



# PURCHASE ORDER QUALITY TERMS & CONDITIONS

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This document establishes Inflight Canada Inc.'s ("ICI") Quality Terms and Conditions, as applicable to all Purchase Order issued for products or services with a direct or indirect impact on the quality of ICI's products (e.g., products integrated directly into ICI's own products, equipment/tools/software/services needed for production activities and potentially affecting the quality of ICI's products...).

## A. GENERAL PURCHASING TERMS

An "Acknowledgement of Receipt" is expected from suppliers after a Purchase Order has been issued.

ICI tracks "On-Time Delivery" for all of its suppliers; if, for whatever reason, planned delivery dates cannot be met, please communicate with your ICI Buyer or Point of Contact as soon as possible.

To facilitate receipt of merchandises, ICI's Purchase Order Number must appear on the vendor's packing list.

A detailed "Certificate of Conformity" (Cof C) is required with every shipment.

## B. COUNTERFEIT PART PREVENTION

ICI implements an "FOD & Counterfeit part prevention program" to detect counterfeit (or potentially counterfeit) products; this program is intended to effectively prevent their inclusion in product(s) delivered to ICI's customer(s). If counterfeit or potentially counterfeit goods are detected at ICI, they will systematically be quarantined and reported to the supplier in written form and returned to the supplier.

## C. SUBCONTRACTING

Unless otherwise specified, ICI does not allow its suppliers to subcontract a Purchase Order to another supplier.

Suppliers are not allowed to subcontract the work to be carried out on an ICI Purchase Order to another supplier unless written agreements are previously established. In the case that written agreements exist, suppliers are required to effectively transfer all applicable requirements to their suppliers.

## D. NONCONFORMITIES

In the event a product to be delivered (or service to be provided) to ICI does not meet all requirements, suppliers will be required to submit a detailed written "Non-Conformity Report" (NCR) to the attention of ICI's Buyer or Point of Contact.

Suppliers are not allowed to rework or repair defective goods without written authorization from ICI.

If nonconforming products / services are detected upon receiving inspection at ICI, arrangements will need to be made based on ICI's decision (e.g., replace defective products).

## E. AGE-SENSITIVE MATERIALS

Suppliers shall not ship out age-sensitive materials with more than 25% of its shelf-life passed unless previously agreed unto by ICI's Buyer or point of Contact. ICI reserves the right to refuse upon receipt (and return to vendor) such products.

## F. NOTIFICATION OF CHANGES

Significant changes i.e., changes that may affect the quality of the processes, activities and products/services offered by the supplier must be communicated without undue delay to ICI's Buyer or ICI's Point of Contact. Examples of significant changes include:

- Moving or relocation of a facility
- Appointment of a new quality representative
- Critical changes to operational processes, production parameters, etc.

## G. RECORDS RETENTION

Suppliers must maintain the integrity of quality records relating to ICI Purchase Orders for a minimum of 10 years.

## H. RIGHT OF ACCESS

Suppliers are required to grant the "right of access" to ICI, ICI's customer and/or regulatory authorities to applicable areas of its facilities and to documents relevant to the products delivered to (or services provided to) ICI.



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## **I. EMPLOYEE AWARENESS PROGRAMS**

ICI ensures all members of its staff are made aware of the following:

- Their contribution to the conformity of products and/or services
- Their contribution to product safety
- The importance of ethical behavior

All ICI suppliers are expected to implement similar employee awareness programs.