applicable American Products Company purchase order requirements to their sub-tier suppliers.

7.5. Suppliers shall notify American Products Company of suspected nonconforming product having been shipped within 24 hours of detection.

8. American Products Company, its customers and/or any regulatory authority shall have the right of access to the suppliers’ facility and all applicable records for parts/services purchased by American Products Company.

9. All Suppliers providing calibration services must be certified to ISO17025 (or equivalent). All calibration certificates must identify standards used and must be traceable to NIST (National Institute of Standards Technology).

10. The Supplier shall provide packaging in accordance with the best commercial packing methods, to protect the product from damage and for safety in handling during the shipping process or, per specific instructions as noted on our purchase order.

11. All suppliers of aerospace components shall provide current documentation of all quality system certifications, Nadcap certifications as well as the scope of the accreditations as requested by American Products Company.

12. Drawings and any other confidential property received by Seller shall be controlled as regulated by the Export Administration Regulations (EAR) or Director of Trade Controls (DOTC) and International in Arms Regulations (ITAR).

13. Supplier will take necessary steps during processing and packaging to prevent addition of any foreign object debris or contaminants. Supplier shall have a F.O.D. prevention and training program adequate enough to ensure compliance.

14. Sub-contracting work to another source is prohibited unless defined within the purchase order scope of work to be performed or is pre-approved by American Products Company. Work must not be sub-contracted without prior written approval.

15. Suppliers must have a counterfeit policy and provide it upon request. The counterfeit policy must be in accordance to SAE AS5553, AS6174. Supplier shall notify American Products Company immediately upon discovery of any delivery of counterfeit parts/components or materials. Supplier will be responsible for monetary damages to American Products Company and /or its customers for losses or damages arising from the delivery of counterfeit parts/components or materials.

16. Supplier shall comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of Acceptance Authority Media (AAM) requirements. Supplier shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System.

17. Customer held property to be maintained, controlled and protected in accordance with FAR 52.245-1.

18. DRC Conflict Free

19. Supplier shall comply with all laws and regulations including EEO, Executive Order#12086, Veteran's Readjustment Act of 1974, Affirmative Action Obligations of Contractors & Subcontractors for handicapped workers & affirmative actions regarding non discrimination. Materials supplied on this PO shall satisfy governmental and safety constraints on restricted, toxic and hazardous materials as well as environmental, electrical and electromagnetic considerations applicable to the country and manufacture of sale