

AS9100 Supplier Terms & Conditions Agreement

1. Mainstream Waterjet's Purchase Orders requires its suppliers to use Mainstream Waterjet's customer-approved special process sources. Furthermore, the supplier is required to notify Mainstream Waterjet of any change to a product, process, change to supplier's external providers and/or manufacture location used and to obtain approval from management at Mainstream Waterjet when applicable.
2. When nonconforming product occurs, the associated supplier shall be immediately notified for appropriate controls and disposition. Mainstream Waterjet shall conduct root cause analysis and implement timely and effective corrective actions. If the supplier is determined to be responsible for the root cause of the problem, the supplier shall be required to conduct its own root cause analysis and plan/execute a timely corrective action plan. All Mainstream Waterjet supplier actions associated with non-conforming product will be documented and a copy shall be provided to Mainstream Waterjet.
3. Each shipment associated with an order is required to be accompanied by a Certificate of Conformance to show that verification has occurred, and the shipment meets all requirements. Identification and traceability for each shipment must be maintained and linked to the Certificate of Conformance. Records must be retained for at least ten (10) years. Records that are no longer retained must be destroyed versus discarded.
4. Mainstream Waterjet, its aerospace customers, and government authorities have the right of access to all facilities, applicable documents, and records involved in processing of Mainstream Waterjet orders. Advance notification will be provided. This requirement must flow down to all sub-tier suppliers.
5. The AS9100 standard requires that all applicable customer/regulatory AS9100 requirements for the supplier to flow-down to sub-tier suppliers (includes requirements in the purchasing documents and key characteristics where required). However, Mainstream Waterjet does not allow its aerospace suppliers to subcontract any product or process to a sub-tier supplier without Mainstream Waterjet expressed written consent.
6. Mainstream Waterjet performs inspection activities to ensure that purchased product meets purchase requirements. They may include:
 - Receiving inspections (of supplier products / services / documents) may be /are performed by a designated employee. Mainstream Waterjet verifies the authenticity of the appropriate certificate 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, Mainstream Waterjet may inspect or audit at the supplier's facility.
 - Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes where the compliance cannot be verified by inspections will require a Certificate of Conformity.
7. When Mainstream Waterjet or its customer intends to perform verification at the supplier's premises; Mainstream Waterjet will first state the intended verification arrangements and the method of product release. This information will be communicated on the Mainstream Waterjet Purchase Order or via another acceptable purchasing arrangement.
8. Where specified in the contract, the Mainstream Waterjet's customer or customer's representative will be afforded the right to verify at the supplier's premises and Mainstream Waterjet's premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by Mainstream Waterjet as evidence of effective control of quality by the supplier and shall not absolve Mainstream Waterjet or its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
9. To prevent the purchase of counterfeit or suspect/unapproved products and to ensure product identification and traceability (and for other reasons), Mainstream Waterjet will institute controls that include the requirement of Material Certifications, Certificates of Conformity, and/or other supporting documentation from its suppliers as is appropriate. These requirements may be specified on Mainstream Waterjet's Purchase Order or may otherwise be communicated to the supplier.
10. Records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements.
11. Mainstream Waterjet expects 100% on time delivery. If the agreed upon delivery cannot be met, the appropriate Mainstream Waterjet Management must be notified in advance. If Mainstream Waterjet's annual supplier evaluation identifies a supplier with an on-time delivery rate of 95% or less a corrective action can be issued.
12. Mainstream Waterjet requires that products provided by Approved Suppliers be correct and free of defect per the supplied Purchase Order. If Mainstream Waterjet's annual supplier evaluation identifies an issue with a scrap or rework a corrective action can be issued.
13. Mainstream Waterjet may also require specific actions where timely and/or effective corrective actions to a supplier issue(s) are not achieved. These actions may include but are not limited to any or all, of the following: withholding payment until the issue is resolved, removal of the supplier from Mainstream Waterjet's Approved Supplier List, and/or legal action.
14. Mainstream Waterjet requires its suppliers to promote a culture of employee awareness of their contribution to product and service quality, their contribution to product safety, and the importance of ethical behavior.
15. The Supplier shall have and maintain a documented Quality Management System which is acceptable and appropriate for the items or services supplied. All QMS approved vendors shall maintain a calibration system that is traceable to NIST (National Institute of Technology). Where such standards do not exist, the measurement equipment manufacturer's recommended guidelines or practices shall be followed.

