
	<b>Name:</b>	<b>TERMS AND CONDITIONS</b>
	<b>Revision Date:</b>	<b>09/20/2024</b>
	<b>Owner:</b>	<b>Management Representative</b>
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## DES Supplier Requirements, Terms and Conditions Agreement

**General:** As a supplier to Defense Engineering Services, LLC., hereinafter referred to as DES, it is understood that your organization agrees to meet the following stipulations / whenever a DES Purchase Order specifies that the order is for an aerospace application / job (or contains some similar aerospace/AS9100 reference). These requirements are, therefore, to be considered as terms and conditions for all purchases.

1. DES is to be contacted (by the supplier) in the event of nonconforming product / material. Arrangements for the approval of supplier nonconforming product / material must be as directed by a DES authorized manager or designee.
2. The supplier is required to notify DES of any changes to a product and/or process and to obtain approval of such change from an authorized DES manager or designee.
3. DES, their customers, and regulatory authorities retain the right of access to all supplier facilities involved to include all associated & applicable records.
4. DES performs inspection activities to ensure that purchased product meets purchase requirements. They may include:
  - Receiving inspections (of supplier products/services/documents) may be / are performed by a designated DES employee. DES verifies the authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications or by other means. When necessary, DES may inspect or audit at the supplier's facility.
  - All incoming finished parts, bar stock, forgings, special tooling or any item that is used in the manufacture of aerospace parts must be boxed or protected during shipping. DES retains the right to refuse any shipment because of damage that may occur because of improper packaging, etc. and return it to the supplier for replacement at the supplier's cost.
  - Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes will require a Certificate of Conformity.
5. When appropriate, DES may delegate the inspection authority to one of its approved suppliers. DES will communicate the inspection requirements and maintain a record of those approved to carry out such inspections.
6. When DES or its customer intends to perform verification at the supplier's premises, DES will first state the intended verification arrangements and the method of product release. This information will be communicated on the DES Purchase Order or via another acceptable purchasing arrangement.
7. Where specified in the contract, DES customer or customer's representative will be afforded the right to verify at the supplier's and DES premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by DES as evidence of effective

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control of quality by the supplier and shall not absolve DES nor its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.

8. To prevent the purchase of counterfeit or suspect / unapproved products, to ensure product identification and traceability, and for other reasons, DES may institute controls that include the requirement of Material Certificates, Certificates of Conformity, and / or other supporting documentation from its suppliers as is appropriate. These requirements may be specified on DES Purchase Order or may otherwise be communicated to the supplier.
9. Records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements.
10. DES may also require specific actions where timely and / or effective corrective actions to a supplier issue(s) are not achieved. These actions may include but are not limited to any of the following: withholding payment until the issue is resolved, removal of the supplier from DES Approved Supplier List, and legal actions.
11. Documented information such as Test Reports, Material Certs., and / or Certificates of Conformity shall accompany all orders.
12. The supplier shall immediately notify DES and explain any circumstances, including labor dispute, which may delay the timely performance of the Purchase Order and shall continue to notify DES of any significant changes in delivery status.
13. The supplier is amply protected with worker's compensation, comprehensive general liability, professional liability (for any engineering services) and property damage insurance in connection with all work performed hereunder and will name DES as an additional insured on such policies except for worker's compensation and professional liability.
14. The supplier will defend, indemnify and hold harmless DES for any negligence, willful misconduct or violation of law.
15. The supplier shall not be responsible for any damage or delay resulting from acts of God or any other causes beyond its reasonable control except to the extent caused, or contributed to, by the supplier.
16. If the work is not performed in accordance with this agreement, the supplier agrees to pay DES any damages incurred, costs of collection, interest and reasonable attorney fees.
17. The supplier accepts the terms of this agreement upon commencement of the work.
18. Title to all work shall be with DES to the extent of payments received by the supplier.
19. The Supplier warrants to DES that all goods provided will be new, fit for the purposes intended, will not infringe on the rights of others and agrees to promptly replace the goods at its sole cost and expense.
20. The supplier warrants to DES that all services will be new, fit for the purposes intended, will not infringe on the rights of others and agrees to promptly reperform the services at its sole cost and expense.
21. The supplier understands that TIME IS OF THE ESSENCE in the provision of work to DES.
22. The terms of this agreement shall be governed by the laws of the state of South Carolina.
23. Any disputes shall be resolved first by negotiation of the parties management and if not resolved, then by mediation and if not resolved by arbitration in Charleston, South Carolina with the losing party paying for all costs of resolution.