

**Midwest Aircraft Machine & Tool Company**  
**1910 S. Girls School Rd**  
**Indianapolis, IN 46241**  
**Phone: (317) 839-1515 Fax (317) 839-6863**

**Supplier Terms and Conditions Agreement**

**General:** Midwest Aircraft Machine and Tool Company (“Midwest Aircraft”) prides itself on conducting business in an ethical manner. We are dedicated to treating employees, customers, and suppliers fairly in our relationships, and work to communicate and promote these values outside our organization as well. In accepting an order from Midwest Aircraft, your organization is acknowledging that it recognizes, shares, and promotes similar values. Acceptance of an order from Midwest Aircraft also indicates acceptance of the Supplier Terms and Conditions below. These requirements are, therefore, to be considered as Midwest Aircraft’s standard terms and conditions for all Midwest Aircraft purchases from your company / organization.

1. The Supplier must state on any quotations, or otherwise notify and receive written approval by Midwest Aircraft, before subcontracting any Midwest Aircraft work to another outside Supplier. In some cases, Midwest Aircraft may state specific, customer-approved sources, in which case the Supplier shall not deviate from those sources. In the case the Supplier does subcontract work to a sub-tier supplier, the Supplier agrees to flow down all applicable ISO9001/AS9100/SABRe or any other requirements, whether directly stated on purchase orders, or those communicated through drawings, specifications, or other supplied documents or standards.
2. Suppliers shall acknowledge receipt of Purchase Orders by signing, or notifying Midwest Aircraft via other written means, receipt of the parts and/or order. Orders are not considered valid until written acknowledgment is received. Commencement of work on parts is considered tacit agreement to these terms and those of the associated Purchase Order.
3. Midwest Aircraft takes its role in ensuring product safety seriously and depends on suppliers to help do so. Midwest Aircraft is to be contacted by the Supplier immediately in the event the Supplier determines that any Midwest Aircraft product is nonconforming and unable to be reworked to original requirements. In such cases, Midwest Aircraft will approve or reject any features and work with the Supplier to determine a suitable repair if required. In addition, Midwest Aircraft encourages suppliers to communicate any other safety concerns they may recognize in regards to Midwest Aircraft products.
4. To prevent the inclusion of counterfeit or suspect materials in our products, and to ensure product identification and traceability, Midwest Aircraft requires suppliers (and any of their sub-tiers) establish a counterfeit parts prevention program. Controls may include buying from OEM suppliers, requiring material certifications, CoCs, and/or other supporting documentation for any materials purchased or included in Midwest Aircraft products. Specific requirements are stated on Midwest Aircraft’s Purchase Order or are otherwise communicated to the Supplier in a written manner.
5. The Supplier is required to notify Midwest Aircraft of any proposed changes to the scope of work stated on the Purchase Order and to obtain written approval from Midwest Aircraft prior to implementing the change. Likewise, Midwest Aircraft will communicate desired changes to Purchase Orders to the Supplier in a written manner, and will require written acknowledgement from the Supplier accepting the change.
6. Midwest Aircraft, its customers, and regulatory authorities retain the right of access to Supplier’s facilities in order to inspect Midwest Aircraft product(s) and to access to all applicable records related to Midwest Aircraft’s product in the Supplier’s facility (ies).
7. Midwest Aircraft performs inspection activities to ensure that purchased product meets stated requirements. These include, but are not limited to:
  - a. Receiving inspections (of supplier’s products/services/documents) are performed by Midwest Aircraft as part of its normal production process- Midwest Aircraft verifies the authenticity of the appropriate certificate(s) of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications or by other means. When necessary, Midwest Aircraft may inspect or audit at the supplier’s facility.
  - b. Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate) on our internal inspection report forms. All special processes (anodizing, heat treat, etc.) where the compliance cannot be verified by inspection will require an acceptable certificate of conformity.
8. When appropriate, Midwest Aircraft may delegate the inspection authority to one of its approved suppliers. Midwest Aircraft will communicate the inspection requirements/records (including approved monitoring and measurement equipment and methods) and Midwest Aircraft will maintain a record of those approved to carry out such inspections.
9. When Midwest Aircraft or its customer intends to perform verification at the Supplier’s premises, Midwest Aircraft will communicate the intended verification arrangements and the method of product release on the Purchase Order or other written document.
10. Midwest Aircraft’s customer or the customer’s representative will be afforded the right to verify that subcontracted product conforms to specified requirements at the Supplier’s premises. Verification by the customer however is not used by

Midwest Aircraft as evidence of effective control of quality by the Supplier and shall not pardon the Supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.

11. Unless otherwise specified, records must be retained for a minimum of 6 years and 6 months from the date of delivery, and must be retrievable within 24 hours unless otherwise stated.
12. Midwest Aircraft will require specific actions when timely and/or effective corrective actions to a Supplier issue(s) are not adequate or acceptable. These actions may include, but are not limited to, any or all of the following: withholding payment until the issue (s) is resolved, removal of the supplier from Midwest Aircraft's Approved Supplier List, and appropriate legal actions when necessary.
13. Packing slips indicating quantity, part number/description, and Purchase Order number must accompany each shipment. Additional documentation requirements will be stated on the Purchase Order if necessary.
14. Our count will be accepted as final and conclusive on all shipments.
15. Midwest Aircraft may terminate any contract, in whole or in part, for failure of the Supplier to perform any of the provisions within these terms or those of the Purchase Order. In such event, the Supplier shall be liable for damages including the cost of re-procuring similar supplies or services from another source. The Supplier shall be liable for any rework costs incurred by Midwest Aircraft that results from the Supplier providing non-conforming product to the drawings and specifications provided by Midwest Aircraft to the Supplier. If the Supplier believes Midwest Aircraft to be responsible for any failures, Midwest Aircraft will investigate the situation and come to an agreement with the Supplier.
16. Supplier shall be liable for any expediting costs incurred by Midwest Aircraft due to the Supplier not meeting the stated due date in Midwest Aircraft's Purchase Order. This applies only when such costs are necessary in order for Midwest Aircraft to meet its Customer's Due Date or to avoid penalties incurred as a result of the Supplier's delay.
17. Suppliers shall render all invoices promptly and reference the Purchase Order number associated with the invoice. Payments for the materials/product/processes supplied against each purchase order will be made on the 15<sup>th</sup>, and the last day of the month in which the order is satisfactorily completed and invoiced.

**Please contact Midwest Aircraft with any questions or concerns about our order or these terms.**