



AS9100D Terms and conditions

Quality Management System

The supplier shall maintain a Quality Management System that adequately insures all products and/or services will meet the specified requirements. Suppliers must notify PEMS Tool & Machine Inc., of any changes to their Quality Management System or certifications.

Nonconforming Material

Material found to be non-conforming per the specifications of the purchase order, shall be held and not released, without approval from the Buyer. Approval will be in the form of an e-mail, fax, or letter. The Seller shall notify the Buyer of the nonconforming material in the form of an e-mail, fax or letter.

Counterfeit parts prevention on purchase order terms and conditions

Seller agrees and shall ensure that only new and non-counterfeit parts, materials and components are used in products required to be delivered to buyer. No other parts, materials or components shall be used unless approved in advance in writing by buyer. To further mitigate the possibility of the inadvertent use of counterfeit parts, materials or components, Seller shall only purchase parts, materials and components directly from the Original Equipment Manufacturers (OEMs), directly through the OEM's authorized distribution chain, or directly from Independent Distributors. If procured from Independent Distributors, Seller shall make available to Buyer upon adequate OEM documentation in Buyer's sole judgment that authenticates the traceability of the parts, materials and components to the applicable OEM. If the required items cannot be procured from the above identified three sources, use of parts, materials or components product without appropriate traceability documentation from independent brokers or any other sources is not authorized unless first approved in writing by Buyer. Seller must present full, complete and compelling support for its request and include in its request all actions to ensure that the parts, materials and components thus procured are legitimate and not counterfeit. Buyer may also request at any time a certification of traceability from the Seller and/or Seller's sources.

Configuration Changes

The Seller shall maintain configuration control of all parts, materials and processes such that, after the delivery of the initial lot, all subsequent lots shall be the same as the initial lot for all parts, materials and processes. There shall be no changes in product and/or process, changes of suppliers, changes of manufacturing, process, product, facility, certification status and location without prior notification in writing to Buyer, for approval. Seller shall not outsource any processes without written notification to Buyer, for approval.

FLOW DOWN OF CUSTOMER REQUIREMENTS

Buyer reserves the right to flow down additional requirements to satisfy specific customer and or business requirement that apply. Suppliers agree to flow down applicable order requirements to any approved subcontractors, along with all government ratings.

Certificate of Compliance

Suppliers shall provide a Test Report or Certificate of Compliance verifying that the order meets all referenced standards as well as applicable commercial or military standards. Special process suppliers must utilize only qualified personnel to perform special processes and maintain all process, inspection and test records pertaining to purchase orders for forty years.



Right of Entry

Seller acceptance of the purchase order entitles buyer access to seller's premises and any place necessary to determine and verify the quality of contracted work, records, and materials. This includes, but is not limited to, source inspection, process, paperwork, or quality system audit, survey, or verification that all requirements and specifications stipulated by the purchase order are met or are being met. This right of entry shall also include buyer's customer(s), supplier(s), regulatory agencies, or representative(s) of the buyer.

Product Safety and Conformity

Supplier is expected to develop, implement, and maintain effective policies and training programs to ensure their employees are aware of their relevant contribution to the quality, safety and conformity of their products and/or services.

Ethical Behavior

Supplier acknowledges and agrees that our Buyer requires that Supplier maintain a high standard of ethical conduct in all its dealings with the Buyer. PEMS Tool & Machine Inc., policy prohibits all employees from accepting gratuities, gifts, entertainment or other favors as well as from engaging in any activities which create the perception of a conflict of interest, from any current or prospective Supplier. Supplier is encouraged to implement their own written code of conduct and to flow down their principles to the entities that furnish them with goods and services. PEMS Tool & Machine Inc., expects its Supplier to maintain effective programs to encourage their employees to make ethical, value driven choices in their business dealings.