

Petty Machine & Tool, Inc.

AS9100 Supplier Requirements/Agreement

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Revision date: 1-30-13

General: As a supplier to Petty Machine & Tool, Inc., it is understood that your organization agrees to meet the following stipulations / AS9100 requirements whenever a Petty Machine & Tool, Inc. Purchase Order specifies that the order is for an aerospace application/job (or contains some similar aerospace/AS9100 reference). These requirements are, therefore, to be considered as terms and conditions to all aerospace purchases.

1. Where required on the Petty Machine & Tool, Inc. Purchase Order, its suppliers must use Petty Machine & Tool, Inc.'s customer-approved special process sources.
2. Petty Machine & Tool, Inc. 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 Petty Machine & Tool, Inc.'s authorized manager or designee.
3. Furthermore, the supplier is required to notify Petty Machine & Tool, Inc. of any changes to a product and/or process and to obtain approval of such change from an authorized Petty Machine & Tool, Inc. manager or designee (if applicable).
4. Petty Machine & Tool, Inc., their customers, and regulatory authorities retain the right of access to all supplier facilities involved in the aerospace order and to all applicable records.
5. Petty Machine & Tool, Inc. requires that all applicable customer/regulatory/AS9100 requirements for the supplier to flow-down to your (the supplier) sub-tier suppliers (includes requirements in the purchasing documents and key characteristics where required).
6. Petty Machine & Tool, Inc. 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 Petty Machine & Tool, Inc. employee. Petty Machine & Tool, Inc. 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, Petty Machine & Tool, Inc. 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 in shipping. Petty

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Machine & Tool Inc. retains the right to refuse any shipment because of damage that may occur because of improper packaging and return to the supplier for replacement at the suppliers 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 etc.) where the compliance cannot be verified by inspections will require a Certificate of Conformity.

7. When appropriate, Petty Machine & Tool, Inc. may delegate the inspection authority to one of its approved suppliers. Petty Machine & Tool, Inc. will communicate the inspection requirements (including approved monitoring and measurement equipment/methods) and maintain a record of those approved to carry out such inspections.

8. When Petty Machine & Tool, Inc. or its customer intends to perform verification at the supplier's premises, Petty Machine & Tool, Inc. will first state the intended verification arrangements and the method of product release. This information will be communicated on the Petty Machine & Tool, Inc. Purchase Order or via another acceptable purchasing arrangement.

9. Where specified in the contract, the Petty Machine & Tool, Inc.'s customer or customer's representative will be afforded the right to verify at the supplier's premises and Petty Machine & Tool, Inc.'s premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by Petty Machine & Tool, Inc. as evidence of effective control of quality by the supplier and shall not absolve Petty Machine & Tool, Inc. nor its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.

10. To prevent the purchase of counterfeit or suspect/unapproved products, to ensure product identification and traceability, and for other reasons, Petty Machine & Tool, Inc. 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 Petty Machine & Tool, Inc.'s Purchase Order or may otherwise be communicated to the supplier.

11. Records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements.

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12. Petty Machine & Tool, Inc. 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 Petty Machine & Tool, Inc.'s Approved Supplier List, and legal actions.

Supplier: _____ City: _____ State: _____

Supplier's acceptance of these terms and conditions: _____ Date: _____

Printed name: _____