



300 S. Wisteria Street
Mansfield, Texas 76063 USA
P: 817-477-9014
F: 817-477-0575
FAA 145 Repair Station E16R230X

Customer/Vendor/Supplier Terms & Conditions

Notice to Customer – Evans Composites, Inc. (“ECI”) and the undersigned agree that these terms and conditions and no others, shall constitute all the terms and conditions between ECI and Customer with respect to this work order. Any modification to these terms and conditions must be made in writing and signed by both parties.

Price/Payment – ECI shall provide Customer with a written quote, which quote must be accepted by Customer in writing prior to the performance of services by ECI. If ECI discovers conditions that were not identified by its initial inspection of Customer’s component, ECI shall have the right to reasonably revise the quote, subject to customer’s acceptance of such revised quote. If the Customer does not accept ECI’s revised quote, then ECI, in its sole discretion, may cease work and Customer shall pay ECI in full for all services performed prior to the cessation of work. ECI shall be paid for the performance of services prior to the shipment of the component from ECI’s facility, unless Customer’s credit is approved by ECI in advance, in which case, the payment terms will be net 30 days from the date of the ECI invoice. All work orders shall be shipped FOB to ECI’s facility in Mansfield, Texas. All payments made to ECI shall be made in U.S. dollars.

Taxes – Any taxes that ECI may be required to pay or collect with respect to the performance of services shall be on the account of the Customer, except for taxes based on the gross receipt or net income of ECI.

Documentation – All shipments by ECI will include a packing list, a certificate of compliance, and copies of acceptance test results, if applicable to them. In addition, overseas shipments will include a commercial invoice and necessary shipper’s export declaration.

Inspection – The components repaired or replaced will be subject to Customer’s final inspection and approval at Customer’s facility. ECI may, at its discretion, repair or replace any component found not to meet the requirements of this work order. The discovery of a non-conforming component shall not alter the Customer’s obligations under the work order.

Changes – changes to this work order may be made only with the written consent of ECI. If such changes cause a change in the work due under this work order, or in the time required for ECI’s performance, then an equitable adjustment shall be made, and the work order shall be modified accordingly.

Shipping/Delivery/Storage – The components that are the subject of this work order shall be shipped to and from ECI’s facility at the Customer’s expense. Upon completion of the services, ECI will arrange for shipment in accordance with the Customer’s instructions, freight collect. ECI may ship the component anytime on or before the delivery date stated in the work order. Customer assumes all risk of ownership/loss when the product leaves ECI’s facility. ECI will not be liable for any delay in delivery due to fires, floods, ice, strikes or other labor disputes, accidents to equipment, acts of sabotage, overriding priorities of Federal or State authorities, or any other cause beyond the control of ECI. Parts stored at ECI after completion will be subject to an inspection fee at the time of shipment and will require 24-hour notice prior to shipping. At the time of inspection, any discrepancy fee agreed upon between Customer and ECI.



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Warranties – ECI warrants that any component repaired or overhauled by ECI will be free of defects in workmanship. ECI's obligation under this warranty is limited to repair or replacement of the component at ECI's option. This obligation exists only when the Customer has given ECI a written notice of any such claimed defect within 15 days of the date of discovery. ECI shall not be responsible for any removal or reinstallation cost incurred by the Customer. ECI's warranty will be as follows:

Overhauled Components – Two (2) years from date of shipment from ECI.

Repaired Components – One (1) year from date of shipment from ECI.

Bench Check or Inspection – No Warranty.

The Customer will return the component freight prepaid to ECI. ECI will return the component 2nd day ground prepaid if the warranty is accepted. If the warranty is denied or the Customer requests a different mode for return of the component, then those expenses will be charged to the Customer. A new warranty period is not established for the replaced or repaired component. Such components will retain the remaining warranty of the original overhaul/repair warranty period. Components that have been subject to misuse, neglect, contamination, damaged by accident, rendered defective by improper storage, installation, removal, or maintenance are not covered by warranty. ECI shall not incur any liability for indirect, special, exemplary or consequential damages under any circumstances.

Limitation of Liability – Notwithstanding any other provisions of this work order, ECI's maximum liability to the Customer shall not exceed the pricing of this work order. Any action against ECI under this work order or related to its subject matter shall be brought within one year after the cause of action accrues. The customer shall not be entitled to any incidental, exemplary, special or consequential damages if ECI breaches or otherwise fails to perform any obligations under this work order.

Indemnity – To the fullest extent of the law, customer shall defend, indemnify, and hold harmless ECI, its directors, officers, servants, agents and employees from and against all losses, damages, claims, liabilities, injuries to or death of persons, damage to, loss or destruction of property, arising out of or in any manner connected with this work order or the services and work provided hereunder.

Insurance – At all times ECI is performing services for the Customer, Customer shall maintain an insurance policy in an appropriate and reasonable amount from a reputable insurer to meet its indemnifications obligations to ECI. Upon ECI's request, Customer shall produce proof of the existence of such acceptable insurance.

Assignment – Neither party may reassign this work order without first obtaining the written consent of the other party.

ECI Provided Data – ECI patents, copyrights, designs, processes, know how, drawings, and or technical data of any kind provided to Customer, Supplier, or Vendor from ECI shall be protected by a Non-Disclosure Agreement stating none of the above listed can be sold, shared, traded or misused in any form. These Terms and Conditions are accepted under the agreement of non-disclosure.

Certification/Acknowledgement - ECI's written acknowledgement, written acceptance or performance under this work order shall constitute certification that all services were performed in conformance with the Fair Labor Standards Act.



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Governing Law and Jurisdiction – This work order shall be subject and construed in accordance with and under the laws of the State of Texas. ECI and Customer agree that the original jurisdiction of any dispute arising under or pursuant to this work order shall be in the Common Pleas Court of Tarrant County, Texas. Both parties irrevocably waive any forum inconvenient defense to any action that may arise under or related to this work order or performance of services hereunder.

Trade Control Compliance – The parties shall comply with all export, import, and sanction laws, regulations, decrees, orders, and policies (as amended) of the United States Government, the government of any country in which the Parties conduct business pursuant to this Contract and the government of any country which may exercise lawful jurisdiction over the controlled items, including International Traffic in Arms Regulations (“ITAR”). Seller shall control the disclosure of, and access to, controlled items or Technical Data provided by Evans related to performance of this Contract in compliance with all applicable Trade Control Laws. Seller shall not transfer (to include transfer to foreign persons employed by or associated with, or under contract to Seller, or Seller’s sub-tier suppliers or Seller’s non- U.S. subsidiaries) any export-controlled item, data or services, without providing advance notice to Evans and obtaining the requisite export and/or import authority. Suppliers shall ensure that all personnel providing products and/or services demonstrate competence and are properly qualified for the services and distribution of aircraft parts/raw materials.

All products and services purchased are subject to acceptance upon receipt and inspection performed by Evans. Any rejection of product will be handled with Supplier/Vendor through proper communication and negotiation of remedy.

Suppliers/Vendors must supply traceability and/or certification for all products and/or services delivered to Evans.

Suppliers/Vendors are required to grant access to their facilities and/or records to Evans regulatory authorities, customer/quality/management personnel, and/or ECI With proper notice.

Vendors (Companies that perform maintenance for Evans Composites as a third-party sub-contractor).

IF A VENDOR DOES NOT MEET THE FOLLOWING QUALIFICATIONS, THEY CANNOT BE APPROVED AND EVANS WILL NOT BE ABLE TO OUTSOURCE SUCH COMPANY FOR MAINTENANCE OR REPAIRS.

- A. An ECI Vendor Survey Form CF 7.4.1.A must be filled out and returned to Evans along with a copy of all certifications.
- B. Vendor MUST provide proof of an active DOT Drug & Alcohol Misuse Program (A449) acceptable to FAA.
- C. A Non-Disclosure Agreement must be signed & returned to Evans
- D. Vendors must be able to provide services as stated on Evans Purchase Order. All requirements for Vendor compliance, as directed and flowed through the Quality Requirements must be met. (i.e.... dual release, 8130, etc.)

CLAUSE A:
CORRECTIVE AND PREVENTIVE ACTION (CAPA) AND NONCONFORMANCE MANAGEMENT

A.1 Supplier Responsibility for Nonconformance

The Supplier shall ensure that all processes, products, and services provided to the Buyer conform strictly to purchase order requirements, design specifications, and applicable OEM Component Maintenance Manuals (CMMs). Any deviation, defect, or nonconformance identified prior to, during, or after delivery shall trigger immediate containment and corrective action protocols in alignment with AS9110 standards.

A.2 Notification of Product Escapes

In the event that the Supplier discovers or suspects that a nonconforming, altered, or suspect unapproved part (SUP) has been shipped to the Buyer, the Supplier must notify the Buyer's Quality Assurance department in writing within twenty-four (24) hours. This notification must include part numbers, lot numbers, quantities, shipment dates, and a preliminary description of the defect.

A.3 Corrective Action Request (CAR) Issuance

The Buyer reserves the right to issue a formal Supplier Corrective Action Request (SCAR) to the Supplier upon discovering product defects, documentation errors (including missing or invalid FAA Form 8130-3/EASA Form 1), repeated late deliveries, or systemic quality system failures. Response to a SCAR is mandatory.

A.4 CAPA Timelines and Response Milestones

The Supplier shall adhere to the following strict timeline metrics upon receipt of a SCAR:

- a) Phase 1: Containment Action (Within 48 Hours) – The Supplier must isolate all suspected inventory within their facility, in transit, and at sub-tier supplier facilities. The Supplier must submit a written containment plan to the Buyer outlining steps taken to secure current production and protect the Buyer's operations.
- b) b) Phase 2: Root Cause Analysis and Action Plan (Within 10 Business Days) – The Supplier must perform a rigorous root cause analysis using structured problem-solving methodologies (e.g., 5-Why Analysis, Fishbone/Ishikawa diagram). Statements citing "human error," "operator oversight," or "complacency" are inherently unacceptable without an accompanying systemic root cause (e.g., inadequate training protocols, ambiguous work instructions, or deficient tooling).
- c) Phase 3: Final Resolution and Closure (Within 30 Calendar Days) – The Supplier must implement permanent corrective and preventive actions to eliminate the root cause and prevent recurrence. Evidence of implementation (e.g., revised standard operating procedures, training logs, tooling calibrations) must be submitted to the Buyer for quality approval.

A.5 Verification of Effectiveness

The Buyer reserves the right to audit the Supplier's facility and witness the implemented corrective actions firsthand. A SCAR will remain open and active until the Buyer verifies, through objective evidence or subsequent delivery performance, that the corrective actions are robust and effective. Failure to resolve a SCAR within the designated timeframe may result in the suspension of the Supplier's "Approved Status," withholding of payments, or termination of the contract for default.

A.6 Financial Liability and Cost Recovery

The Supplier shall be held financially liable for all direct and indirect costs incurred by the Buyer resulting from the supplier's nonconformance. This includes, but is not limited to, the costs of material sorting, engineering evaluations, teardown, rebuilds, specialized testing, regulatory reporting, and expedited freight to replace defective components.

CLAUSE B

AS9110 Flow Down Requirements

- **Clause 8.4 Compliance:** Mandates a documented Quality Management System (QMS) with metrics tracking for 100% product conformity and on-time delivery.
- **Mandatory Requirement Flow-Down:** Obligates the vendor to cascade all customer requirements, engineering data, and regulatory parameters down to sub-tier suppliers.
- **Counterfeit & Suspect Unapproved Parts (SUPs):** Details strict detection, mitigation, reporting, and permanent quarantine protocols to protect the supply chain.
- **Right of Access:** Secures authorization for the Buyer, aerospace customers, and regulatory authorities (FAA, EASA, etc.) to audit facilities, records, and sub-tiers.
- **Configuration Control & Technical Data:** Explicitly demands conformance to OEM Component Maintenance Manuals (CMMs), Structural Repair Manuals (SRMs), or specific engineering revisions.
- **Quality Escape and Escalate Procedures:** Enforces a mandatory 24-hour notification window if nonconforming parts are discovered after shipment.
- **Human Factors Program:** Requires programs addressing fatigue, stress, distraction, and personnel qualifications in alignment with AS9110's emphasis on maintenance safety.
- **Record Retention:** Implements a strict 5-year record retention lifecycle for all certificates of conformity, testing sheets, and airworthiness logs.

Evans Composites, Inc. reserves the right to remove Customers/Vendors/Suppliers at their discretion.