

## **Terms and Conditions for Suppliers of Ability Metal Company**

1. General
  - a. By accepting a purchase order issued by Ability Metal Company, the supplier agrees to these Terms and Conditions. Any additional or conflicting terms proposed by the supplier will not be accepted unless agreed to in writing by both parties.
2. Products and Services
  - a. The supplier is responsible for providing products and services in accordance with the specifications, drawings, process requirements, work instructions, and other technical data provided by Ability Metal Company.
3. Approval
  - a. The supplier must agree to the product or service approval requirements from Ability Metal Company as specified on the purchase order and related specifications. This may include approval for methods, processes, equipment, and the release of products and services.
4. Communication
  - a. All communication regarding the product should be done through the purchasing representative that issued the order. If needed, our internally designated representative will involve other team members as needed.
5. Performance Monitoring
  - a. Ability Metal Company intends to monitor and report supplier performance internally and may need to implement any necessary controls by way of corrective action, meetings with management, and/or discontinuance of the use of your services if necessary.
6. Design and Development Control
  - a. Approval of product manufacture design files, special requirements, critical items, or key characteristics will be communicated via our purchasing documents. If the supplier is responsible for product design for any products provided to Ability Metal Company, approval must be obtained by an authorized purchasing representative of Ability Metal Company.
7. Tests, Inspection, and Verification
  - a. Ability Metal Company may require suppliers to provide tests, inspection, and verification, including production process verification and any supporting documentation related thereto.
8. Quality Management System
  - a. The supplier must implement a quality management system that demonstrates the ability to achieve conforming product and service

results. This may include established processes, procedures, documents, ISO/AS certifications, etc.

9. External Providers

- a. The supplier must use customer-designated (when specified) or supplier-approved external providers, including process sources (e.g., special processes).

10. Nonconforming Processes, Products, or Services

- a. The supplier must notify Ability Metal Company of nonconforming processes, products, or services that may impact the product being delivered to Ability Metal Company and obtain approval for their disposition.

11. Counterfeit Parts

- a. The supplier must prevent the use of counterfeit parts.

12. Changes to Processes, Products, or Services

- a. The supplier must notify Ability Metal Company of changes to processes, products, or services, including changes in their external providers or location of manufacture, and obtain Ability Metal Company' approval.

13. Flow Down Requirements

- a. The supplier must flow down to external providers any and all applicable requirements, including Ability Metal Company and its customers' requirements.

14. Test Specimens

- a. The supplier must provide test specimens for design approval, inspection/verification, investigation, or auditing when requested.

15. Documented Information

- a. The supplier must retain documented information related to the products an services being delivered to Ability Metal Company for a retention period of no less than five (5) years and obtain approval from Ability Metal Company for document disposition.

16. Right of Access

- a. Ability Metal Company, their customer, and regulatory authorities require right of access to areas of supplier facilities and documented information at any level of the supplier's supply chain, applicable to the products and services being delivered to Ability Metal Company.

17. Awareness

- a. The supplier must ensure that persons are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

18. Human Rights, Environmental Protection, and Fair Operating Practices.

- a. Suppliers must comply with local, state and federal laws regarding Human Rights, Environmental Protection, and Fair Operating Practices.