



## Terms and Conditions of Purchase

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The Supplier requirements below apply to all Suppliers and sub-tier Suppliers to Helical Machining, Inc. providing products, and services. Acceptance of a Purchase Order from Helical Machining Inc., binds the Supplier to the Terms and Conditions listed in the Purchase Order, as well as the requirements listed in this document. The Supplier is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by Helical Machining, Inc. and must flow down these requirements to any sub-tier Suppliers.

### **Q1. Agreement Acceptance:**

Helical Machining's Purchase Order provides information regarding the products, and services to be provided including the identification of relevant technical data (e.g., specifications, and drawings).

### **Q2. Identification and Revision:**

Suppliers shall maintain the identification and revision status of the Buyer's specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.

### **Q3. Certificate of Conformance:**

Each shipment must be accompanied by one legible copy of a statement of conformance unless otherwise noted in the Purchase Order. A certificate of conformance (C of C), supplied with the shipment must provide at a minimum: Supplier name, part number, purchase order number, quantity of parts, engineering revision, lot/batch numbers (if applicable), and title and signature of authorized Supplier representative.

### **Q4. Material and Process Certifications:**

Each order shall be accompanied by one legible copy of a Certificate of Compliance (CofC). Material certifications shall show quantitative analysis of each element and physical testing as required by specifications referenced. Traceability for Raw Material is required and shall be retained and provided to Helical Machining with product. Final acceptance of product shall be at Helical Machining after receiving inspection is completed. Certification of heat treatment must show the type of treatment and specifications, hardness range, percentage of parts tested, tensile test results (as applicable by part), type of test performed, specifications and any other information required by the drawing/specifications. The laboratory performing a test shall be identified and any certifications signed by tester and the name of the heat treat Supplier must be listed.

### **Q5. Competency and Training:**

Suppliers shall ensure that employees and people working on its behalf are competent and trained, including any required qualifications.

### **Q6. Supplier Interactions and Nondisclosure:**

In addition to the other requirements recorded within this document, Suppliers shall hold all information received from Helical Machining in confidence and no third-party request for information shall be authorized unless approved, in writing, by Helical Machining.

### **Q7. Supplier Performance Monitoring:**

Helical Machining will score Suppliers based on Quality and On-Time Delivery. Suppliers will be issued corrective actions as warranted, and Suppliers that fail to perform in these areas may receive further Corrective Actions and may be considered for conditional status or removal from Helical Machining's Approved Supplier List.

**Q8. Verification and Validation Activities:**

Helical Machining and its customers reserve the right to perform verification and/or validation activities at the Supplier's premises.

**Q9. Test, Inspection, and Verification:**

Suppliers will maintain a quality and/or inspection system that will ensure all goods and services conform to contract requirements whether manufactured or distributed by Supplier or procured from Sub-Tier Suppliers, and that fully complies with the requirements of an internationally recognized standard such as ISO 9001, AS9100, AS9110, AS9120, or equivalent where applicable. The Supplier will retain documented information including retention periods and disposition requirements.

For Purchase Orders to calibration service providers, all gauges and measuring equipment must be calibrated using standards traceable to the National Institute of Standards (NIST). All provided calibration certifications must specifically state this traceability.

**Q10. Quality System Requirements:**

Supplier's Quality Management System (QMS) shall be in accordance with an internationally recognized standard such as ISO 9001, AS9100, AS9120, ISO 17025, or equivalent unless otherwise approved by Helical Machining.

**Q11. Customer Designated Sources:**

When required by Helical Machining or by their customers, Suppliers will use customer specified sources flowed down on the Purchase Order.

**Q12. Notification of Nonconformance:**

Supplier product discovered after shipment by the Supplier found to be nonconforming to any engineering drawing and/or Purchase Order requirement shall be immediately disclosed to Helical Machining upon discovery, including but not limited to quantity shipped, date shipped, and the extent of the nonconformance. Suppliers that receive notification of Nonconforming product shall take appropriate action to contain the nonconforming condition and prevent it from re-occurrence. The Supplier must obtain buyers written approval for nonconforming product disposition. The Supplier will be notified if formal Corrective Action is required to be submitted to Helical Machining. The response shall be submitted within 2 weeks of issue or a time frame agreed upon between Helical Machining and the Supplier.

**Q13. Prevention of Counterfeit Parts:**

Suppliers shall have a system in place to detect and prevent the use of counterfeit materials.

**Q14. Notification of Process Changes:**

Suppliers must notify Helical Machining in writing of changes in ownership, product and/or process, suppliers, and manufacturing/distribution facility location.

**Q15. Customer Requirements Flow Down:**

Suppliers shall flow-down to Sub-Tier Suppliers all applicable requirements as required by the Purchase Order either specifically or by reference.

**Q16. Test Specimens or Samples:**

When requested by Helical Machining or its customers, Suppliers will provide test specimens for inspection/verification, investigation and/or auditing purposes.

**Q17. Documented Information & Record Retention:**

Unless otherwise specified on the Purchase Order, the latest revision of part number shall apply. All certifications, test reports, and inspection reports, as well as receiving inspection, in-process inspection, final inspection, and calibration records shall be retained for a minimum of ten years, unless otherwise specified by Helical Machining. These records will be made available to Helical Machining and their customers, or regulatory agency upon request.

**Q18. Right of Access:**

Helical Machining and their customers reserve the right to perform a routine visit or an on-site inspection of the Supplier's facility, if necessary. Helical Machining will give reasonable notification to the Supplier prior to the visit or on-site inspection. The on-site inspection may include a surveillance audit of the Supplier's facilities, operations, and Quality Management System (QMS). The Supplier shall furnish, at no cost, the necessary data as required by applicable drawings, Purchase Order, specifications, and inspection instructions to facilitate the on-site audit.

**Q19. Awareness:**

Suppliers will ensure personnel working on their behalf are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

**Q20. Supplier Corrective Action:**

In response to Corrective Action Requests, Suppliers shall advise Helical Machining of root cause determination, corrective action taken to prevent recurrence of reported problems and/or discrepancies, and effectively dates of the planned corrective action(s). Suppliers shall maintain a corrective action system that determines the effectiveness of such corrective actions, and that prevents shipment of nonconforming articles without prior approval from Helical Machining.

**Q21. Foreign Object Debris (FOD) Prevention:**

Suppliers are required to establish and maintain a Foreign Object Debris (FOD) prevention program that employs appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, during operations and normal daily tasks.

**Q22. Packaging and Shipping:**

Suppliers shall package products to prevent damage during shipment. Protective insulating material including double box method should be used when necessary to ensure that procured articles are free from damage during transit. The protective abilities of the shipping package/box shall not be degraded by over packing.

**Q23. Conflict Minerals:**

Suppliers agree to not knowingly supply products that contain "Conflict Minerals" (tin, tantalum, tungsten, and gold) from the Democratic Republic of the Congo ("DRC") and adjoining countries, as described in section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "ACT").

**Q24. Human Trafficking**

Suppliers agree not to participate in any human trafficking-related activities. These activities include engaging in sex trafficking, using force, fraud, or coercion to subject a person to involuntary servitude, or obtaining labor from a person by threats of serious harm to that person or another person, among others.

**Q25: DFAR 252.225.7009**

All material provided to Helical Machining must be DFAR compliant unless otherwise noted in writing.