



## **SUPPLIER QUALITY MANUAL & PO TERMS & CONDITIONS (SQR & PO T&C)**

### **1. ACCEPTANCE:**

Your acceptance, of this purchase order along with the Terms& Conditions should be sent to us within 2 days of Receipt of purchase order, in the absence of any advice to the contrary, the order will be deemed to have been accepted in full, with Terms/Conditions.

### **2. DELIVERY:**

The commodity ordered must be dispatched in strict accordance with the delivery schedule, failing which the company is at liberty to cancel this order in part or in full, and any loss or damage suffered by the company will have to be made good by the supplier, In this event the advance paid if any shall be immediately, returned in full by draft payable at Chennai.

### **3. DELIVERY NOTE/INVOICES:**

A Delivery Note in duplicate giving full details of each consignment together with the truck Receipt / Bill Receipt should be sent to the company on the same day as the consignment is dispatched. The delivery note should give full reference to the company's Purchase Order. Invoices in triplicate must sent on the day of dispatch by post/courier.

### **4. PACKING:**

The commodity must be securely and suitably packed, it is the responsibility of the seller to replace the goods at free of cost, if any damages are occurred during transit.

### **5. EXCESS SUPPLY:**

The specific quantity ordered shall not be changed without the purchaser's written consent. Any loss or damage which the Company may suffer on account of excess or short supply will be to the suppliers account in full.

### **6. REJECTION OF GOODS:**

The company reserves the right to cancel the order in part /full and the rejection of the commodity ,if on receipt the goods are found in the opinion of the company, isdamaged, unsuitable or not in accordance with the contracted quality/Quality specification. In such instance the seller shall refund all money paid by thecompany in respect of the contract including freight charges, incidentals, or the rectification charges at actual. The decision of the company shall be binding regarding the quality of the goods supplied and their suitability.

### **7. REMOVAL OF REJECTED GOODS:**

All rejected material shall be removed by the supplier at his own cost within 3 days of intimation by us of such rejection. Failing which, these materials will be returned to the supplier entirely at his risk and expense. The Company shall in no case be responsible or be held liable for any damage, loss or deterioration of the rejected materials. The company will also be entitled to change the supplier in such cases and charge a reasonable storage/handling charges for rejected materials.

### **8. CANCELLATION:**

TheCompany reserves the right to cancel or amend this order or any part hereof without assigning any reasons and without any liability for such cancellation and amendment.

### **9. SECRECY:**

All drawings/documents sent by the company shall be returned. All information /drawings/specifications connected with this order shall be treated as confidential and shall not be disclosed to any third party for reason whatsoever. No copies of our drawings shall be made without our written permission.



## **SUPPLIER QUALITY MANUAL & PO TERMS & CONDITIONS (SQR & PO T&C)**

### **10. PRICES:**

The prices mentioned in the order are firm and are not subjected to escalation for any reason whatsoever.

### **11. GUARANTEE:**

Within the guarantee period, in case of any failure /defects of the items supplied attributable to the faulty design, material, manufacture, workmanship, etc. the items shall be replaced / repaired or is liable to be rejected, In case of rejections or in the inability/unwillingness of the supplier to replace or replace the goods to our satisfaction within stipulated time as specified by us, the goods will be rejected and the seller obliged to return all payments received on account of this contract along with all expenses incurred by us for taxes freight, incidentals, repair costs, etc. Our decision whether the items failed during the guarantee period shall be replaced full /part or repaired (at our plant or at seller's works) shall be binding on the seller.

### **12. INSPECTION:**

The Company reserves the right to inspect stage wise, the items during manufacture before dispatch of the seller's works. Such inspection does not absolve the seller of any liability /responsibility in respect of note 11 above.

### **13. JURISDICTION:**

All sum payable by the company to the supplier or by the supplier by the company under this contract shall be due and payable at the company's offices. It is agreed that any suit to enforce the rights of either party under this order only be instituted in and tied in conformity with Indian Law and it shall be subjected to the jurisdiction of the courts of Chennai, Tamilnadu, INDIA.

### **14. GENERAL:**

No variation in any of our technical or commercial Terms & Conditions irrespective of seller's acceptance terms will be valid without our written consent. No verbal agreements, amending the Terms / Conditions are valid unless until duly confirmed with writing by the Company.

### **15. EMS/OHSAS REQUIREMENT:**

As per ISO 14001 & OHAS 18001 Standards, if any material in your process / product supplied by you to our factory contains any Toxic Hazardous substance as defined in the manufacture, storage & import of Hazardous chemicals rules 1989, please ensure the MSDS and TERM CARDS are sent along with the material. If MSDS and TERM CARDS are not provided with the material, the material is liable for rejection. The supplier is responsible for any spillages or connected environmental damages during transit and the supplier shall take measures at his cost to mitigate the damages. Plastic less than 20 microns thickness should not be used as per recycled manufactures rules. Heavy metal like mercury, lead, Hexavalent Chromium should not be used. No thermocouple products shall be used. Supplier has to issue source (material, instruments, machines etc.,) manual, safety instruction, product safety test certificate etc., for every supply as applicable.

### **16. CERTIFICATION REQUIREMENTS:**

All supplies should be accompanied by proper required and applicable certifications which shall have a proper traceability & accountability with respect to the product supplied to KUN.

### **17. RECORDS:**

Records shall be retained for minimum of 15 years. All records retained by the supplier shall be available for review by KUN AEROSPACE/KUN AEROSPACE Customers/Regularity & Statutory Authorities at all times.



## **SUPPLIER QUALITY MANUAL & PO TERMS & CONDITIONS (SQR & PO T&C)**

### **18. TRACEABILITY:**

All material supplied should be accompanied with firm label on every individual piece of material / raw material with the positive identification at a minimum to P/N, Heat/Batch Number, Standard/specification with revision etc.,

### **19. NONCONFORMING PRODUCT:**

Suppliers shall ensure that product that does not conform to specified requirements is not shipped to KUN. Dispositions of Use As Is or Repair for products under KUN/KUN's Customer design control shall require written authorization prior to shipment. Suppliers are also required to notify the KUN Buyer within 24 hours of discovering any nonconformance that could potentially affect hardware that has previously been shipped to KUN.

### **20. CORRECTIVE ACTION:**

Suppliers shall ensure that take action when there is a non-conformity is detected, Human factors should be considered while determining the root causes for any non-conformity and take actions when timely and effective corrective actions are not achieved.

### **21. RIGHT TO ENTRY:**

Representatives of KUN, KUN's customer, and other regulatory authorities shall have access to supplier's and all other facilities involved in the order, where they shall have access to all procedures, practices, processes, associated documents and records related to quality assurance, quality control, and configuration control. The supplier shall notify KUN of any changes in the location of the supplier's facility. Any change of location by the supplier shall require a full first article inspection on these parts. KUN reserves the right to determine and verify quality of work, records, and material. Such visits shall not preclude subsequent rejection of product and do not absolve the supplier of its product integrity responsibilities

### **22. COUNTERFEIT PARTS PREVENTION:**

The supplier shall have a program in place to prevent the delivery of counterfeit parts and materials to KUN. All parts, materials should be from the Customer approved or authorized-distributor combined with appropriate testing and inspection processes. The supplier is responsible for the flow down of this requirement to its sub-tier contractors and their compliance to it.

### **23. CONFLICT MINERALS :**

KUN expects its suppliers to cooperate with KUN's compliance efforts and to source responsibly, respect human rights, and not contribute to conflict. Without limiting the foregoing, KUN expects that its suppliers will not source tin, tantalum, tungsten, or gold from sources that directly or indirectly finance or benefit armed groups in the Conflict Affected Region.

### **24. FOD ELIMINATION PROGRAM:**

Supplier shall maintain a documented FOD Elimination Program; suppliers are required to maintain a clean operating environment and good 6S practices as per AS 9146.

### **25. SUPPLIER SELECTION CRITERIA :**

Supplier Selection & Evaluation will be performed based on the criteria mentioned below;



## SUPPLIER QUALITY MANUAL & PO TERMS & CONDITIONS (SQR & PO T&C)

Supplier Type	Selection Criteria
Shop Assist	<ul style="list-style-type: none"> <li>Should be ISO 9001:2015 certified</li> <li>Capability of manufacturing precision parts with tolerances ranging from 10 microns to 100 microns.</li> <li>For UTC member group companies comply with ASQR-01</li> </ul>
Special Process	<ul style="list-style-type: none"> <li>ISO 9001 :2015 &amp; NADCAP accredited for the relevant processes</li> <li>Should be Customer approval (If applicable)</li> <li>For UTC member group companies comply with ASQR-01</li> </ul>
Bought out parts.	<ul style="list-style-type: none"> <li>Customer approval (if Applicable)</li> <li>For UTC member group companies comply with ASQR-01</li> </ul>
Raw Material Mills	<ul style="list-style-type: none"> <li>Should be ISO 9001:2015 certified</li> <li>For UTC member group companies comply with ASQR-01</li> </ul>
Raw Material Distributor / Dealers	<p>For Aerospace parts ;</p> <p>Should be AS9120 Certified.</p> <ul style="list-style-type: none"> <li>Should be ISO 9001:2015</li> <li>Customer approval (if Applicable) For UTC member group companies comply with ASQR-01</li> </ul> <p>For Non- Aerospace parts ;</p> <p>Should be ISO 9001:2015 certified</p>
Calibration	<ul style="list-style-type: none"> <li>NABL accredited with scope for relevant instrument</li> <li>Should be ISO 9001:2015 certified (Preferred)</li> </ul>

### 26. CUSTOMER SPECIFIC REQUIREMENTS :

Please refer to below links to access the customer specific requirements and comply with the same based on the reference of the part number with respect to customer on the KUN Purchase Order.

- **MOOG** : [http://www.moog.com/literature/Corporate/Suppliers/SQR\\_1.pdf](http://www.moog.com/literature/Corporate/Suppliers/SQR_1.pdf)
- **CIRCOR** : <http://www.circoraerospace.com/pdf/MAT-01.F01.pdf>
- **EATON** : <http://www.eaton.com/us/en-us/company/selling-to-eaton/supplier-excellence.html/index.htm>
- **CRANE** : <http://www.cranae.com/scm/40-002.pdf>
- **PRATT & WHITNEY** : [https://www.utc.com/-/media/project/united-technologies/utc/files/suppliers/aerospace-supplier-quality-requirement-documents/asqr01-rev-11-final-08\\_31\\_2018.pdf](https://www.utc.com/-/media/project/united-technologies/utc/files/suppliers/aerospace-supplier-quality-requirement-documents/asqr01-rev-11-final-08_31_2018.pdf)
- **TE CONNECTIVITY**: [TE SQAM 01 rev 02](#)
- **TAC** : [LQ-QMS-010.01E Rev E. pdf](#)

#### **THINGS TO BE ADHERED TO:**

##### **A. For the supply of Raw material:**

- Mechanical properties material certificate containing all data as in KUN AEROSPACE.
- Chemical properties Material certificate containing all data as in KUN AEROSPACE.
- Inspection report containing all data as in KUN AEROSPACE sample report of the size ordered



## **SUPPLIER QUALITY MANUAL & PO TERMS & CONDITIONS (SQR & PO T&C)**

- d. In case of hexagon cross sections, across corners dimensions as well as across as well as across flat dimensions have to be maintained as per specification's, given in PO or any internationally accepted standards/specifications.

### **B. For the supply of machined parts:**

#### 1. FAI Parts for Approval

- a. Certificate of conformance must accompany along with the parts.
- b. FAIR as per AS9102 if the PO is called for.
- c. Process Flow Diagram.
- d. Control Plan.
- e. Raw Material test certificates.
- f. PPAP (if Applicable)

#### 2. Regular Lots:

- a. Certificate of conformance must accompany along with the parts.
- b. Proper packing of the material.
- c. Proper identification of the material.
- d. Final Inspection reports.
- e. Raw Material test certificates.

#### 3. Packing and handling Instruction

##### 3.1 supply of Raw material:

- a. All materials must be individually packed to avoid similar / dissimilar metal to metal contact.
- b. All materials must be individually identified with a minimum type, spec, and heat no.
- c. Materials should be free from nick marks, deep scoring marks on surface.
- d. All materials to be packed in sea worthy packing to take care during transit to avoid damage during transit.
- e. Purchase order number required each packing list with part number.
- f. Packed in dust proof carbon box and plastic sealing with good condition.

##### 3.2 For Machined Components:

- a. All parts before packing shall be checked for any marks (Scratches, Dents, Nicks, De-colorization, Pen marking etc.) and parts without these defects shall be packed.
- b. For Ferrous machine parts shall be sprayed with rust preventive oil and wrapped with the oil/butter paper or plain plastic sheet closely without air bubbles.

#### 4. Safety Criteria:

- a. All environmental norms should be followed as per EMS/OHSAS standard.
- b. All required safety sensor guards, MSDS Safety, instructions etc. shall be provided with every Supply as applicable.
- c. All information like instruction, product Maintenance Etc. Manual shall be provided with every Supply as applicable.