



## Hydroform USA Terms and Conditions

### A. SOURCE INSPECTION

Hydroform USA, Hydroform USA's customer or government representatives shall be granted the right to verify that product conforms to P.O. requirements.

### B. RIGHT OF ENTRY

Hydroform USA, Hydroform USA's customer or government representatives shall be granted right of entry to the subcontractor's plant when requested, to review records, to perform inspections, witness testing, or to perform quality system surveys and audits at any level of the supply chain when requested.

### C. APPROVALS / NOTIFICATIONS

1. The subcontractor shall be approved by Hydroform USA's customer. When such approval is required by applicable specification, the supplier will assure that their approval is current. Such approval does not grant inspection authority.
2. The subcontractor will notify Hydroform USA's QA Department immediately in writing when their approval is withheld or if their system or specification is disapproved when the subcontractor is performing work for Hydroform USA to that system or specification. Supplier shall also notify Hydroform USA of any changes in product and/or processing at the manufacturing location performing the work and throughout the entire supply chain.

### D. QUALITY SYSTEM

The supplier is required to comply with advanced quality system requirements (i.e., ISO 9000, AS 9100, and NADCAP) when such approval is required by the prime customer. Supplier shall (at every level of the supply chain) be required to retain their records (for the applicable Purchase Order given) for a period of 10 years.

### E. SOURCE INSPECTION

Subcontractors shall notify Hydroform USA's QA Department when performing work that produces characteristics which cannot be verified upon receipt at Hydroform USA.

### F. KEY CHARACTERISTICS

Supplier will monitor key characteristics when a key characteristic is flowed down by Hydroform USA on a Purchase Order.

### G. CERTIFICATIONS

1. Certifications on work performed shall be supplied with shipment.
2. Mill certifications are required for raw material and hardware. Lab certifications will not suffice.
3. Hydroform USA will flow down a list of revisions of specifications. If the supplier has a later revision, this later revision shall be used. The revisions will be noted on the certification which will be supplied with shipment.

### H. REPORTING OF NONCONFORMANCES

Supplier will document any nonconformance on their own internal rejection document, identify the hardware (i.e., "red tag") and ship to Hydroform USA for final disposition, Attn: "Hydroform USA Material Review Representative."

### I. COMPLIANCE WITH FAR / DFAR CLAUSES

Supplier will be in full compliance with the provided list of FAR / DFAR clauses to the extent they are applicable. The supplier will ensure flow down of these clauses to all subtiers at every level.

J. REJECTABLE CONDITIONS

All suppliers shall have a system in place that prevents the unintended use of Counterfeit Parts and Materials from being delivered to Hydroform USA and all customers at every level.

All suppliers shall establish a program (based on NAS412) that prevents Foreign Object Debris / Foreign Object Damage from being shipped to Hydroform USA and our end item customers. The objective of Hydroform USA FOD Prevention Program is to promote product safety and the preservation of end item products we manufacture and ship to our customers.

K. INTERNATIONAL TRAFFIC IN ARMS REGULATION (ITAR)

Hydroform USA periodically receives Purchase Orders from our customers that are ITAR restricted, and Hydroform USA must ensure that the comprehensive manufacture and operational compliance to the requirements set forth in the Arms Export Control Act of the Defense Trade Controls Office for ITAR Regulations are met. Therefore should any ITAR approved supplier be given a purchase order from Hydroform USA, the strict requirements of ITAR must be met and the customer specific requirements of that purchase order shall be flowed down to the applicable supplier, and then reviewed by Hydroform USA upon receipt.