



PURCHASE TERMS AND CONDITIONS

1. Certification and/or Certificate of compliance requirements are specified on the Purchase Order.
2. Serial Numbers are required on certifications when listed on the Purchase Order.
3. Calibration System requirement for Sub Contracted Calibration is ANSI/NCSL Z 540-1 or ISO 17025 using equipment traceable to the NIST.
4. Seller must use only the approved and accepted requirements indicated on the Purchase Order.
 - a. The Supplier shall ensure that all pertinent information (name or positive identification applicable issue of specifications, drawings, process requirements, inspection instructions, and other relevant technical data) needed for their product; procedures, processes and equipment are identified within the Folsom Tool issued purchase order.
5. All Non Conforming Product or non Conforming processed material will be Identified with red color and tagged. Packing slips shall identify that the shipment contains Non Conforming Product or nonconforming processed material and the quantity of Non Conforming Product or non Conforming processed material contained in the shipment.
 - a. Supplier shall notify Folsom Tool's Purchasing/Quality Representative of nonconforming product at the point of discovery, prior to shipment or Escapes. Supplier does not have MRB authorization for "Use As Is" or "Repair". All nonconforming products delivered to Folsom Tool shall be identified and marked as specified on the face of the purchase order.
 - b. A nonconformance report shall be returned with the rejected material that identifies the defect, root cause, root cause corrective action, root cause corrective action verification plan, and the verification plan results.
6. Folsom Tool will be notified of any defective product prior to shipping.
7. Notify Folsom Tool of any changes in product and/or process, changes of suppliers, changes of the manufacturing facility location and when required obtain approval from Folsom Tool.
 - a. Folsom Tool's Purchasing Agent shall be notified of and approve any changes to product, procedures, processes and equipment outside the Scope of the purchase order requirements. Supplier shall cease work until change approval is accepted and a copy of a Folsom Tool Purchase Order Change has been received. Note: A change in Facility or process location constitutes the need for change approval
8. Flow down the supply chain the applicable requirements including Folsom Tool requirements.
 - a. When a supplier chooses to outsource any Folsom Tool purchase order item, in part or in whole, the supplier must obtain Folsom Tool's approval and shall flow-down to their sub-tier supplier the applicable requirements within the Folsom Tool's purchase order to include but not limited:
 - i. The Original Purchase order requirements (if applicable)
 - ii. Any Key Characteristics (if applicable)
 - iii. DFARS requirements (if applicable)
 - iv. Approved Special Process Source per D1-4426 (if applicable)
 - v. Special Process Purchase Order Flow Down Requirements per Boeing D1-4426, Appendix D
9. Folsom Tool's record retention requirement for all Purchase Orders and Quality Records is a minimum of 10 years unless otherwise stated. These records must be available for review by Folsom Tool and/or their customers if requested.



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10. All material, special processing and subcontracted services are subject to approval by Folsom Tool's Receiving Inspection.
 - a. Final acceptance (Methods used are F.A.I.R., Samples, Test Reports...) of product, procedures, processes and equipment shall be at Folsom Tool's receiving inspection department unless otherwise specified on the face of the purchase order.
11. All procedures, processes and equipment will be approved by Folsom Tool and/or its customer when required.
 - a. Approval of product, procedures, processes, and equipment shall be in accordance with Folsom Tools procedures unless otherwise specified on the face of the purchase order.
12. Right of Access shall be granted to Folsom Tool, their customer and regulatory authorities to the applicable areas of all facilities at any level of the supply chain involved in the order. This access also applies to all applicable records.
 - a. Folsom Tool, it's customer's and regulatory authorities reserve the right of access to supplier facility(s) involved in current/historical orders and all applicable records thereof.
13. For any special tools, fixtures and gages that are supplied by Folsom Tool, a visual check of the provided tooling must be performed by the user prior to each use.
Note: Each use is defined as: prior to any tool or gage being used on any individual part.
14. Quality Management System is as stated on the supplier's survey document.
 - a. Supplier quality management system shall be approved by an on-site audit from a Folsom Tool Quality representative or by submission and approval of Folsom Tool's Supplier Questionnaire Form 7.4.1-1-1, unless otherwise specified on the face of the purchase order. Continuous Supplier approval shall be based on maintaining a supplier approval rating of 98% Product Quality and a supplier On-Time-Delivery rating of 96% (0 Days Late and up to 30 Days Early unless otherwise specified).
 - b. Folsom Tool prefers it suppliers to be certified to an accredited Quality Managements System i.e. AS9100 Quality Management Systems – Requirements for Aviation, Space and Defense Organizations, ISO 9001 Quality Management System ... but accepts Supplier's internal operation Quality Managements System based on an on-site audit or the suppliers response to Folsom Tool's Supplier Questionnaire Form 7.4-1-1-1.
15. Unless otherwise specified on the face of the purchase order, requirements for qualified and/or qualification of personnel (other then Special Process Approved Personnel) are not required.
16. All raw materials supplied or used to fabricate product, including standard hardware, shall comply with DFARS 252.225-7014-DOMESTIC PREFERRED. The supplier shall state conformance on certifications C of C. This requirement shall be flowed to the supplier's sub-contractors.
 - a. Unless otherwise noted on the purchase order the following applies: DFARS 252.225-7012 Specialty metals must be melted in the United States, Puerto Rico, or by a qualifying country. The clause allows a qualifying country to manufacture parts from metal that was melted anywhere, provided it meets specifications, but a United States company can only use metal that was melted in the United States or a qualifying country. Refer to DFARS 252.225-7012 for qualifying country sources.
17. The current Manufacturing Sketch supplied with any Purchase Order, when applicable, will provide any special instructions, dimensional requirements, process requirements, and any other relevant technical data and/or requirements.



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18. The Purchase Order will specify all quantities and delivery date requirements and any other applicable documents necessary to fulfill the Purchase Order requirements.
19. Shipping requirements are the responsibility of the supplier unless otherwise specified on the Purchase Order. The product shall be adequately packaged to prevent damage during shipment. Bare surfaces which are subject to corrosion shall be protected with a corrosion inhibitor.
20. Government Source Inspection requirement will be specified on the Purchase Order the requirement is as follows:

“Government inspection is required prior to shipment from your plant. Upon receipt of this order, promptly notify the government representative who normally services your plant so that appropriate planning for government inspection can be accomplished. Notify Folsom Tool of the Scheduled Government source inspection date.”
21. All products shall be furnished in accordance with the latest drawing and / or specification unless otherwise specified on the purchase order. All certifications must indicate the latest drawing, specification and/or applicable revision levels. When the purchase order or drawing lists a specification, material or product that has been superseded or canceled the supplier must contact Folsom Tool for authorization to use any superseding and/or substitute specification, material or product.
22. Raw material suppliers and fabricators utilizing their own material shall supply Folsom Tool with the original mill certifications.
23. When the purchase order requires a certificate of conformance (compliance) and/or test report, the C of C must be signed by the suppliers authorized representative, (name and title printed), and state that the product meets all applicable specification (specification must be referenced on the C of C), purchase order requirements and all records will be made available to Folsom Tool upon request. The C of C shall provide traceability to all raw material and special processes utilized, when applicable. As a minimum the Certification of conformance must include:
 - 1) Certifications of Conformance and/or Test Report must contain as a minimum:
 - a) Folsom Tool's Purchase Order number
 - b) Part number and Revision of the material referenced on the Folsom Tool's Purchase Order.
 - c) Quantity of pieces shipped against the Certifications of Conformance and/or Test Report.
 - d) Certifications of Conformance, Test Report, Heat Lot or Manufactures Lot number (as applicable).
 - e) Date certified
 - f) Description of process or service performed and to what drawing and/or specification, their revision levels (including PSD's, ECN's, ECN...) at time of Purchase Order acceptance (as applicable)
 - g) Statement of conformity to the requirements of the purchase order.
 - h) Certification must be signed by a Quality representative or authorized designee.
 - i) Special Process Certifications must meet the requirements of Boeing D1-4426, Appendix D
24. Standard hardware suppliers, (MS, NAS, AN, etc.), shall supply Folsom Tool with a certificate of conformance (compliance) indicating the original hardware manufacturer and list the lot / batch number. When required by the specification the original hardware manufacturer shall be listed in the QPL and/or procurement section of the specification.

25. COUNTERFIET PARTS

Supplier shall not furnish to Folsom Tool any Goods under this Purchase Contract that are “Counterfeit Goods,” defined as Goods that: Are an unauthorized copy, substitutes, do not contain proper external or internal materials or components and are not traceable to an Original Equipment Manufacturer or Original Component Manufacturer (collectively, “OEM”) or are not constructed in accordance with OE M design requirements.



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26. The supplier shall perform only those special processes for which the supplier is approved by Folsom Tool's customers. In the event that the supplier chooses to outsource a special process, the supplier shall only use sub-tier suppliers that are approved by Folsom Tool's customer for the specific special process, required by the Purchase Order and/or support drawings and specifications. The Folsom purchase order shall reference who the customer is. Specific approvals include, but are not limited to, the requirements of the following;

- D1-4426 The Boeing Company

In the event of conflicting requirements or any uncertainty when choosing a supplier for an outside process contact Folsom Tool's Purchasing Agent denoted on the Purchase Order.

27. All Folsom Tool supplied material that is rejected during manufacturing process shall be returned to Folsom Tool. The rejected material shall be identified in accordance with Clause 5. A nonconformance report shall be returned with the rejected material that identifies the defect, root cause, root cause corrective action, root cause corrective action verification plan, and the verification plan results.

28. For shelf life materials, (Perishable Goods) Folsom Tool reserves the right to refuse any material that does not have at least 80% of the useable shelf life remaining. Items may be supplied with less than 80% of the useable shelf life when specified on the Purchase Order and must note: "Useable shelf life less than 80%" on the suppliers packing slip and/or certification of conformance.

29. Digital Product Definition (DPD) requirements

a. If a supplier receives, downloads, or uses DPD geometry in any format, supplied by Folsom Tool, the supplier SHALL:

1. Conform to the latest revision of Boeing Document D6-51991 "Quality Assurance Standard for Digital Product Definition at Boeing suppliers."
2. Obtain approval from both Boeing and Folsom Tool as a DPD capable supplier.

b. If the supplier uses any sub-contractors and provides DPD geometry in any format to these sub-contractors, the supplier shall flow down the requirements of 28a)1

1. Obtain approval from both Boeing and Folsom Tool as a DPD capable supplier.
 - a. The supplier is responsible for their own sub-contractors' conformance.
2. Comply with all applicable export laws.

c. A copy of D6-51991 and associated documents are available through Folsom Tool.

30. Any communication between the buyer and seller which alters the purchase order and associated engineering requirements shall require a purchase order amendment. The seller shall not deviate from the purchase order and associated engineering requirements based upon verbal communications or emails. Any deviation must be documented on the purchase order.

31. Disclosure of Folsom Tool's or its customer's information is "STRICTLY" prohibited without Folsom Tool's written approval.

32. Requirements for test specimens (e.g. production method, number, storage, conditions) for design approval, inspection, investigation or auditing shall be specified on the face of the purchase order.

33. Seller shall package, mark, and ship the goods ordered under this contract in accordance with ASTM D3951 Standard Practice for Commercial Packaging.