

RONSON GEARS

TERMS AND CONDITIONS OF SUPPLY OF PRODUCTS AND SERVICES

RONSON GEARS PTY LTD ABN 79 004 510 972

The Ronson Gears terms and conditions of supply as laid out in this document mandates the control applied to the supplier and the purchased product or service dependent upon the effect that the purchased product or service has on subsequent product processes or the final product prior to delivery to the end user.

Ronson Gears will remain responsible for the conformity of all products purchased from suppliers, including product from sources defined by the customer and will undertake such actions and activities as required to ensure the product delivered to its customers is of sufficient quality and fit for purpose.

Ronson Gears will select suppliers based on their ability to supply product or service fit to meet the organization's requirements and as such will only use approved suppliers based on Ronson Gears evaluation, selection and re-evaluation criteria. Ronson Gears will maintain an Approved Supplier Register containing records of assessment of suppliers. Regular assessment of suppliers will be undertaken by Ronson Gears. Suppliers will be expected to maintain a quality management system and be able to demonstrate process control over its activities. All suppliers including those with quality certification will still be liable to audit, inspection or other verification activity as seen fit by Ronson Gears. As a result of reviews of supplier performance appropriate levels of control will be determined by Ronson Gears.

If a supplier is downgraded through poor performance Ronson Gears may impose controlled use restrictions on the supplier. Any costs incurred in the conduct of these required activities will be at the expense of the supplier.

Purchasing information provided by Ronson Gears will describe the product or service to be purchased,

Where appropriate the supplier will comply as follows for approval of product or service:

- a) Demonstrate procedures, processes, equipment, suitable qualification of personnel and quality management system requirements
- b) Shall ensure use of appropriate methods to ensure that persons under its control are aware of their contribution to product or service conformity and the importance of ethical behaviour
- c) Demonstrate identification and revision status of specification, drawings, process requirements, inspection/verification instructions and other relevant technical data
- d) Perform test, inspection, verification (including production process verification), statistical techniques for product acceptance, related instructions for acceptance by the organisation, and as applicable, critical items including key characteristics
- e) Where required on a Purchase Order, provide First Article Inspection (FAI) documentation and test specimens (e.g., production methods, number or conditions) for design approval, inspection / verification, investigation or auditing
 - i. Once a test specimen and/or FAI documentation is approved, the Supplier is required to notify Ronson Gears of any subsequent changes to the product, method of manufacture, process, approved personnel or change of manufacturing location and obtain approval from us in writing to proceed. Changes may require either a full or partial FAI.

- f) Notify Ronson Gears of any nonconforming product
 - i) obtain Ronson Gears approval for non-conforming product disposition
 - ii) notify Ronson Gears of changes in product and/ or process or changes of suppliers
 - iii) changes in manufacturing facility location and, where required, obtain approval
 - iv) flow down to the supply chain the applicable requirements including customer requirements

- g) Ensure countermeasures are in place for counterfeit material or products and foreign object debris / damage
 - i) The supplier shall prevent the use of counterfeit material or parts using AS6174 as guidance
 - ii) The supplier shall, as soon as practicable, notify Ronson Gears if they become aware or suspects that it has acquired Counterfeit Materiel. When requested the supplier shall provide documentation that authenticates traceability of the affected materiel to the organisation that is the originating source for the production of legitimate materiel or product.
 - iii) In the event that delivered materiel constitutes or includes Counterfeit Materiel or parts the supplier shall, at their expense replace such Counterfeit Materiel with genuine materiel or parts. The supplier shall be liable for all costs relating to removal and replacement of Counterfeit materiel or parts.
 - iv) The supplier shall maintain a Foreign Object Debris/Damage (FOD) prevention program using AS9146 as guidance (AS9100 suppliers only)

- h) Ensure records control, storage and retention meets requirement as determined by Ronson Gears or its customers

- i) Permit right of access by Ronson Gears, their customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

- j) Ronson Gears has established and implemented inspection or other activities necessary for ensuring that purchased product meets specified purchase requirements.

NOTE 1 - Customer verification activities performed at any level of the supply chain will not be used by Ronson Gears or the supplier as evidence of effective control of quality and does not absolve the supplier of its responsibility to provide acceptable product and comply with all requirements.

NOTE 2 – Verification activities can include

- obtaining objective evidence of the conformity of the product from the supplier (e.g., accompanying documentation, certificate of conformity, test records, statistical records, process control records),
- inspection and audit at the supplier's premises
- review of the required documentation
- inspection of products upon receipt
- delegation of verification to the supplier or supplier certification

When Ronson Gears delegates verification activities to the supplier, the requirements for delegation will be clearly defined and a register of delegation maintained by Ronson Gears.

Where Ronson Gears or its customer intends to perform verification at the suppliers' premises, the intended verification arrangements and method of product release will be provided to the supplier.