



### **Ocean Air Terms and Conditions Quality System Requirements**

a) The Seller shall have a Quality System in place to meet the intent of one of the following quality standards, but not limited to, the ASA-100, ISO 9001, or the AS9120.

b) Seller shall maintain an effective Quality System based upon product complexity and contractual requirements.

c) Responsibility for control of quality shall be clearly designated within the Seller's organizational structure. The Quality System shall provide for placement and training of inspection and other personnel who have an effect upon or are responsible for determining product quality. Formal Certification of personnel for processes, materials, or other operations requiring special skills or training shall be maintained.

d) Seller shall establish controls to prevent the use of nonconforming materials when conforming materials are required. 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 external providers, where work on Items is being performed or is scheduled to be performed under this Purchase Order ("PO"). Seller shall ensure, when required that Buyer's customers designated or approved external providers, including process sources are used. Buyer shall have the right to perform in-process inspection, audits, and system surveillance at Seller and Seller's external provider's facilities as part of verification of conformance to the requirements of this PO at no cost to Buyer.

e) Seller shall maintain complete records of all manufacturing, inspecting and testing in connection with this PO. At Buyer's election, such records shall be made available to the Buyer, Buyer's Customers and/or appropriate regulatory agencies during the performance of this PO and for at least seven (7) years after completion of this PO or for such longer periods, if any, as may be specified elsewhere in this PO. Upon Buyer's request, Seller shall forward such records to Buyer at no cost to Buyer. Seller shall require control of quality at all points necessary to assure conformance to this PO's requirements, whether performed by Seller or by Seller's sub tiers.

f) 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.

g) Seller's are hereby subject to inspection by the FAA or regulatory agency of any product or process. Ocean Air and its customer shall have the "Right of Entry" to review the procedure, process, records or material at the seller's facility, including its subcontractor.

h) Seller's shall flow down all Ocean Air . PO requirements to all their supplier, and to their sub-tiers. Seller and their sub-tiers is responsible for compliance with all Ocean Air's requirements specified on the PO.

i) If this agreement requires either party to obtain government-approved export authorization to facilitate activities and obligations set forth under this agreement, the Parties shall mutually exercise reasonable efforts to support the preparation and management of the authorization in full compliance with applicable government regulations. The parties shall without delay respond to requests for supporting documentation, including clarifying questionnaires or any other requested information necessary to secure government authorization.

j) 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, or the Export Control Classification Number (ECCN).

### **Control of Processing Nonconforming Material and Corrective Action**

a) Seller shall implement and maintain a system, which provides for identification, documentation, segregation and disposition of nonconforming material; the prevention of use of suspected unapproved, unapproved, and counterfeit parts, and shall ensure effective, positive corrective action is taken to prevent, minimize, or eliminate nonconformance.

Seller's system shall ensure that non-conforming material is not used for production purposes.

b) Buyer requires that Seller requires their external providers to apply appropriate controls to their external provider to ensure that requirements are met.

c) Seller shall maintain records of all nonconforming material, dispositions, assignable causes, corrective actions, and effectiveness of corrective actions for the period specified in this PO.

d) Seller shall evaluate each nonconformance for its potential to exist in previously produced or delivered Items. If a nonconformance exists, Seller shall notify Buyer, in writing, within 24 hours.

e) Buyer shall forward requests for corrective action, through a Supplier Corrective Action Request ("SCAR") form if required, to Seller when unsatisfactory performance by Seller and/or any of its subcontractors is detected by Buyer. Seller shall respond to all Buyer requests for corrective action. When requested by Buyer, Seller shall provide on Seller's company letterhead, a response showing actions taken within their process to correct such nonconformity and action taken to preclude recurrences.

f) If Seller does not respond to Buyer's SCAR, within 30 days of receipt of the nonconforming item(s), the Seller shall be deemed to have accepted responsibility for the identified nonconformance. Payment under this PO may be withheld pending receipt and approval of the SCAR by Ocean Air

### **Ocean Air's Ethics Requirements**

a) All Sellers to Ocean Air are expected to conduct their affairs in accordance with the following principles:

1. Obedience to the law,
2. Always acting in good faith,
3. Maintaining an egalitarian workplace built on trust, mutual respect, integrity, and diversity,
4. Communicating openly, respectfully, and effectively, and
5. Constant consideration of the impact of our decisions on our stakeholders, both up and down the supply chain.

b) As an international organization, Ocean Air recognizes that inherent differences with regards to law, politics, economics and culture exists within each country we chose to conduct business with. We are committed to conduct our affairs in each country fairly and humanely. We expect this from all our suppliers as well.

c) All Sellers to Ocean Air are prohibited from engaging in corrupt practices such as bribery, extortion, espionage, fraud, and theft.

### **Additional Awareness Requirements**

a) Sellers shall ensure that their employees are aware of:

1. Their contribution to product or service conformity,
2. Their contribution to product safety, and
3. Their contribution to the importance of ethical behavior.

**Acceptance of any Ocean Air Purchase Order constitutes acceptance of and a promise to adhere to the terms and conditions thus mentioned.**