



## AS91x0 Supplier Terms & Conditions

General: As a Supplier to Reli Technology Holland B.V. (abbreviated: RTH), it is understood that when accepting our purchase orders, your organization agrees to meet the following stipulations / AS91x0 requirements for all RTH Purchase Orders for Aerospace (or other certified) purposes. Requirements not mentioned in these purchase requirements but specified in AS91x0 may have to be taken into account depending on the part/service to be delivered.

The following requirements are, therefore, to be considered as terms and conditions to all such purchases:

- 1) RTH is to be contacted by the Supplier at the earliest possibility in case issues are discovered that may impact the [timely and/or successful] fulfillment of this Purchase Order. Such issues include, but are not limited to, any errors, omissions or contradictions in the Purchase Order itself.
- 2) Furthermore, the Supplier is required to notify RTH of **any changes** to a product and/or process and to obtain written approval from the RTH Quality Manager, **prior to acceptance of the order**. Unapproved deviations to established processes, measurements, materials or finish will not be accepted.
- 3) By issuing a (manufacturer) Certificate of Conformity, the Supplier explicitly warrants that all parts listed on the Certificate fully conform to the relevant norm(s) or drawing(s), and can provide evidence of such conformity (including exhaustive measurement reports) at the buyers request, free of charge.
- 4) All items subject to shelf life restrictions shall have a **minimum of 85% shelf life** left. Furthermore:
  - a) O-rings must not be older than 2 years (8 quarters), and must be packed per 1 EACH. On each pack the following should be mentioned: material specification, cure date and part number.
  - b) Bearings are to be of new manufacture, lubrication not older than 1 year and packed per 1 EACH; date of greasing and/or preservation must be mentioned on this packaging.

Deviations to the above are acceptable only if approved in writing (on the Purchase Order or separately by the RTH buyer). If the Supplier determines that a part does not conform to the above requirements, the item is to be placed on hold, and **RTH immediately contacted**. Dispensation may be granted at the sole discretion of RTH, or its customer.

- 5) **RTH expects 100% on time delivery**. If the agreed upon delivery cannot be met, the appropriate RTH purchaser must be notified in advance. If RTH's annual Supplier evaluation identifies a Supplier with an on time delivery rate of 90% or less a corrective action can be issued.
- 6) RTH, their customers or representatives, and regulatory authorities retain the **right of access** and verification to all Supplier facilities involved in the order and to all applicable records. When appropriate, RTH may delegate the inspection authority to one of its approved Suppliers or agents. Verification by the customer is not used by RTH as evidence of effective control of quality by the Supplier and shall not absolve RTH or its Supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
- 7) The AS91x0 standard requires that all applicable customer/regulatory/AS91x0 requirements for the Supplier to flow-down to sub-tier Suppliers (includes requirements in the purchasing documents and key characteristics where required).
- 8) RTH may perform inspection activities to ensure that purchased product meets purchase requirements. They may include:
  - a) Receiving inspections (of Supplier products / services / documents) are performed by a designated employee. RTH 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, RTH. may inspect or audit at the Supplier's facility.

- b) 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.
- 9) Supplier represents and warrants that it has policies and procedures in place to ensure that none of the supplies or materials furnished under this Purchase Order are **counterfeit / suspect or unapproved products** and certifies, to the best of its knowledge and belief, that no such parts are present in its supply chain. To ensure product identification and traceability, the Supplier will keep on record all applicable Material Certificates, Certificates of Conformity, and/or other supporting documentation from its Suppliers (and their supply chain), and where ordered, include these documents with the shipment.

"Counterfeit / suspected parts" are parts that may be of new manufacture, but are misleadingly labeled to provide the impression they are of a different class or quality or from a different source than is actually the case. They also include refurbished parts, complete with false labeling, that are represented as (factory) new parts, or any parts that are designated as suspect in government or OEM alerts.

"Unapproved parts" include, but are not limited to, items solely certified (on the official OEM/Mfr. certification) under alternative part numbers or [unapproved] cross-references, items supplied with a different condition other than [certified] New (unless specifically acknowledged and approved by RTH in writing), and items procured from unapproved sources. Where the Purchase Order of RTH states (on each line item) a **specific manufacturer name or cage code**, only this particular source is approved.

If it is determined by the Supplier that a product is deemed "unapproved", the item is to be placed on hold, and **RTH immediately contacted**. Dispensation may be granted at the sole discretion of RTH, or its customer.

- 10) Records are to be made available for review by customers and regulatory authorities upon request in accordance with contract or regulatory requirements.
- 11) RTH requires that products provided by its Approved Suppliers be **correct and free of defect** per the supplied Purchase Order. If RTH.'s annual Supplier evaluation identifies a Supplier with a scrap/rework/return rate that exceeds 10% of their Relli work orders; a corrective action can be issued.
- 12) If a part is determined to be defective, the supplier will provide full cooperation to establish the root cause of the failure (including, but not limited to, furnishing all relevant manufacturing data for analysis, and filling out a 8D rapport). Supplier will detail all corrective actions taken to ensure that the failure will not reoccur.
- 13) RTH 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 RTH's Approved Supplier List, and/or legal action.
- 14) The Supplier shall be liable for all costs (including fines and penalties) incurred by RTH resulting from a failure by the Supplier to observe the above-mentioned terms and conditions, including without limitation RTH's external and internal costs of furnishing (external) replacement parts, recalling/removing/returning counterfeit or unapproved parts, of reinserting replacement parts and of any testing necessitated by the reinstallation of the Supplier's goods after parts have been exchanged.

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