

**Purchasing Terms and Conditions**

As a supplier to Unique Machining Concepts Inc., herein after referred to as UMC, it is understood that your organization agrees to meet the following stipulations / AS9100 requirements .

1. The supplier's quality system must meet requirements of ISO 9001, SAE AS9100 (Latest Revision) or equivalent system standard.
2. Where required on the UMC Purchase Order, its suppliers must use UMC customer-approved special process sources. These sources will be communicated to you by UMC in advance or with the Purchase Order.
3. UMC is to be contacted (by the supplier) in the event of nonconforming product / material. Arrangements for the approval of supplier nonconforming product / material must be as directed by a UMC authorized manager or designee.
4. Furthermore, the supplier is required to notify UMC of any changes to a product and/or process and to obtain approval of such change from an authorized UMC manager or designee.
5. Supplier shall provide a Certificate of Compliance with each shipment of parts under this procurement, referencing the followings:
  - Part number and quantity.
  - Proper description of parts.
  - Unique Machining Concepts' Purchase order.
  - Reference to any applicable Techniques.

If applicable the external provider shall provide an inspection certificate that may include dimensional results, and/or test results, process certification, and material certifications with each shipment of parts, for UMC to verify applicable drawings and specifications.

6. UMC, their customers, and regulatory authorities retain the right of access to all supplier facilities involved in the aerospace order and to all associated / applicable records.
7. UMC requires that all applicable customer / regulatory / AS9100 requirements for the supplier to flow-down to your supplier / sub-tier suppliers (includes requirements in the purchasing documents and key characteristics).
8. UMC performs inspection activities to ensure that purchased product meets purchase requirements. They may include:
  - Receiving inspections (of supplier products/services/documents) may be / are performed by a designated UMC employee. UMC verifies the authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications or by other means. When necessary, UMC may inspect or audit at the supplier's facility.
  - All incoming finished parts, bar stock, forgings, special tooling or any item that is used in the manufacture of aerospace parts must be boxed or protected during shipping. UMC retains the right to refuse any shipment because of damage that may occur because of improper packaging, etc. and return it to the supplier for replacement at the supplier's cost.
  - Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes (anodizing, heat treat, zinc plating, etc.) will require a Certificate of Conformity. Reference to any applicable Techniques.
9. Materials or services must meet applicable drawings and specifications. Any associated documents related to the purchase order, for example: Inspection records, Manufacturing Plans and Techniques; are to be retained and on file to support this. Records are subject to review by UMC's customer examination upon request. Retention of records shall be no less than 10 years. UMC is to be notified after 10 years for disposition of records.

10. When appropriate, UMC may delegate the inspection authority to one of its approved suppliers. UMC will communicate the inspection requirements and maintain a record of those approved to carry out such inspections.
11. When UMC or its customer intends to perform verification at the supplier's premises, UMC will first state the intended verification arrangements and the method of product release. This information will be communicated on the UMC Purchase Order or via another acceptable purchasing arrangement.
12. Where specified in the contract, UMC's customer or customer's representative will be afforded the right to verify at the supplier's and UMC's premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by UMC as evidence of effective control of quality by the supplier and shall not absolve UMC nor its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
13. To prevent the purchase of counterfeit or suspect / unapproved products, to ensure product identification and traceability, and for other reasons, UMC will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and / or other supporting documentation from its suppliers as is appropriate. These requirements may be specified on UMC Purchase Order or may otherwise be communicated to the supplier.
14. UMC may also require specific actions where timely and / or effective corrective actions to a supplier issue(s) are not achieved. These actions may include but are not limited to any or all of the following: withholding payment until the issue is resolved, removal of the supplier from UMC's Approved Supplier List, and legal actions.
15. Documented information such as Test Reports, Material Certs., and / or Certificates of Conformity shall accompany all orders.
16. The supplier shall immediately notify UMC and explain any circumstances, including labor dispute, which may delay the timely performance of the Purchase Order and shall continue to notify UMC of any significant changes in delivery status.
17. Supplier shall plan, implement and control processes for the prevention of counterfeit and suspect counterfeit part use and their inclusion in products delivered to UMC.
18. All suppliers must ensure that their employees are aware of
  - their contribution to product or service conformity;
  - their contribution to product safety;
  - the importance of ethical behavior.
19. UMC promotes transparent relationships with suppliers; therefore, UMC ensure equality of opportunity, respect, and integrity.. Any negotiation with UMC's suppliers must be integrated taking as points to evaluate: the quality of their products, value added, and service, awareness, without generating false expectations of possible negotiations.
20. UMC is committed to carrying out all our activities in an integral and transparent manner, therefore, UMC does not consent to any act of corruption or bribery in any of our activities, either inside or outside Unique Machining Concepts. UMC does not receive any type of compensation (money, gifts, travel, discounts) only those products that are promotional that have a symbolic value, therefore, UMC ask our suppliers to cooperate with our anti bribery policy, in case of having a bribe situation take appropriate action.