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Terms and Conditions

F7.4.2-1

Any delay in shipment must be conveyed to RMI Purchasing as soon as the delay is known.

Any changes to the contract requirements by the supplier must be approved by RMI in writing.

All information in the contract must be held in confidence and no third party request for information will be authorized unless instructed in writing by RMI representative.

Right of access to RMI, for our customers and regulatory agencies, to applicable areas of all facilities, at any level of the supply chain, involved in the order and all applicable records.

Flow down to the supply chain applicable requirements, including customer requirements. Apply appropriate controls to their direct and sub-tier external providers, to ensure that requirements are met.

To notify RMI of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain approval.

Notify RMI quality department prior to transferring any RMI work to a new facility. RMI Quality Manager will determine prior to the transfer if the supplier may perform the transfer of work.

Notify RMI quality department of nonconforming product within 24 hours and make proper arrangements for approval.

Retain documented information for a minimum of thirty (30) years after final payment for processes, products or services and properly dispose of after destruction.

All work must be processed per latest revision unless otherwise instructed on purchase order.

Conformance to MIL-I-45208, AC7004, ISO 9001 or AS9100 Quality System.

Provide Safety Data Sheets (SDS) and/or certificates of compliances for restricted, toxic or hazardous substances.

Machining Suppliers must furnish inspection reports, Certificate of Conformance, and as applicable Material and Processing Certifications for the parts they submit.

Processing suppliers must furnish processing certifications to the purchase order requirements, and shall not process any parts for which they are not certified or approved.

Material suppliers must furnish material certifications with original mill certifications in English to the purchase order requirements, and shall not supply material for which they are not certified or approved. A copy of the mill material certification must state the melt source and be sent in with each shipment of the product containing Specialty Metals. The supplier shall insert the substance of this clause in all their purchase orders to their sub-tier sources where specialty metals may be used, and shall require all their sub-tiers to further flow down the substance of this clause to all their sub-tier sources through each level of the upstream supply chain.

Calibration labs must be certified to the latest edition of ANSI/NCSL Z540.3, IEC/ISO17025 or ISO 10012, have an annual eye examination and conform to UTAS requirements for calibration providers.

Maintain a minimum 90% product conformity and 80% on-time delivery performance rating.

Perform due diligence to prevent the use of any conflict minerals (tin, tantalum, tungsten and gold) in the manufacture or processing of furnished product.

If the order is a Defence Priorities and Allocations (DPAS) rated order, you are required to follow provisions of the DPAS regulation 15 CFR 700.

Foreign Object Debris/Foreign Object Damage (FOD) Prevention program is required to reduce the risk of foreign objects.

Ensure that persons are aware of their contribution to product and service conformity and the importance of product safety.

Supplier must have a Code of Conduct policy that promotes awareness in ethical business practices, facilitates the timely discovery, investigation, disclosure and implementation of corrective actions.

Must conform to Boeing Commercial Requirements for Application of Acceptance Authority Media (AAM) and 14CFR Part 21.2 regarding application of AAM.

Supplier shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System. Supplier shall, upon request, be able to demonstrate evidence of communication to its employees and to its supply chain; use of AAM must be considered a personal warranty of compliance and conformity. Supplier shall conform to AAM requirements by assessing its process and supply chain as parts of its internal audit activities. The areas of focus of this assessment shall include but no limited to: errors i.e. omission, typos, legibility; untimely use i.e. documentation is not completed as planned "stamp/sign as you go"; misrepresentation i.e. uncertified personnel, falsification of documentation, work not performed as planned' and training deficiencies i.e. ethics, culture awareness, proper use of authority media.

Supplier's issued a purchase order for UTC Aerospace are responsible to conform with ASQR-01 requirements and flow down to sub-tier suppliers.

Counterfeit Parts Prevention: For purposes of this clause, Counterfeit Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable. (b) agrees and shall ensure that Counterfeit Work is not delivered to RMI. (c) shall only purchase products to be delivered or incorporated as work to RMI directly from the Original Equipment Manufacturer (OEM), or through an OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by RMI. (d) shall immediately notify RMI with the pertinent facts if becomes aware or suspects that it has furnished Counterfeit Work. When requested by RMI, shall provide OEM documentation that authenticates traceability of the affected items to the applicable OEM. (e) In the event that work delivered under this Contract constitutes or includes Counterfeit Work, shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation RMI's costs of removing Counterfeit Work, of reinserting replacement work and of any testing necessitated by the reinstallation of work after Counterfeit Work has been exchanged. The purpose of this flow down is to prevent entry into the supply chain, to prevent the use of counterfeit products, the delivery of counterfeit products and to control products identified as counterfeit.

Additional quality clauses will be noted on the Purchase Order as required.

Rev: I

Approval Date: 07/30/2018

Approved By: JR