

Supplier Terms and Conditions Agreement – AS9100D

Leading Edge Aero Rev. B

General: As a supplier to Leading Edge Aero, it is understood that your organization agrees to meet the following stipulations / AS9100D requirements whenever a Leading Edge Aero Purchase Order specifies that the order is for an aerospace application/job (or contains some similar aerospace/AS9100D reference). These requirements are, therefore, to be considered as terms and conditions to all aerospace purchases.

Supplemental Purchase/Change Order Notes – Outside Production: Work under this order is subject to Leading Edge Aero and/or customer's surveillance at seller's plant. Leading Edge Aero quality control representatives may elect to conduct inspection either on a surveillance basis or to the extent of 100% inspection. Sellers are notified if Leading Edge Aero inspection is to be conducted on specific shipments. No shipments are to be held for Leading Edge Aero inspection unless notification is received prior to shipment of parts.

1. Where required on the Leading Edge Aero Purchase Order, its suppliers must use Leading Edge Aero customer-approved special process sources.
2. Leading Edge Aero is to be contacted (by the supplier) in the event of nonconforming product, material, service or process. Arrangements for the approval of supplier nonconforming product/material must be as directed by a Quality manager or designee of Leading Edge Aero
3. Furthermore, the supplier is required to notify Leading Edge Aero of any substantial changes to a product and/or process that may affect the product quality, and to obtain approval from an authorized Leading Edge Aero manager or designee (if applicable).
4. Leading Edge Aero, their customers, and regulatory authorities retain the right of access to all supplier facilities at any level of the supply chain involved in the aerospace order and to all applicable records.
5. The AS9100D standard requires that all applicable customer/regulatory/AS9100D requirements flow-down to sub-tier suppliers (includes requirements in the purchasing documents and key characteristics). However, Leading Edge Aero requires all aerospace suppliers who subcontract any product or process to a sub-tier supplier to use the Leading Edge Aero customer approved supplier list, a copy of which will be furnished upon request. If there is no customer approved supplier for that product or service, then supplier must obtain Leading Edge Aero written consent.
6. Leading Edge Aero requires all suppliers who hold design or development authority to retain evidence of design or development activities applicable to the product being provided to the Company. These are to be retained for a minimum of 7 years. If the design or development activities are outsourced by the supplier to a third party, the supplier must flow-down this requirement appropriately and maintain adequate control over the design authority within their supply chain, as it applies to product being supplied to Leading Edge Aero.
7. Suppliers of products or services used for aerospace applications are required to have some form of a Quality Management System implemented within their organization. Certification to a specific standard is not necessarily required, but can potentially impact the supplier's ability to gain approved status on the Approved Supplier List.
8. Aerospace suppliers must have a formal documented process on its Business Continuity Plan in case of a crisis or emergency situation. Leading Edge Aero is afforded the right to review suppliers' Business Continuity Plan on an as needed basis which could occur at the suppliers' premises or be asked to send a copy to Leading Edge Aero for review.
9. Leading Edge Aero performs inspection activities to ensure that purchased product meets purchase requirements. They may include: a) Receiving inspections (supplier products / services / documents) may be/are performed by a designated employee. Leading Edge Aero 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, Leading Edge Aero or its Customer may inspect or audit at the supplier's facility. Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes (anodizing, heat treat, etc.) where the compliance cannot be verified by inspections require a Certificate of Conformity.
10. All vendors of Leading Edge Aero will be subject to evaluation against the following criteria at a minimum: On-Time Delivery; Product/Service Quality.
11. Leading Edge Aero reserves the right to request test samples/specimens from the supplier for preliminary approval, inspection/verification, investigation efforts, or auditing purposes.
12. When appropriate, Leading Edge Aero may delegate the inspection authority to one of its approved suppliers. Leading Edge Aero communicates any additional inspection requirements (including approved monitoring and measurement equipment/methods) not covered in item 7 above and Leading Edge Aero maintains a record of those approved to carry out such inspections.

13. Suppliers of products or services to Leading Edge Aero must be aware of their contribution to product and/or service conformity, their contribution to product safety, and the importance to ethical behavior. Suppliers are responsible for flowing down this contribution and importance to all personnel responsible for products and/or services provided.
14. When Leading Edge Aero or its customer intends to perform verification at the supplier's premises, Leading Edge Aero will first state the intended verification arrangements and the method of product release. This information is communicated on the Leading Edge Aero Purchase Order or via another acceptable purchasing arrangement.
15. Where specified in the contract, Leading Edge Aero customer or customer's representative is afforded the right to verify at the supplier's premises and Leading Edge Aero's premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by Leading Edge Aero as evidence of effective control of quality by the supplier and shall not absolve Leading Edge Aero or its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
16. To prevent the purchase of counterfeit or suspect/unapproved products and to ensure product identification and traceability (and for other reasons), Leading Edge Aero institutes 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 Leading Edge Aero's Purchase Order or may otherwise be communicated to the supplier. Review of the requirements listed within AS5553 and AS6174 documents is required of the supplier to ensure continued participation in the industry's efforts to prevent to use of counterfeit or suspect/unapproved products from making it into the supply chain.
17. Records related to this contract are available for review by Leading Edge Aero, our customers, and regulatory authorities in accordance with contract or regulatory requirements. Unless otherwise specified, records are retained for a minimum of ten (10) years, in either paper or electronic form, and are destroyed as appropriate after retention requirements have been met".
18. Leading Edge Aero may require specific actions where timely and/or effective corrective actions to a supplier's 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, penalty fee, removal of the supplier from Leading Edge Aero's Approved Supplier List, and legal actions.
19. Delivery: Parts are delivered F.O.B. Leading Edge Aero, Bethel, CT. The shipments are delivered as Buyer requests (ground or air). Any delivery schedule specified by Leading Edge Aero governs unless the supplier specifies its schedule and notifies Leading Edge Aero in a timely manner. If supplier objects to Leading Edge Aero's schedule changes, the parties shall agree upon a schedule. If the parties fail to agree within a reasonable time, either may cancel the Order and supplier pays Leading Edge Aero all costs reasonably incurred by Leading Edge Aero with this Order prior to cancellation.
20. Indemnification: Supplier agrees to defend, indemnify and save harmless Leading Edge Aero, its officers, agents, successors, assigns and customers against all claims, demands, damages, costs, expenses, attorneys' fees or liability of any kind which arise from, or are related in any way to: (1) the actual or alleged infringement of any trade name, trademark, copyright or patent, or the misappropriation of any trade secrets or confidential information arising in connection with the possession, sale or use of the goods delivered, or services rendered, to Leading Edge Aero under this Agreement; (2) injuries or damages to any person or property arising from the performance of services for Leading Edge Aero, if this Agreement calls for the performance of such services; (3) the performance of this Agreement by Supplier or any agent or subcontractor of Supplier; and/ or (4) the claims of third parties relating to or arising in connection with services performed and/or the goods delivered under this Agreement, (5) Supplier's negligence, willful misconduct, or breach of Agreement. Supplier further agrees, upon receipt of notification from Leading Edge Aero to promptly assume full responsibility for the defense of any and all such claims, suits, actions or proceedings for which Supplier is obligated to provide indemnification under this Section.
21. Supplier must flow down controls listed in the agreement and any other appropriate controls to their direct and sub-tier suppliers, and ensure their employees are aware of their contribution to product/service conformity, product safety, and the importance of ethical behavior. Supplier should be prepared to provide Leading Edge Aero evidence of such communication if requested.
22. Payment: Payment is made in U.S. dollars and is due within agreed upon payment terms (defined as FOB Leading Edge Aero dock, Bethel, CT).
23. Packing: Supplier packs the parts as specified by Leading Edge Aero. When packing specifications are not available, the supplier is to package product using known best practices.
24. Excusable Delay: Supplier is not liable for nor deemed to be in default on account of delays of any parts due to the following: Event that is caused solely by the effect of nature or natural causes and is beyond the supplier's control.
25. Title and risk of loss: Leading Edge Aero will not take title and risk of loss or damage to parts until received into Leading Edge Aero's Inventory. Furthermore, supplier is held liable for the full value of all parts ruined/damaged beyond repair by supplier.
26. Modification: No modification of the order shall be binding on Leading Edge Aero unless agreed to in writing, and signed by an authorized representative of Leading Edge Aero
27. Applicable law: All Orders are governed by the laws of the state of Connecticut unless otherwise specified in writing by Leading Edge Aero.
28. Raw material supplied is to conform to DFAR 252.225 as appropriate, or supplier is to contact Leading Edge Aero.