**October 20, 2020**

**R.W. Raddatz, Inc. 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: ASA100, ISO 9001, AS9100 Series, FAA 145, EASA 145, or an alternate quality system approved by RWR.

 b) Seller shall maintain an effective Quality System as approved in "a" above.

 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 Service Order ("SO"). 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 SO at no cost to Buyer.

e) Seller shall maintain complete records of all manufacturing, inspecting and testing in connection with this SO. 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 SO and for at least 3 years after completion of this SO or for such longer periods, if any, as may be specified elsewhere in this SO. 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 SO'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 SO to ensure that quality requirements are incorporated into manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with this SO. 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. R.W. Raddatz, Inc. 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 during normal business hours.

 h) Seller's shall flow down all R.W. Raddatz, Inc. SO requirements to all their suppliers, and to their sub-tiers. Seller and their sub-tiers are responsible for compliance with all R.W. Raddatz, Inc.'s requirements specified on the SO.

 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 notify RWR of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain RWR’s approval.

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

 e) 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.

 f) 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.

 g) 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 SO may be withheld pending receipt and approval of the SCAR by R.W. Raddatz, Inc.

 **R.W. Raddatz, Inc.'s Ethics Requirements**

 a) All Sellers to R.W. Raddatz, Inc. 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, R.W. Raddatz, Inc. 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 R.W. Raddatz, Inc. are prohibited from engaging in corrupt practices such as bribery, extortion, espionage, fraud, and theft.

 d) Additional Awareness Requirements

 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 R.W. Raddatz, Inc. Service Order constitutes acceptance of and a promise to adhere to the terms and conditions thus mentioned.