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	STANDARD OPERATING FORM	REV. A	DATE 01/01/20
	TERMS & CONDITIONS		F-840-003

Before These terms and conditions of purchase are applicable to purchases made by Hm & Ty Aviation from its vendors and/or suppliers (hereinafter "Seller"). Any performance on a Purchase Order, (hereinafter P.O.) is deemed an acceptance, without exception, of the terms and conditions set forth on the face of P.O. and in these terms and conditions of purchase. Confirmation of P.O. is required by Seller on each P.O.

General Requirements

1. All Sellers shall have a quality standard in place which meets the following quality standards, but not limited to, The AS9120, ISO9001, ASA-100, FAA 0056B.
2. Hm & Ty approved supplier status is valid for 3 years from the date of approval unless otherwise revoked and surrendered. Supplier initial approval and re-approval is dependent upon the receipt of the quality accreditation certificates.
3. Prior to shipment, Seller shall notify Hm & Ty Buyer if non-conformance condition exists with the product and obtain approval for nonconforming product disposition. Seller shall evaluate each nonconformance for its potential to exist in previously produced or delivered products. If a nonconformance exists, Seller shall notify Hm & Ty Buyer, in writing, within 24 hour.
4. Seller shall have a procedure in place to prevent and mitigate the use of counterfeit parts. Buyer shall be notified if Seller becomes aware or suspects that is has furnished counterfeit work.
5. Seller shall maintain a (FOD) Foreign Object Debris/Damage prevention program to control any damage/contamination of foreign objects into any item delivered under this purchase order.
6. Seller shall notify Buyer of changes in processes, products, or services of the Seller, changes of manufacturing location, and where required, obtain organization approval.
7. Seller shall flow down to the supply chain whether direct or sub-tier the applicable requirements of Buyer.
8. Records of product origin, conformity, inspection records, testing reports and shipment shall be maintained for a minimum of 7 years, or as required by contract.
9. Seller's documented quality system shall provide for the review of this PO to ensure that quality requirements are incorporated into manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with this PO. Unless otherwise authorized by Buyer in writing, upon request by Buyer, Seller shall provide all Seller records, reports, specifications, drawings, inspection and test results and other documentation.
10. Seller shall provide and obtain for Buyer, Buyer's customers, and appropriate regulatory agencies access to any and all facilities, including those facilities of Seller's subcontractors, where work on product is being performed or is scheduled to be performed under this Purchase Order. Buyer shall have the right to perform in-process inspection, audits, and system surveillance at Seller and Seller's subcontractors' facilities as part of verification of conformance to the requirements of this PO at no cost to Buyer.

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11. Seller shall ensure that Seller's personnel are competent and aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.
12. Buyer monitors Seller's performance through Product Conformity and On Time Delivery. Seller shall maintain a 90% or higher (%100 on Product Conformity) to be maintained on Buyer's approved vendor list. A SCAR shall be issued when Seller falls below 89% at on time delivery performance.
13. Quantity variances and/or partial shipments are not permitted unless prior written authorization is received from the buyer.
14. All goods supplied shall be packaged to protect, marked, and shipped in accordance with industry best practice or utilizing standards such as MIL-STD-2073, ATA-300, ASTM D3951, or equivalent. All supplied goods will be returned to the Seller with Seller's shipping account for inspection if parts are received damaged or does not pass Buyer receiving inspection.
15. Seller warrants that the products delivered hereunder will conform to specification or other applicable description specified by Buyer and will be free from all defects, fit and sufficient for the purposes for which they were intended. This warranty shall run to the Buyer, Buyer's customers, and end users of the articles covered by this purchase order.
16. Seller shall use Buyer's approved method of shipment for the contract, which is stated on the Purchase Order from Buyer. Under no circumstances that Seller shall determine the method of shipment for the Buyer, unless approved by Buyer in writing. If the order is unable to be shipped under the approved method, Seller shall notify Buyer for Buyer to determine a different shipping method.
17. Where known, or where Seller is the design authority for the Technical Data, Goods, or Services that are subject to this agreement, Seller shall provide Buyer with the application Harmonized Tariff Schedule Number (HTS) code and/or Export Control Classification Number (ECCN).
18. All Sellers to Unical are prohibited from engaging in corrupt practices such as bribery, extortion, espionage, fraud, and theft.

Non-Conformance

1. Informal Notice: deterioration in quality performance is identified which has a limited effect on Hm & Ty internal processes. Information is provided to the seller to enable remedial action before issues deteriorates further. The seller is required to address the issues internally and provide feedback to the buyer Quality Assurance department. No formal document or defined method is required.
2. Formal Notice: deterioration in quality performance is identified which has a significant effect on Hm & Ty internal processes. In most cases rejection for product quality will result in a formal correct action request. If Seller does not respond to Buyer's SCAR within 30 days of receipt of the nonconforming item(s), the Seller shall have deemed to have accepted responsibility for the identified nonconformance. Payment under this PO may be withheld pending receipt and approval of the SCAR by buyer Quality Assurance Department.
3. Documented evidence to support and substantiate the action taken and its effectiveness.