



# Supplier Terms and Conditions

If your Purchase Order includes this document, you're required to meet its conditions for Day Machine Systems, Inc. to accept your products or services. This document details various certification and quality requirements, which will be noted by specific quality clauses on your Purchase Order. Day Machine Systems, Inc. reserves the right to audit suppliers to confirm compliance with these quality standards.

Each certification must be signed by an authorized supplier representative. We've outlined the necessary information for each certification type below. Please ensure one copy of the certificate of conformance is included with every shipment.

1. **All suppliers** - Must adhere to Day Machine Systems, Inc. quality system requirements.
  - 1.1.1 At Day Machine Systems, Inc. discretion, supplier performance may be controlled and monitored, and poor performance may require corrective action.
  - 1.1.2 All items are subject to final inspection and acceptance by Day Machine Systems, Inc.
  - 1.1.3 Supplier warrants that all services performed hereunder shall be performed in a good and workmanlike manner by qualified, trained personnel, free from errors.
  - 1.1.4 Suppliers shall communicate to its employees' their contribution to:
    - 1.1.4.1 Product or service conformity;
    - 1.1.4.2 Product safety;
    - 1.1.4.3 The importance of ethical behavior.
2. **Material Certification**- A material certification, from the original mill producer, shall be provided with shipment.
3. **Certification of Conformance (CoC)**- A certificate of conformance is required stating "All blueprint and/or specification requirements have been met" and that "inspection records, material certifications, and/or special process certifications (when applicable), are on file and available for review". This certification must be signed by an authorized Supplier representative. This certificate must also contain the Purchase Order number, part number and revision level and quantity shipped. A supplier packing slip containing the above information is acceptable as a CoC certification.
4. **Special Process Certification**- A certification is required with a statement certifying conformance to each special process performed on the material to the specification(s) listed on the Purchase Order and/or engineering drawing. The signature of an authorized Supplier representative performing each special process must appear on the certification. The certification must also include the Purchase Order number, part number and revision level and quantity shipped.
5. **First Article Inspection Report**- The supplier shall perform a 100% inspection of all drawing characteristics and notes. An inspection report shall be submitted upon shipment of material. The inspection report must state the Purchase Order number, part number, revision level and quantity inspected.
6. **Calibration Certification** - Supplier must maintain calibrated inspection equipment traceable to NIST.
7. **Quality System**- As a minimum, the Supplier shall maintain a Quality System that complies with either ISO 9001 or AS9100.
8. **DFAR/Country of Origin Required** - Items shall be purchased from qualifying countries and "DFAR compliant" in accordance with DFARS 252.225-7001.
9. **Right of Entry by Day Machine Systems, Inc. and/or Customer** - Day Machine Systems, Inc. and/or Customer Representative has the right of entry (including the Sub-tier Supplier's facility) to review and conduct audit activities on applicable records, product or services contracted to Day Machine Systems, Inc.
10. **Mercury Free Statement** - The Supplier shall provide a statement on the Certification of Conformance (CoC) stating that the products and/or materials did not come in contact and/or were not produced with Mercury.
11. **Foreign Object Debris** - Suppliers shall establish and maintain an effective FOD prevention program that meets the requirements of AS9146.
12. **Nonconforming Product** - The Supplier (including the Sub-tier Supplier) shall notify Day Machine Systems, Inc. of any Nonconforming Product (including nonconforming product shipped) within 24 hours and shall obtain approval for disposition of Nonconforming Product.
13. **Record Retention** - The Supplier (including Sub-tier Suppliers) are required to have documented procedures in place for creating, controlling, and retaining records in accordance with both their Quality System and Day Machine Systems, Inc. purchase order requirements.
14. **Supplier Flow-down of Day Machine Systems, Inc. Requirements** - In the event Day Machine Systems, Inc. outsources products to be manufactured or special processes to be performed, and the contracted Supplier outsources to Sub-tier Suppliers, the applicable Day Machine Systems, Inc. Purchase Order flow-down requirements shall be flowed down to the Sub-tier Supplier.
15. **Control of Counterfeit Parts, Materials and Work** - The Supplier (including their Sub-tier Supplier) shall provide only new and authentic parts and/or materials, or approved sources listed on the drawing or purchase order and shall notify Day Machine Systems, Inc. if items required to satisfy the purchase order cannot be procured from these sources. The Supplier (including their Sub-tier Supplier) shall provide documentation that provides positive identification and traceability that meets all technical requirements of the applicable specifications. The Supplier (including their Sub-tier Supplier) providing or manufacturing parts or performing special processes on shall ensure that no "counterfeit work" is delivered to Day Machine Systems, Inc. and shall immediately notify Day Machine Systems, Inc. of any suspect/counterfeit work delivered. The Supplier's Certificate of Conformity (CoC) and supporting documentation shall serve as objective evidence that no counterfeit parts, materials, or work have been supplied to Day Machine Systems, Inc.
16. **Fraud & Falsification** - The Supplier (including their Sub-tier Supplier) shall incorporate a Fraud & Falsification Program and comply with local laws and Federal Regulations during the performance of work. Upon detection of any potential or actual Fraud & Falsification incident pertaining to this order and occurring either within the Supplier's organization or within its Sub-tier Supplier's organization, the Supplier (including Sub-tier Supplier) shall immediately report such incident to [dayoffice@day-machinesystems.com](mailto:dayoffice@day-machinesystems.com).
17. **Conflict Minerals** - The Supplier's and Sub-tier Supplier's procurement practices shall be compliant to Conflict Minerals.

