

SUPPLIER TERMS & CONDITIONS

DEFINITIONS

Counterfeit Product means an unauthorised copy, imitation, substitute, or modified part (such as, but not limited to, material, part or component), which is misrepresented as a specified genuine part of an original or authorised manufacture.

First Article Inspection means the act of comparing the first made physical sample part, component, product or alike, with the corresponding specifications, during which each specified dimension or attribute is measured on the first made physical sample part, component, part or alike and compared against the inspection documents, drawings, or specifications.

Foreign Object Debris/Damage means a substance, debris or article alien to the Product which would potentially cause damage ("Foreign Object Damage"), being any damage attributed to a foreign object that can be expressed in physical or economic terms that may or may not degrade the product's required safety and/or performance characteristics.

Product(s) means all goods and/or services detailed on the Purchase Order.

Purchase Order means the purchase order sent by Triple Eight to the Supplier by e-mail, mail or delivered by hand and any listed attachments, including but not limited to these Supplier Terms and Conditions, and Triple Eight's clients' flow down requirements, which together make up the contract between Triple Eight and the Supplier.

Quality Records means any and all documentation that provide objective quality evidence including but not limited to documentation accompanying the Product, raw material process certification, material certification, shelf- life certificate, special process certification, test reports, certificate of conformity, inspection and test documentation, statistical documentation, process control documentation, results of production process verification and any other quality assurance document as reasonably requested by Triple Eight.

Sub-tier Supplier means any entity that supplies materials, parts, components, or services to the Supplier for use in the Products or Material.

GENERAL

- These Supplier Terms & Conditions apply to all Purchase Orders that refer to Triple Eight Supplier Terms and Conditions.
- In case of inconsistencies, Triple Eight Supplier Terms and Conditions take precedence over the Vendor/Sub Contractor Terms and Conditions.
- The Supplier shall flow down all applicable requirements of the Purchase Order and these Terms and Conditions to its sub-tier suppliers in its supply chain.
- The Supplier shall, upon reasonable request by Triple Eight, use customer-designated or approved sub-tier suppliers, including process sources (e.g. special processes).

QUALITY

- Supplier shall establish and maintain Quality Records as evidence of conformity with the contractual requirements and to demonstrate the Supplier's effective operation of its quality management system.
- All Quality Records must be maintained for a minimum of seven (7) years and be made available to Triple Eight, its customers and or regulatory authorities upon request.

- Upon request, the Supplier shall provide its procedure(s) for controlling relevant Quality Records to Triple Eight for review.
- Supplier shall notify Triple Eight of nonconforming product(s) or service(s) immediately upon becoming aware of the nonconformity and shall not rectify such nonconformity without Triple Eight's written approval.
- The Supplier shall also notify Triple Eight of relevant organisational changes and or changes in key personnel.
- The Supplier shall notify Triple Eight of any lack of clarity in a drawing or specification immediately upon becoming aware of it.
- Supplier shall maintain evidence of Triple Eight's approval of the supplier nonconforming product. The Supplier shall take action to determine the root cause(s) and eliminate such root cause(s) of nonconformities in order to prevent recurrence. Upon request, the Supplier shall provide evidence that corrective actions have been successfully implemented.
- If a non-conforming Product has been released to Triple Eight, then the Supplier must notify Triple Eight within twenty-four (24) hours of becoming aware of such release and Triple Eight shall be entitled, without prejudice to any other remedy, to reject such Product.
- Supplier shall notify Triple Eight of any changes in the manufacturing/service processes (including material changes) and, unless approved by Triple Eight in writing, Triple Eight shall be entitled without prejudice to any other remedy to reject such Product which has been subject to said changes.

COUNTERFEIT

- The Supplier shall ensure that Counterfeit Product is not delivered to Triple Eight. In fulfilling its obligations under the Purchase Order, the Supplier shall only purchase goods to be delivered or incorporated as Product to Triple Eight directly from the organisation that is the originating source for the production of legitimate components or equipment.
- Product shall not be acquired from distributors that are independent from the originating organisation's authorised distribution chain, without written approval from Triple Eight.
- The Supplier shall, as soon as practicable, notify Triple Eight if the Supplier becomes aware or suspects that it has acquired Counterfeit Product. When requested by Triple Eight, the Supplier shall provide documentation that authenticates traceability of the affected Products to the organisation that is the originating source for the production of legitimate components, goods or equipment.
- In the event that Product delivered under the Purchase Order constitutes or includes Counterfeit Product, the Supplier shall, at its expense, promptly replace such Counterfeit Product with genuine Product conforming to the requirements of the Purchase Order. Notwithstanding any other provision in the Purchase Order, the Supplier shall be liable for all costs relating to the removal and replacement of Counterfeit Product, including, without limitation, Triple Eight's costs of removing Counterfeit Product, of reinserting replacement Product and of any testing necessitated by the reinstallation of Product after Counterfeit Product has been exchanged.

ACCESS, AUDIT AND INSPECTION

- Triple Eight, its customers and regulatory authorities have access to the Supplier and Sub-Tier Supplier facilities at all reasonable times for any purpose in connection with the performance by the Supplier under the Purchase Order. The Supplier shall secure the same rights of access to the premises of its Sub-Tier Suppliers.
- All Products under of the Purchase Order are subject to in-process quality surveillance by Triple Eight, its customer and regulatory authorities. Triple Eight shall be entitled to audit the Supplier's quality management system.
- Upon request by Triple Eight, the Supplier shall provide evidence to demonstrate that their personnel are aware of:
 - Their contribution to Product conformity;
 - The Supplier's quality management system;
 - Their contribution to Product safety;
 - The importance of the competency, qualification and ethical behaviour of their employees
- In addition to the Quality Records, the Supplier shall provide First Article Inspection documentation to AS9102 Standard (latest revision). The Supplier must identify the object of the First Article Inspection as such. The Supplier must carry out a First Article Inspection before supplying a Product to the Supplier in case of (a) changes to process, or (b) movement of machines or if the Supplier has not supplied a Product to Triple Eight for a period of more than two (2) years.
- Unless the Supplier is the original manufacturer of any and all materials, parts, components or alike of the Product, the Supplier must retain all information, including but not limited to the name of the original manufacturer, lot number, series, part or heat number, data code, required to identify the origin of such material, part, component or alike. The original manufacturer's certificate of compliance must be retained by the Supplier for a minimum of ten (10) years and be made available by the Supplier upon Triple Eight's reasonable request.
- Supplier shall maintain a Foreign Object Debris/Damage ('FOD') prevention program, including:
- A review of manufacturing processes to identify and eliminate foreign object entrapment;
 - Triple Eight's right to perform FOD prevention program audits;
 - Periodic self-audits of the Supplier's internal FOD prevention practices; and
 - Provision of periodic FOD training to the Supplier's employees.