

Terms and Conditions, (5/3/2023)

Kansas Gun Drilling (KGD)

The following requirements apply based on the Purchase Order received from KGD.

PACKING AND SHIPPING. Supplier must prepare/package product for KGD to prevent shipping damage and deterioration.

SHIPMENT/DELIVERY. Shipments or deliveries, as specified in a KGD Purchase Order, shall be in accordance with the specified quantities and the specified schedules. Supplier is encouraged to notify KGD of any anticipated or actual delay.

KGD FURNISHED MATERIALS. All materials furnished by KGD are to be returned with the product upon completion of the order unless other arrangements have been made.

NON-CONFORMING MATERIAL. For material supplied by KGD, supplier must notify KGD of any nonconforming product and make arrangements for approval if submitting any nonconforming product.

SUBCONTRACTING/APPROVED SUPPLIERS. Any KGD supplier may subcontract work to another supplier provided that KGD is provided with the same rights and protection as stated in the Purchase Order and the KGD Terms and Conditions. Suppliers may only use approved suppliers of KGD and/or its customers.

RIGHT OF ENTRY. Supplier shall allow KGD representatives, KGD customers, statutory and regulatory agencies right of entry into the applicable areas of Supplier's facilities and the entire supply chain to verify all processes and records.

QUALITY. Supplier shall provide and maintain an inspection system which will assure that all delivered products conform to Purchase Order requirements, whether manufactured or processed by the supplier or a sub-tier supplier. Supplier shall maintain controls and perform all inspections and tests required to substantiate product conformance to Purchase Order requirements. Specifications and other requirements must be completed to the latest revision. Supplier is required to notify KGD of changes in product and/or process definition to obtain KGD approval prior to such changes.

SPECIAL PROCESSORS. All Special Processors must adhere to a quality management system that is compliant to aerospace requirements (e.g. AS9100) or accredited to Nadcap as required by the end customer. If accreditation is revoked Processor must notify KGD immediately. If processing is completed prior to notification or there is a failure to notify, the Processor could be liable for any and all costs associated with order including but not limited to labor and material cost incurred on the order and any costs and expedite fee associated with recovery of the order.

(Note: all processing for Boeing end user must adhere to the requirements of Approved Process Sources [D1-4426](#).) For reference current Boeing Specifications and Revisions Index: [BAC](#), [BMS](#), [BSS](#), [Finish Documents](#).

INSPECTION AND TEST EQUIPMENT. Supplier shall maintain inspection and test equipment to assure calibration traceable to a known national or international standard. Calibration records must be maintained and made accessible to KGD, if required.

FOREIGN OBJECT DAMAGE. Supplier shall have and maintain a FOD prevention program per AS9146. The FOD program requirements must be made accessible to KGD upon request.

RECORDS. The Supplier shall maintain records of work performed for KGD. Records shall include the COC provided to KGD as well as records that support the certificate. Records must be available to KGD upon request. Records must be maintained for a minimum of fifteen (15) years. Government and Flight Safety records shall be maintained indefinitely. At any time during the retention period supplier will deliver said records or any part thereof to KGD at no charge upon request. At the end of the retention period records may be destroyed.

CERTIFICATIONS OF CONFORMANCE. Supplier must ensure that individual parameters within a given specification have been met. Certifications must reflect that all applicable manufacturing and process specifications called for on the engineering drawing have been met. Certification must reflect

batch/lot numbers and raw material supplier. All processing certifications should accompany finished goods and certifications shall be traceable to the lot shipped to KGD.

FIRST ARTICLE INSPECTION. If required by KGD on the Purchase Order, first article inspections are to be recorded on form AS9102, current revision or on a form compliant with AS9102.

CALIBRATION SERVICES ONLY. Calibration of inspection equipment shall be performed traceable to National Institute of Standards and Technology (NIST) or other national or international standards. Certificates of Calibration shall be provided.

CHANGES. Any change to the requirements as stated on the Purchase Order must be approved by KGD prior to taking action on those proposed changes.

COUNTERFEIT PARTS PROGRAM. Supplier shall have AS6174 conforming procedures in place to prevent use of counterfeit parts. If suspected counterfeit material is received, such items will be placed in quarantine until positive identification is made. If material is found to be counterfeit supplier shall promptly replace such items at suppliers' expense.

Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable legal statutes.

PERSONNEL COMPETENCY. KGD may specify specific qualification for personnel performing work related to the details of the Purchase Order provided. The supplier should be ready to provide evidence to KGD if requested.

PERSONNEL COMMUNICATION. Supplier is required to communicate with their personnel regarding the following:

- Their contribution to product or service conformity to requirements
- Their contribution to product safety
- The importance of ethical behavior

SPECIAL CLAUSES. The following special clauses are required when noted on the purchase order.

- A. **Specialty Metals for Department of Defense:** Specialty metals for DOD contractors must be melted within the United States per DFARS Clause 252.225-7008, Preference for Domestic Specialty Metals.
- B. **Government Priority Rating:** Orders having a government priority rating must be identified and scheduled in accordance with the defense priorities and allocation systems (DPAS).
- C. **Domestic**

SLAVERY AND HUMAN TRAFFICKING. All labor must be voluntary. Supplier shall not support or engage in slavery or human trafficking in any part of its supply chain.

Questions should be directed to Jack Happel (316) 943-4241