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Purchase Order

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Terms & Conditions

EM-0005 Mar-24

- OFFER AND ACCEPTANCE** – This Purchase Order constitutes ZIM Aircraft Cabin Solutions, LLC ("ZACS")'s offer to purchase from Seller the goods or services described herein ("Products") only upon the terms and conditions stated herein, and shall become a binding agreement when accepted by Seller in writing or when the Products are delivered. No terms expressed by Seller shall be binding upon ZACS if contrary to or in addition to any terms stated herein unless specifically accepted in writing by ZACS, and ZACS hereby objects to any such terms expressed by Seller. No responsibility is assumed by ZACS for any goods shipped before this Purchase Order is signed and issued by a duly authorized representative of ZACS' Supply Chain Department.
- PRICE, INVOICES AND PAYMENT** – All invoices shall include the Purchase Order number, part and serial numbers and description. All invoices shall be due and payable within sixty (60) days after the later of (i) ZACS' receipt of the invoice, and (ii) ZACS' receipt of the Products. In the event of a dispute, ZACS shall pay any undisputed portion of the invoice in accordance with the foregoing sentence; the disputed portion shall be paid within ninety (90) days after resolution of the dispute. ZACS may set off any amount due to ZACS from Seller, whether under this Purchase Order or otherwise, against any amounts due to Seller under this Purchase Order.
- DELIVERIES** – Seller shall deliver the Products EXW (Incoterms 2010) Seller's facility (provided Seller shall load the Products on vehicle for transport) unless otherwise set forth herein. At ZACS's request, Seller shall arrange shipping on ZACS's account. When shipping on ZACS's account, Seller shall use ground or economy shipping unless instructed otherwise by ZACS's procurement representative. ZACS may elect to change the destination of shipping at any time to take advantage of consolidated shipping methods. If Seller is responsible for delivery of the products to ZACS's facility, delivery shall not be earlier than 30 days in advance of the due date on the Purchase Order for each line item. For any products that do arrive prior to 30 days before the due date, ZACS may elect to (A) refuse delivery, (B) return the Products at Seller's expense, or (C) hold on to the Products, but not receive them until 30 days before the due date; hereby the payment terms are not started until the 30 days before the due date when the Products are officially received. Seller shall be responsible for all customs documentation. Seller further agrees to indemnify, defend and hold harmless ZACS from any duty or charge that may be assessed by The United States Government for any customs violations or any violation of the Anti-Dumping Act or other law or regulation.
- INSPECTION AND ACCEPTANCE** – All Products will be subject to final inspection and acceptance at ZACS' facility and title to Products will not pass to ZACS until ZACS inspects and accepts the Products. Such inspections shall be made within a reasonable time after delivery. Any goods that do not comply with the applicable specifications or which contain defective material or workmanship may be rejected by ZACS irrespective of date of payment therefor. No inspection or test of any article by ZACS shall relieve Seller from its obligations to comply with the Specifications and the requirements of this Purchase Order. ZACS, at its option, may (i) require Seller to remedy the defects or replace the rejected Products; (ii) return the rejected Products to Seller at Seller's risk and expense; (iii) correct or employ a third party to correct the rejected Products at Seller's expense, including without limitation the cost of labor, engineering and certification tests; or (iv) accept the Products and equitably adjust the price thereof in ZACS's sole reasonable discretion. If instructed to ship replacement Products to ZACS Seller shall ship such replacement Products at Seller's risk and expense. Seller will use its best efforts to ship such replacement Products at the earliest possible date and shall use expedited shipping options. Without limiting any other right or remedy of ZACS under this Purchase Order, for each Product which is found to be defective or non-compliant upon or after receiving inspection at ZACS' facility (a "Discrepant Product"), Seller shall pay ZACS as liquidated damages and not as a penalty Three Hundred Fifty Dollars (\$350) per Discrepant Product to cover ZACS's administrative costs.
- PACKAGING AND SHIPPING REQUIREMENTS** – Seller shall prepare and package all Products for shipment so as to prevent damage or deterioration. All hazardous/dangerous goods and chemicals must be accompanied by the appropriate SDS (Safety Data Sheets) or MSDS (Material Safety Data Sheet). Packing sheets must accompany each shipment and Purchase Order number and part and serial numbers shall appear on all shipping labels, packing slips, transport documents, invoices and correspondence. Seller will provide appropriate cartons, wrappings, packing, boxing and crating at no charge to ZACS. International shipments require country of origin and harmonized tariff code. ZACS shall have the right to reject any shipment, at Seller's expense, which does not meet ZACS' shipping requirements as specified herein.
- CUSTOMS DOCUMENTATION** – Seller shall be responsible for all customs documentation. Seller further agrees to indemnify, defend and hold harmless ZACS from any duty or charge that may be assessed by The United States Government for any customs violations or any violation of the Anti-Dumping Act or other law or regulation.
- SPECIFICATIONS, CERTIFICATION AND AUDITS** – All Products delivered hereunder shall comply with all of ZACS' requirements, specifications and notes provided by ZACS through drawings or ZACS' Specification Control Documents (the "Specifications"). Seller shall not substitute or alter any materials, processes or parts in the Products, nor shall Seller use any materials, processes or parts that conflict with such Specifications. Without limiting the foregoing, the Specifications set forth on ZACS's Purchase Order Supplement – Quality Requirements (Form EQ-0020), as in effect on the date of this Purchase Order, are hereby incorporated into this Purchase Order by reference. Seller agrees to allow ZACS or ZACS' customer's representatives, upon reasonable notice, to audit Seller's quality systems.
- SHELF LIFE** – If a Product described in this Purchase Order has a shelf life, the shelf life must be clearly indicated on the individual item, and the remaining shelf life at the time of delivery shall not be less than eighty percent (80%) of the total shelf life of such item.
- CHANGES** – ZACS may direct changes to the general scope of this Purchase Order in any of the following: (i) the Specifications; (ii) shipment or packing methods; (iii) place of delivery, inspection or acceptance; (iv) reasonable adjustments in quantities or delivery schedules or both; (v) description of services to be performed including the place or time of performance; and (vi) any other term of this Purchase Order as ZACS deems necessary to meet its obligations to its customers. Seller shall comply immediately with such direction. If such change increases or decreases the cost or time required to perform this Purchase Order, ZACS and Seller shall negotiate an equitable adjustment in the price or schedule, or both, to reflect the increase or decrease, and ZACS shall issue a modified Purchase Order accordingly. Seller must assert any claim for adjustment to ZACS' Supply Chain Department within ten (10) days after Seller's receipt of such direction. Seller shall provide all information requested by ZACS to allow ZACS to verify the amount of Seller's claim. Failure of the parties to agree upon any adjustment shall not excuse Seller from performing in accordance with ZACS' direction.
- DELAYS** – With respect to the delivery dates set forth herein, time is of the essence and Seller shall strictly adhere to ZACS' delivery schedule. If any delay in Seller's performance of its obligations occurs or is anticipated by Seller, the nature and anticipated duration of the delay shall be communicated promptly by Seller to ZACS in writing after the earlier of the occurrence of the event which gives rise to such delay and the date that Seller becomes aware that the delay is likely to occur. Notwithstanding such notice, ZACS reserves all rights and remedies to which it is entitled hereunder or at law resulting from any delay. In the event of any delay in the delivery of acceptable Products, the price ZACS pays will be reduced by one percent (1%) of the total price of the delayed Purchase Order per calendar day for the first 10 days, and then by two percent (2%) per calendar day until delivery of acceptable products is made, up to the maximum of one hundred percent (100%) of the total price of the delayed Purchase Order. ZACS may require expedited shipping to mitigate the delay at the expense of the Seller. Delays are calculated based on the original promise date of the accepted Purchase Order. In the event that Products are found to be defective on arrival at the destination and such defects are not due to damage during shipment, such Products will be considered delayed. All required paperwork is required to be delivered with the Products to be recorded as on-time. Required paperwork shall also be loaded into ZACS's supplier portal; currently SourceDay.
- WARRANTIES** – Seller warrants, for a period of five (5) years after acceptance by ZACS, that (i) the Products are fit for their intended purposes, conform to the Specifications, are marketable, of good quality and free from defects in material and workmanship; and (ii) the Products each shall be free and clear of all liens, charges, mortgages or encumbrances and rights of any kind whatsoever. If any Product is determined by ZACS to be non-conforming or defective, then, at ZACS's option: (i) Seller shall replace the defective Products or components thereof, or (ii) ZACS or its customer may repair the defective Products or components thereof. Seller shall reimburse ZACS or ZACS's customer for all costs associated with any such repair or replacement, including, without limitation, all labor and materials for access, removal, disassembly, investigation, rework, reassembly, testing and reinstallation of the Products and the higher-level components in which the Products are installed. In addition, Seller shall be responsible for all freight costs incurred by ZACS or ZACS's customer associated with any warranty claims. This warranty shall be exercisable by ZACS, its customers and their successors and assigns.
- PRODUCT SUPPORT** – Seller shall support all Products manufactured by Seller so long as an aircraft using such Products remains in service, by, without limitation, continuing to make available all spare parts, documentation and technical assistance for such Products to the same extent and on substantially the same terms as such spare parts, documentation and technical assistance are available at the time that this Purchase Order is issued. For any Product not manufactured to ZACS' specifications, if Seller intends to discontinue production of such Product, Seller shall provide ZACS with all drawings, data and special tooling necessary to manufacture such Product.
- OBsolescence** – Seller shall work to minimize the impact of obsolescence of Products and components throughout the term of this Purchase Order. Seller shall minimize the impact of all known obsolescence and Diminishing Manufacturing Source (DMS) issues from design through support. Seller shall cause components with reasonable life cycle expectancy during design, and shall regularly monitor the obsolescence status of component content in the equipment. ZACS recommends that Seller use one or more third party obsolescence monitoring applications for this purpose.
- CANCELLATION FOR DEFAULT** – In the event that (i) Seller fails to comply with any of the material terms, conditions or restrictions of this Purchase Order, or so fails to make progress as to endanger performance of this Purchase Order in accordance with its terms, and such failure is not cured within ten (10) days after written notice specifying such failure is delivered to Seller (or such longer period as ZACS may authorize in writing), or (ii) Seller fails to deliver the Products within thirty (30) days after the delivery date set forth herein, or (iii) Seller becomes insolvent or is subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors, then ZACS shall have the right to terminate this Purchase Order in whole or in part at its sole and exclusive discretion, in which event ZACS shall have no further obligation or liability to Seller. Such right of termination shall be in addition to, and not in substitution for, any other right or remedy that ZACS may have under this Purchase Order or otherwise.
- REMEDIES OTHER THAN CANCELLATION** – If Seller's nonperformance or defective performance of its obligations under this Purchase Order, including its nonperformance or defective performance by Seller's suppliers or subcontractors, (i) causes a delay in the delivery of ZACS's products to its customers, (ii) causes ZACS to perform out-of-sequence or additional work, or (iii) results in ZACS providing assistance to Seller, then Seller will reimburse ZACS for all resulting expenses, including without limitation all expenses associated with (a) supporting Seller's quality management system (including, but not limited to, conducting source inspections), (b) implementing corrective actions (including, but not limited to, recertification costs), (c) expediting orders (including, but not limited to, premium freight charges), and (d) covering unfilled Product requirements through other sources.
- CANCELLATION OTHER THAN FOR DEFAULT** – ZACS may, at any time, terminate this Purchase Order, in whole or in part, by written notice to Seller. For any Products to be manufactured to ZACS' specifications, Seller shall inform ZACS of the applicable lead times in writing, and if ZACS terminates this Purchase Order in whole or in part for convenience after commencement of such lead times, Seller shall stop work on the terminated Purchase Order or part thereof and promptly identify any work in process or finished goods or component parts thereof produced for the terminated Purchase Order or part thereof ("Work in Process"). If requested by ZACS, Seller shall complete work on such Work in Process. Within ten (10) days after receipt of such termination notice, Seller shall submit to ZACS a termination claim setting forth (i) the contract price for Products which have been completed, and (ii) the actual costs incurred by Seller which are properly allocable or apportioned under recognized commercial accounting practices to terminated work (including the cost of discharging liabilities), along with reasonable evidence to substantiate such amounts (the "Termination Claim"). Within thirty (30) days after receipt of the Termination Claim, ZACS shall pay the Termination Claim or notify Seller that ZACS disputes the amount of the Termination Claim, in which case both parties will use reasonable efforts to resolve such dispute within a further thirty (30) days. Upon payment of the Termination Claim by ZACS, Seller shall deliver the Work in Process to ZACS and ZACS shall have no further liability to Seller on account of such termination.
- PROPRIETARY INFORMATION AND INTELLECTUAL PROPERTY** – Seller shall have no right in any drawings, designs, files, prints or other materials, original or otherwise, provided to Seller hereunder ("Proprietary Information"), regardless of whether any portion thereof is or may be copyrighted or patented. Proprietary Information may not be copied or duplicated in any manner without ZACS' prior written consent except to the extent reasonable required for the performance of Seller's work under this Purchase Order. Any original materials created by Seller or created jointly by ZACS and Seller, or discoveries, ideas, inventions, or improvements arising from the work performed under this Purchase Order or in anticipation of this Purchase Order ("Work Product"), is work for hire and belongs exclusively to ZACS, and Seller will not undertake to secure any proprietary rights, royalties, licenses or patents pertaining to the Work Product without ZACS' prior written consent. To the extent that Seller has any right, title or interest in the Work Product, Seller hereby assigns such right, title and interest to ZACS. Except to the extent arising from such Work Product, Seller shall indemnify, defend and hold harmless ZACS and ZACS' customers from and against all claims brought by a third party arising out of or in any way connected with such Product infringes or may infringe upon a third party's patent, copyright, trademark, service mark, trade secret, or other intellectual property or related rights.
- SPECIAL EQUIPMENT** – All material, tooling (e.g., molds, dies, jigs, etc.), designs and other property furnished to Seller by ZACS, whether owned by ZACS or a third party ("ZACS Property"), (i) shall not be used by or furnished to anyone or to any other entity without ZACS's written consent; (ii) shall not be used for any purpose other than for the purposes of this Purchase Order; (iii) shall be maintained in good working condition at Seller's expense; and (iv) shall be returned to ZACS immediately upon ZACS' request or upon completion of the work hereunder or the cancellation or termination of this Purchase Order. ZACS Property shall remain the property of ZACS. Seller shall not use ZACS Property for any other purpose, and shall not use ZACS Property to create or produce any other work. Seller shall keep the ZACS Property free of all liens and encumbrances of any kind and shall indemnify and hold ZACS harmless from any lien or encumbrance filed or otherwise asserted against any ZACS Property, including all costs, expenses and reasonable attorneys' fees incurred by ZACS in connection with the enforcement of ZACS' rights under this paragraph. WITHOUT LIMITING IN ANY MANNER THE GENERALITY OF THE FOREGOING, SELLER EXPRESSLY WAIVES ANY RIGHT TO A LIEN OR OTHER CLAIM (WHETHER POSSESSORY, NON-POSSESSORY OR OTHERWISE) ON ANY ZACS PROPERTY ARISING UNDER CHAPTER 44A OF THE NORTH CAROLINA GENERAL STATUTES OR OTHERWISE.
- INDEMNIFICATION** – Seller shall indemnify, defend and hold harmless ZACS, its affiliates, officers, servants, agents and employees from and against any and all liabilities, losses, damages, demands, fines, penalties, and claims of any kind whatsoever, including all costs, expenses and reasonable attorneys' fees incidental thereto or incurred in enforcing this clause, which may be suffered by, accrued against, chargeable to, or recoverable from ZACS by a third party as a result of injury to or death of any person, or damage to, loss or destruction of property arising out of Seller's performance or failure to perform under this Purchase Order.
- CONFIDENTIALITY** – Seller shall not, without first obtaining consent of ZACS, in any manner, advertise or publish the fact that the Seller has furnished or contracted to furnish to ZACS, the goods or services described herein. Seller shall not disclose to any third party any information received from ZACS in connection with this Purchase Order without ZACS' written authorization. The foregoing sentence notwithstanding, if ZACS and Seller are parties to a non-disclosure agreement ("NDA"), whether such NDA is entered into before or after the date hereof, such NDA shall govern the rights and obligations of ZACS and Seller with respect to all proprietary or confidential information disclosed by either of ZACS or Seller to the other in connection with this Purchase Order. Further, if it is necessary for Seller to have access to any third-party confidential information in connection with this Purchase Order, Seller shall enter into reasonable and customary non-disclosure agreements with ZACS or such third party upon request.
- ASSIGNMENT AND SUBCONTRACTING** – Seller may not assign this Purchase Order, or delegate or subcontract any substantial part of Seller's obligations hereunder, without first obtaining the written consent of ZACS. Seller agrees to flow down all requirements set forth in this Purchase Order to any subcontractor that Seller uses to complete this Purchase Order.
- CHOICE OF LAW AND JURISDICTION** – This Purchase Order shall be construed and governed according to the law of the State of North Carolina, except for any conflict of laws provision that may cause another state's laws to apply. Any disputes arising from this Purchase Order shall be brought exclusively in the Federal District Court for the Middle District of North Carolina or the North Carolina state courts located in Guilford County. Seller hereby consents to the personal jurisdiction and venue of such courts. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Purchase Order.
- NON – WAIVER** – Any and all failure(s) of ZACS or delay(s) or forbearance(s) by ZACS in enforcing any provision of this Purchase Order or any rights or remedies related hereto shall not be construed as a waiver thereof or of this clause or of ZACS' rights of subsequent enforcement.
- INCORPORATION OF FEDERAL CONTRACTING CLAUSES** – If any of the work to be performed under this Purchase Order is performed in the United States, Seller shall, via invoice or other form satisfactory to ZACS, certify that the Products or services covered by this Purchase Order were produced in compliance with Sections 6, 7, and 12 of the Fair Labor Standards Act (29 U.S.C. 201-19), as amended, and the regulations and orders of the U.S. Department of Labor issued thereunder. In addition, the following Federal Acquisition Regulations (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) provisions, as in effect on the date hereof and as may be amended from time to time, to the extent applicable to this Purchase Order, are incorporated herein and made a part of this Purchase Order by this reference except that "Contractor" shall mean "Seller": FAR 52.209-06 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015) FAR 52.222-26 Equal Opportunity FAR 52.222-35 Affirmative Action FAR 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era FAR 52.222-36 Affirmative Action for Workers with Disabilities FAR 52.222-50 Combating Trafficking in Persons (MAR 2015) except as modified below: The term "Contractor" shall mean "Seller", except the term "prime contractor" shall remain unchanged. The term "Contracting Officer" shall mean "Contracting Officer and Buyer's Authorized Procurement Representative in paragraph (d)(1). Paragraph (d)(2) shall read as follows: "If the allegation may be associated with more than one contract, the Seller shall inform the contracting officer, the agency inspector or the Buyer's Authorized Procurement Representative for each affected contract." The term "the Government" shall mean "the Government and Buyer" in paragraph (e) (1). The term "termination" shall mean "cancel" and "cancellation for default", respectively, in paragraph (e)(6). Insert the following at the end of paragraph (e): "If the Government exercises one of the remedies identified in the paragraph (e) against Buyer as a result of the Seller's violation of its obligations under this clause, Buyer may impose an equivalent remedy against Seller." The term "Contracting Officer" shall mean "Contracting Officer and Buyer" in paragraph (f), except in paragraph (h)(2), where it shall mean "Contracting Officer or Buyer". Paragraph (h)(2)(ii) shall read as follows: "To the nature and scope of the activities involved in the performance of a Government subcontract, including the number of non-United States citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking in persons." The term "Contracting Officer" shall mean "Contracting Officer or Buyer" in paragraph (h)(4)(ii). The term "Contracting Officer" shall mean "Buyer" in paragraph (i).
- DFARS 52.244-6 Subcontracts for Commercial Items (JUN 2016) FAR 52.247-64 Preference for Privately Owned U.S.-Flagged Commercial Vessels DFARS 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (JUN 2013), DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (DEC 2015), DFARS 252.223-7008 Prohibition of Hexavalent Chromium (JUN 2013), DFARS 252.227-7015 Technical Data – Commercial Items (FEB 2014),** applies if any technical data related to commercial items developed in any part at private expense will be obtained from Seller for delivery to the Government. DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data (JUN 2013), DFARS 252.246-7003 Notification of Potential Safety Issues (JUN 2013).
- ETHICS AND COMPLIANCE** – (a) Seller shall comply with all federal, state and local laws and regulations applicable to Seller, Seller's business and Seller's employees, including, without limitation, laws and regulations governing the obtaining of consumer reports and/or investigative reports with respect to employees or potential employees and all equal opportunity/nondiscrimination laws and regulations.
- (b) Without limiting any other provision of this Purchase Order, Seller commits that any material violation of law by Seller relating to basic working conditions and human trafficking, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Purchase Order, may be considered a material breach of this Purchase Order for which ZACS may elect to cancel open orders between ZACS and Seller, for cause, without first giving Seller an opportunity to cure such breach.
- (c) Without limiting any other provision of this Purchase Order, Seller shall ensure its compliance and that of each Product and/or any spare/replacement part/service that may be supplied and/or delivered under this Purchase Order with: (i) the European regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"); (ii) the European directive, EURATOM 96/29, laying down basic safety standards against the effects of ionising radiation and/or other similar principles, each as enacted into national legislation ("RA Laws and Regulations"); (iii) the European directive (2002/95/EC) concerning the restriction of hazardous substances ("ROHS"), as enacted into national legislation; and (iv) the European regulation (EC) No. 1005/2009 concerning ozone depleting substances ("ODS").
- (d) Seller shall timely respond, to the best of Seller's knowledge and belief following an appropriate due diligence inquiry, to any request by, or on behalf of, ZACS for information on the source and chain of custody of tantalum, tin, gold and/or tungsten necessary for the functionality or production of the Products.
- (e) Seller shall not under any circumstance offer or make any cash or cash equivalent gift, payment, loan or other advantage to any ZACS employee, contractor or agent. The offer or giving of such advantage may constitute an offence made under any jurisdiction. The offer or giving of such advantage will entitle ZACS to terminate this Purchase Order without any compensation whatsoever to Seller and without prejudice to rights and remedies on the part of ZACS. Seller shall notify ZACS of any gifts or entertainment given or received with a value of \$250 or more in relation to its businesses with ZACS.
- (f) In addition, Seller acknowledges and accepts full and sole responsibility to maintain an ethics and compliance program appropriate for its business throughout the performance of this Purchase Order. ZACS strongly encourages Seller to model its program in accordance with the Federal

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ZIM Aircraft Cabin Solutions, LLC

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Phone: 336-862-1418



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Sentencing Guidelines, applicable guidance from enforcement authorities, and industry best practices.

25. OEM FLOW DOWN PROVISIONS: If Seller provides Products or services to ZACS which will be incorporated into products or services sold by ZACS to Airbus or Airbus' customers, Seller shall comply with all requirements of the latest version of each of Airbus documents AP-1003 and A1091, which are hereby incorporated by reference. ZACS shall provide a copy of such documents to Seller upon request.
(b) If Seller provides Products or services to ZACS which will be incorporated into products or services sold by ZACS to Boeing or Boeing's customers, the following clauses apply:
(i) Seller shall provide to its employees who are engaged in the performance of work for Boeing under the Purchase Order that they may report any concerns of misconduct by Boeing or any of its employees or agents by going to Ethics@Boeing.
(ii) Boeing is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its worldwide operations. In furtherance of this commitment, Boeing has adopted a Code of Basic Working Conditions and Human Rights setting out in detail the measures it takes to ensure this commitment is fulfilled. The Boeing Code may be downloaded at <http://www.boeing.com/about/culture/code.html>. ZACS strongly encourages Seller to adopt and enforce concepts similar to those embodied in the Boeing Code, including conducting Seller's operations in a manner that is fully compliant with all applicable laws and regulations pertaining to fair wages and treatment, freedom of association, personal privacy, collective bargaining, workplace safety and environmental protection. Seller will promptly cooperate with and assist Boeing in Boeing's implementation of and adherence to the Boeing Code.
(iii) Seller shall, no later than thirty (30) days following each calendar year in which Seller has delivered any Products to ZACS, under this Purchase Order or otherwise, complete and provide to ZACS a single and comprehensive report using the Conflict Minerals Reporting Template, found at <http://www.boeing.com/suppliers.com>. Seller shall perform appropriate due diligence on its supply chain in order to fulfill the reporting obligations of this clause.
(iv) Implementation of DFARS 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System (MAY 2014) REVISED JUN 2015. This clause implements Department of Defense and Federal Aviation Authority regulatory requirements relating to the acquisition of electronic parts. If Seller supplies electronic parts, end items, components, parts, or assemblies containing electronic parts, or services where Seller will supply electronic parts or components, parts, or assemblies containing electronic parts as part of the service, Seller shall comply with the requirements set forth in Boeing document DE-55553 "Electronic Parts Management" and the following:
(A) Definitions. As used in this clause:
"Counterfeit electronic part" means an unlawful or unauthorized reproduction, substitution, or alteration that has been knowingly mislabeled, misidentified, or otherwise misrepresented to be an authentic, unmodified electronic part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes using electronic parts represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.
"Electronic part" means an integrated circuit, a discrete electronic component (including, but not limited to, a transistor, capacitor, resistor, or diode), or a circuit assembled (section 818(f)(2) of Pub. L. 112-81). The term "electronic part" includes any embedded software or firmware. "Obsolete electronic part" means an electronic part that is no longer in production by the original manufacturer or an aftermarket manufacturer that has been provided express written authorization from the current design activity or original manufacturer. "Suspect counterfeit electronic part" means an electronic part for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the electronic part is authentic.
(B) Acceptable counterfeit electronic part detection and avoidance system. Seller shall establish and maintain an acceptable counterfeit electronic part detection and avoidance system.
(C) System criteria. A counterfeit electronic part detection and avoidance system shall include risk-based policies and procedures that address, at a minimum, the following areas: (1) The training of personnel. (2) The inspection and testing of electronic parts, including criteria for acceptance and rejection. Tests and inspections shall be performed in accordance with accepted Government- and industry-recognized techniques. Selection of tests and inspections shall be based on minimizing risk to ZACS and its customers. Determination of risk shall be based on the assessed probability of receiving a counterfeit electronic part, the probability that the inspection or test selected will detect a counterfeit electronic part, and the potential negative consequences of a counterfeit electronic part being installed (e.g., human safety, flight safety, property damage, system failure) where such consequences are made known to Seller. (3) Processes to address counterfeit parts proliferation. (4) Processes for maintaining electronic part traceability (e.g., item unique identification) that enable tracking of the supply chain back to the original manufacturer, whether the electronic parts are supplied as discrete electronic parts or are contained in Products. This traceability process shall include certification and traceability documentation developed by manufacturers in accordance with Government and industry standards; clear identification of the name and location of supply chain intermediaries from the manufacturer to the direct source of the product for Seller; and, where available, the manufacturer's batch identification for the electronic part(s), such as date codes, lot codes, or serial numbers. If IUID marking is selected as a traceability mechanism, its usage shall comply with the item marking requirements of DFARS 252.211-7003, Item Unique Identification and Valuation. (5) Use of suppliers that are the original manufacturer, or sources with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer or suppliers that obtain parts exclusively from one or more of these sources. (6) Reporting and quarantining of counterfeit electronic parts and suspect counterfeit electronic parts. Reporting is required to ZACS when Seller becomes aware of, or has reason to suspect that, any electronic part or end item, component, part, or assembly containing electronic parts purchased by ZACS, or purchased by Seller for delivery to, or on behalf of, ZACS, contains counterfeit electronic parts or suspect counterfeit electronic parts. Seller shall follow the procedures of AS5553, Fraudulent/Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition, for counterfeit electronic parts and suspect counterfeit electronic parts. (7) Methodologies to identify suspect counterfeit parts and to rapidly determine if a suspect counterfeit part is, in fact, counterfeit. (8) Design, operation, and maintenance of systems to detect and avoid counterfeit electronic parts and suspect counterfeit electronic parts. Seller may elect to use current Government- or industry-recognized standards to meet this requirement. (9) Flow down of counterfeit detection and avoidance requirements, including applicable system criteria provided herein, to subcontractors at all levels in the supply chain that are responsible for buying or selling electronic parts or Products containing electronic parts, or for performing authentication testing. (10) Process for keeping continually informed of current counterfeiting information and trends, including detection and avoidance techniques contained in appropriate industry standards, and using such information and techniques for continuously upgrading internal processes. (11) Process for screening credible sources of counterfeiting information to avoid the purchase or use of counterfeit electronic parts. (12) Control of obsolete electronic parts in order to maximize the availability and use of authentic, originally designed, and tested parts throughout the product's life cycle. (D) ZACS shall have the right to review and evaluate Seller's policies and procedures relating to its counterfeit electronic part detection and avoidance system. (E) EXPORT CONTROLS - (a) In performing the obligations of this Purchase Order, both parties will comply with United States export control and sanction laws, regulations and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ("Items") or services, including without limitation the Export Administration Regulations ("EAR"), International Traffic in Arms Regulations ("ITAR"), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control.
(b) The party conducting the export shall be responsible for obtaining the required authorizations. The party conducting the re-export shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining any necessary licenses or authorizations required to perform its obligations under this Purchase Order.
(c) Seller shall, upon request, notify ZACS of the export control classifications numbers ("ECCNs") of the Items provided hereunder as well as the ECCNs of any components or parts thereof if they are different from the ECCN of the Item at issue. (d) By accepting this Purchase Order, Seller represents that (i) the Items, and the parts and components thereof, it is providing under this Purchase Order are not "Defense Articles" as that term is defined in 22 CFR subsection 120.6 of the ITAR, and (ii) the services it is providing under this Purchase Order are not "Defense Articles" as that term is defined in 22 CFR subsection 120.9 of the ITAR. Seller acknowledges that this representation means that an official capable of binding Seller knows or has otherwise determined that such Items, and the parts and components thereof, are not on the ITAR's munitions list at 22 CFR subsection 121.1. Seller agrees to provide, upon request, documentation or other information that supports or confirms this representation.
(e) To the extent that such Items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, Seller shall notify ZACS of this fact and shall also provide ZACS with written confirmation from the United States Department of State that such Items, and all such parts and components thereof, are not subject to the jurisdiction of the ITAR.

PURCHASE ORDER SUPPLEMENT - QUALITY REQUIREMENTS FORM# EQ0020 Date: 31 Aug '18 This Purchase Order Supplement shall be a part of ZIM AIRCRAFT Cabin Solutions purchase orders and is required to be flow down to all sub-tier suppliers. Specific clauses of this supplement are applicable for each commodity as specified by the matrix shown on page 5. Acceptance of the materials or services specified on ZIM AIRCRAFT Cabin Solutions purchase orders may be withheld by ZACS, pending receipt of all applicable data and/or documentation required by this form and could delay payment. Notes on the Purchase Order can request specific extensions of or exceptions to these clauses.
CLAUSES
1. INSPECTION SYSTEM REQUIREMENTS / RIGHT OF ENTRY The supplier's inspection system shall be consistent and compliant with ZACS' Quality Assurance and is subject to review and approval by ZACS Quality Assurance prior to purchase agreement. Certification to a higher standard quality system, such as AS 9100, ISO 9001, etc. is recommended, but not mandatory. Compliance with the provisions of this clause in no way relieves the seller of the final responsibility to furnish acceptable supplies or services in accordance with ZACS purchase order and this form's requirements. The supplier shall keep accurate records of work and inspection and allow representatives from ZACS, its customers, and regulatory agencies (FAA, etc.) to review such records. Additionally, the supplier shall provide access to their facilities and ensure access to their sub-tier supplier facilities for surveillance of the product, documentation, processes, procedures, equipment, and tests performed as required by the applicable purchase orders.
2. SAFETY CRITICAL PART INSPECTION Safety Critical Parts as defined by ZACS Standard Operating Procedure EQSP-0018, are parts that ZACS has deemed to be safety critical. All safety critical parts will be subjected to 100% inspection upon receipt at ZACS. Additional inspections for these parts may be required; reference any notes on the Purchase Order for details of the additional inspections as applicable.
3. MATERIAL / PRODUCT IDENTIFICATION AND TRACEABILITY The supplier shall have an established system for traceability during the manufacturing or services performed for ZACS. All materials and/or products must be traceable to records of inspection acceptance at all stages, including receipt of materials and/or product, storage, production, and delivery. Supplier shall mark all deliverable products as required by the purchase order, engineering drawing, specification, and manufacturing planning. When the part is too small to ink, stamp, or label, or is 100% cosmetic in nature, an individual bag-and-tag method will be accepted (Ref: MIL-STD-150). If parts fall into small part category, they may be bagged and tagged, with fifty (50) per bag. As a minimum, parts manufactured for ZACS shall be identified with the following information: ** Part number ** Drawing revision, ** Date of manufacture; ** FAA-PMA for all PMA parts (if supplier is the PAH). ** Any selection of ZACS PO number, lot number, job number, or heat number may be utilized, but must be traceable back to the original PO number issued by ZACS. * The supplier is also responsible for marking the packaging or containers with the PO Number, Part Number, and Quantity.
4. NONCONFORMING MATERIAL Supplier will report all Quality Escapes utilizing the Standard SAE AS9131. Parts or materials not conforming to drawing, parts list specification, purchase order requirements, or EQSP-0009 (Inspection Plan for Aesthetics) shall be identified as nonconforming and be withheld from shipment. Supplier's request for Material Release Action shall be submitted to ZACS. When nonconforming items are shipped to ZACS without authorization, acceptance of the materials / items at ZACS does not relieve the supplier from their responsibility to comply with the drawing, specification, or purchase order requirements. These items may be returned to the supplier for rework, replacement, or cost reimbursement. Supplier manufactured product rejected at ZACS shall require a response from the supplier, documenting actions taken to correct the product (if applicable) and actions taken to prevent recurrence of the nonconformance. ZACS may issue a formal Supplier Corrective Action Report (SCAR) containing a timeframe for supplier response and completion. If a SCAR is issued by ZACS, the supplier will be charged \$500 to cover the costs incurred by ZACS in the SCAR process. Supplier shall respond to RMA requests within three (3) business days, from the day of request. Failure to respond will result in product being returned without RMA. A debit memo will be issued for all returned product. If a supplier identifies a quality escape that affects product, it should be reported to ZACS immediately.
5. CERTIFICATION OF CONFORMANCE The supplier shall provide a certification of conformance with the parts and/or materials supplied unless an FAA Form 8130-3 is provided for the parts supplied. The certification shall attest to compliance with the applicable drawing and/or specification requirements. The supplier shall maintain objective evidence of conformance on file and shall make such records available to ZACS, upon request. One copy of the certification that is signed / stamped by the supplier's Quality Representative, shall be included with each shipment. All certifications of compliance must include: - Company Logo / Name - PO Line Item (when applicable) - Date - Quantity - Part Number - Certification of Conformance Statement - Revision - Signature / Unique Stamp of Supplier's Quality Representative - PO Number - A statement that indicates compliance with ZACS PO requirements, in addition to applicable drawing / specification requirements. 6. SAMPLING INSPECTION Suppliers that perform acceptance sampling inspection shall have ZACS review the sampling inspection plan before it may be used. If products are received without the appropriate documentation as required in these terms and conditions, the Supplier will be assessed a \$200 charge to cover ZACS' cost for product that cannot immediately go to stock. After the initial \$200 fee, an additional \$100 will be assessed for every 7 calendar days that the documentation is not provided.
7. ALTERNATE MATERIAL Alternate metallic material may be used if authorized by the drawing or parts list. To utilize one of these alternate materials (as permitted by drawing or Parts List), refer to Standard Operating Procedure EQSP-0020 for instructions on documentation and validation of alternate material usage.
8. FLAMMABILITY CERTIFICATION All non-metallic materials, such as: plastic, foam, fabric, muslin, Velcro, fire-blocking rubber, nylon, fiberboard, and leather, must include a certification showing acceptance for flammability requirements, in accordance with 14 CFR Part 25.853.
9. RAW METALS MATERIAL TEST REPORT Sellers who provide raw material shall maintain chemical and physical test reports and certifications that show compliance to the specification / drawing requirements with each shipment and shall be identifiable to the material submitted. These test reports must contain the specification and lot/heat number, as applicable, and results of the test from the approved agency performing the test. In addition, each test report must stipulate acceptance criteria (minimum and maximum tolerance). All items shipped to ZACS locations shall require the supplier to furnish copies of this documentation with each shipment.
10. SHELF LIFE CONTROL Materials (such as paints, glues, adhesives, inks, o-rings, seals, etc.) that are sensitive to age and temperature shall include, with each shipment, the date of manufacture and/or manufacturer's recommended shelf life. All shelf life materials shall be shipped to ZACS with a minimum of 80% of the material's remaining shelf life. The Material Safety Data Sheet (MSDS) or Safety Data Sheet (SDS) shall be submitted with the shipment for all chemical products.
11. ELECTROSTATIC SENSITIVE DEVICE / MATERIALS (ESDS) All ESDS materials shipped to ZACS (such as digital PCUs, video monitors, electrical boxes, etc.) shall be properly labeled with ESDS warning labels and bagged within ESDS protective bags.
12. SUPPLIER FIRST ARTICLE INSPECTION First Article Inspection (FAI) shall be performed by the Seller in accordance with requirements of AS9102. When documenting FAI, the Seller may use the forms contained within AS9102 or their equivalent so long as the forms contain all information required by AS9102. Seller shall notify the ZACS Quality Control Manager within 48 hours of receipt of this contract to coordinate and plan for ZACS First Article Inspection to be conducted, as determined appropriate, by the ZACS Quality Control Manager. Seller will include a copy of the FAI report, and the FAI report (s) for any lower level items noted on form 1, with the initial shipment of the FAI item. Any partial or re-complished FAI performed as required by AS9102 for any FAI document provided in the previous sentence, is required to be provided with the shipment of the partial or re-complished item. FAIs are required when any of the following conditions apply: a. First time part is produced from a new tool. b. A change in the design affecting fit, form, or function of the part. c. A change in manufacturing source(s), processes, inspection method(s), location, tooling, or materials with the potential of affecting fit, form, or function. d. A change in numerical control program or translation to another media. e. A natural or man-made occurrence, which may adversely affect the manufacturing process. f. A lapse in production for two years unless relief is provided in accordance with this procedure or as specified by the Customer. The FAI requirements may be satisfied by either a full or a partial FAI, in accordance with AS9102. A partial FAI addresses only differences between the current configuration and prior approved configuration and is generally conducted if data changes subsequent to the accomplishment of a full FAI or a tool is reworked, etc. Failure to perform or include the FAI report with the product will be subject to the same change schedule as outlined in Clause 5.
13. ZACS SOURCE INSPECTION Source inspection will be identified on the purchase order, if required. When source inspection is specified, all quality requirements, goods, and services under this contract are subject to Buyer Source Inspection throughout the manufacturing process and testing operations, on a random or 100% basis, and at all times and places, including Seller's subcontractor's facilities, and in any event prior to shipment. When in-process Buyer Source Inspection is required, the ZACS Quality Control Manager will coordinate with Seller's Quality department and select the mandatory in-process inspection points. Seller shall ensure that mandatory Buyer Source in-process inspection points are not bypassed. Seller shall provide reasonable facilities and assistance, including all quality records and related data (in hard copy unless otherwise arranged), for safe and efficient performance of Buyer's Inspections. Seller shall notify the ZACS Quality Control Manager and Procurement Representative at least 48 hours in advance of the time that the goods or services will be available for Buyer's Source Inspection review. Seller shall ensure evidence of Buyer's Source Inspection is indicated on or attached to the shipping report / documents accompanying each shipment. NOTE: Seller shall not deliver goods that have not been inspected as required by this Contract without a specific written waiver or deferral from the Buyer's authorized Procurement Representative. The written waiver or deferral shall be included with the shipment. Verification of product by the source inspection does not relieve the supplier from the responsibility to provide acceptable product, nor shall it preclude subsequent rejection.
14. STATISTICAL PROCESS CONTROL When specified by purchase order, drawing, or specification requirements, the supplier shall implement statistical process control methods on KEY Characteristics identified by ZACS. The implementation shall include statistical data collection on those KEY Characteristics during the production process and shall be used as a tool to identify and reduce variation in the process. When KEY Characteristics are not specified, Seller is encouraged to utilize variability reduction methods to improve product quality and reduce quality costs. The supplier may contact ZACS for technical assistance, when needed.
15. FAA PMA & TSO APPROVED PARTS When PMA or TSO parts are shipped to ZACS, an 8130-3 Airworthiness Certification Tag shall be supplied with the shipment.
16. SPECIAL PROCESSES Special processes shall be defined as: painting, powder coating, anodizing, plating, chemical finishing, heat treating, and welding. Suppliers who perform special processes for ZACS shall ensure that the processes are carried out in accordance with the drawing and process specification requirements. The supplier shall maintain a Process Certification Statement that certifies that the parts were processed in accordance with the drawing and specification requirements. All documentation for special processes shall be maintained on file by the Supplier and readily available upon request by ZACS, if / when needed. This requires the certification to include: - Applicable Drawing Note complied with, - Full Part Number as specified on the Purchase Order (including color code, when applicable). - Process Specification, as called out on the drawing.
17. CALIBRATION LABORATORIES Calibration laboratories shall comply with ISO 10012 and/or ANSI / NCSL Z 540-1.
18. NOTIFICATION OF CHANGES IN DESIGN OR PROCESSES For supplier-owned designs, written notification of processes or design changes for products sold to ZACS is required. For ZACS-owned drawings, supplier must initiate ZACS Engineering Change Request (Form EN-0090) and forward to Supply Chain representative. Form and instructions can be requested through the Supply Chain representative. Suppliers must notify ZACS, in writing, of changes to sub-tier suppliers and manufacturing facility locations. All changes must be communicated to ZACS prior to shipment.
19. CHANGES TO ZACS-OWNED DRAWINGS If a change to a ZACS-owned drawing is required, the supplier must notify ZACS in writing, of changes to sub-tier suppliers and manufacturing facility locations. All changes must be communicated to ZACS prior to shipment.
Suppliers must make every effort to assure safe, reliable product and mitigate the risk of counterfeit parts entering the system. A counterfeit part is any item misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes parts that have reached a design life limit or have been damaged beyond possible repairs but are altered and misrepresented as acceptable. All suppliers must establish a Counterfeit Parts Prevention and Control Plan to assure that parts meet or exceed ZACS, regulatory, and ZACS customer requirements. This shall ensure counterfeit parts are not delivered to ZACS or its customers. Aerospace Standard AS-5553 is an excellent guideline for developing a Counterfeit Parts Prevention Program. Supplier shall immediately notify ZACS with the pertinent facts regarding any confirmed or suspected counterfeit parts. In such cases, the supplier must immediately notify ZACS in writing, of changes to sub-tier suppliers and manufacturing facility locations. All changes must be communicated to ZACS prior to shipment.
(a) Counterfeit Part recognition keys: 1) Absence of manufacturer's logos or labels. 2) Alterations or changes to documents. 3) Inconsistent finishes, painting, etc. 4) Poor quality part ink or laser marking. 5) Bar codes that do not match the printed part number. If counterfeit parts are furnished under a purchase agreement, such items shall be impounded. The Supplier, or when applicable their Sub-Tier Supplier, shall promptly replace such items with items acceptable to ZACS and the Supplier, or when applicable their Sub-Tier Supplier, may be liable for all costs relating to impoundment, removal, and replacement. ZACS may turn such items over to US Government authorities (Office of Inspector General, Defense Criminal Investigation Service, Federal Bureau of Investigation, etc.) for investigation and reserves the right to withhold payment for the suspect parts pending the results of the investigation.
20. QUALITY RECORDS The Supplier shall maintain a Quality Control System standard (i.e., ISO 9001, AS 9100, CFR, etc.) The records shall be retained for a period of not less than ten (10) years from completion of purchase order. All records must be in the English language and must be legible. In the event a Supplier ceases doing business, regardless of the reason, all records affecting ZACS delivered product shall be transferred to ZACS forthwith. The Supplier must impose this requirement on their Sub-Tier Suppliers.

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ZIM Aircraft Cabin Solutions, LLC

8010 Piedmont Triad Parkway Greensboro NC 27409

Phone: 336-862-1418



PO Number:

Purchase Order

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Records shall include, but not be limited to: a. Evidence of inspection to assure conformance to current drawings and specifications. b. First Article Inspection Report. c. Test Reports (e.g., metallic physical & chemical, acceptance test, functional test, etc.) d. Periodic inspection and control of inspection media. e. Records to indicate control of special Tooling and Special Test Equipment. f. Data records of all Qualification and Acceptance/Function tests performed. g. Certification of personnel as required by specification and/or contract. h. Standard of Special Process certification, including those from subcontractors. i. Material Review Board reports. 21. REPAIR STATION Maintenance vendors (certificated repair stations) and maintenance contractors (un-certificated facilities) providing repair services are required to maintain their quality system as audited by ZACS. Any change in this quality system or company certification status must be reported to ZACS. The supplier shall keep accurate records of work and inspection for at least two (2) years from date article is returned to ZACS and allow representatives from ZACS, its customers, and regulatory agencies (FAA, etc.) to review such records. Additionally, the supplier shall provide access to their facilities for surveillance of the product, documentation, processes, procedures, equipment, and tests performed as required by the applicable purchase orders. Certified repair stations must provide FAA Form 8130-3 (or equivalent) for work performed. Maintenance contractors must provide Certificate of Conformance meeting the requirements of clause 5. All documentation sent with articles must be returned to ZACS. Any supplier quality escapes pertaining to product shipped to ZACS require immediate notification to ZACS of the escape. NOTE: The "R-" prefix of the article number on the Purchase Order is for internal use at ZACS only and shall not be on any documentation returned to ZACS from the supplier. 22. FOREIGN OBJECT DEBRIS (FOD) The supplier shall develop / maintain a FOD program IAW AS9100D and/or ISO9001:2015 as required by their Quality Management System. The FOD program shall utilize IAQG9146 / AS9146 standards or equivalent

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ZIM Aircraft Cabin Solutions, LLC

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PO Number:

Purchase Order

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Purchase Order Supplement - Quality Requirements FORM# EQ0020 Date: 29 Feb '24

This Purchase Order Supplement shall form a part of ZIM Aircraft Cabin Solutions purchase orders and is required to be flowed down to all sub-tier suppliers. Specific clauses of this supplement are applicable for each commodity as specified by the matrix shown on page 5. Acceptance of the materials or services specified on ZIM Aircraft Cabin Solutions purchase orders may be withheld by ZIM Aircraft Cabin Solutions, pending receipt of all applicable data and/or documentation required by this form and could delay payment. Notes on the Purchase Order can request specific extensions of or exceptions to these clauses.

CLAUSES:

1. INSPECTION SYSTEM REQUIREMENTS / RIGHT OF ENTRY

The supplier's inspection system shall be consistent and compliant with ZIM Aircraft Cabin Solutions Quality System and is subject to review and approval by ZIM Aircraft Cabin Solutions Quality Assurance prior to purchase agreement. Certification to a higher standard quality system, such as AS 9100, ISO 9001, etc. is recommended, but not mandatory. Compliance with the provisions of this clause in no way relieves the seller of the final responsibility to furnish acceptable supplies or services in accordance with ZIM Aircraft Cabin Solutions purchase order and this form's requirements. The supplier shall keep accurate records of work and inspection and allow representatives from ZIM Aircraft Cabin Solutions, its customers, and regulatory agencies (FAA, etc.) to review such records. Additionally, the supplier shall provide access to their facilities and ensure access to their sub-tier supplier facilities for surveillance of the product, documentation, processes, procedures, equipment, and tests performed as required by the applicable purchase orders.

2. SAFETY CRITICAL PART INSPECTION

Safety Critical Parts, as defined by ZIM Aircraft Cabin Solutions Standard Operating Procedure EQSOP-0018, are parts that ZIM Aircraft Cabin Solutions have deemed to be safety critical. All safety critical parts will be subjected to 100% inspection upon receipt at ZIM Aircraft Cabin Solutions. Additional inspections for these parts may be required; reference any notes on the Purchase Order for details of the additional inspections as applicable.

3. MATERIAL / PRODUCT IDENTIFICATION AND TRACEABILITY

The supplier shall have an established system for traceability during the manufacturing or services performed for ZIM Aircraft Cabin Solutions. All materials and/or products must be traceable to records of inspection acceptance at all stages, including receipt of materials and/or product, storage, production, and delivery.

• Supplier shall mark all deliverable products as required by the purchase order, engineering drawing, specification, and manufacturing planning.

• When the part is too small to ink, stamp, or label, or is 100% cosmetic in nature, an individual bag-and-tag method will be accepted (Ref: Mil-Std-130). If parts / items fall into small part category, they may be bagged and tagged, with fifty (50) per bag.

• As a minimum, parts manufactured for ZIM Aircraft Cabin Solutions shall be identified with the following information:

- > Part number;
- > Drawing revision;
- > Date of manufacture;
- > FAA-PMA for all PMA parts (if supplier is the PAH).
- > Any selection of ZACS PO number, lot number, job number, or heat number may be utilized, but must be traceable back to the original PO number issued by ZIM Aircraft Cabin Solutions.
- The supplier is also responsible for marking the packaging or containers with the PO Number, Part Number, and Quantity.

4. NONCONFORMING MATERIAL

Supplier will report all Quality Escapes utilizing the Standard SAE AS9131. Parts or materials not conforming to drawing, parts list specification, purchase order requirements, or EQSOP-0009 (Inspection Plan for Aesthetics) shall be identified as nonconforming and be withheld from shipment. Supplier's request for Material Review Action must be submitted to ZIM Aircraft Cabin Solutions. When nonconforming materials / items are shipped to ZIM Aircraft Cabin Solutions without authorization, acceptance of the materials / items at ZIM Aircraft Cabin Solutions does not relieve the supplier from their responsibility to comply with the drawing, specification, or purchase order requirements. These items may be returned to the supplier for rework, replacement, or cost reimbursement. Supplier manufactured product rejected at ZIM Aircraft Cabin Solutions shall require a response from the supplier, documenting actions taken to correct the product (if applicable) and actions taken to prevent recurrence of the nonconformance. ZIM Aircraft Cabin Solutions may issue a formal Supplier Corrective Action Request (SCAR) containing a timeframe for supplier response and completion. Supplier shall respond to RMA requests within three (3) business days, from the day of request. Failure to respond will result in product being returned without RMA. A debit memo will be issued for all returned product. If a supplier identifies a quality escape that affects product shipped to ZACS, the supplier must immediately notify ZACS of this escape.

5. CERTIFICATION OF CONFORMANCE

The supplier shall provide a certification of conformance with the parts and/or materials supplied unless an FAA Form 8130-3 is provided for the parts supplied. The certification shall attest to compliance with the applicable drawing and/or specification requirements. The supplier shall maintain objective evidence of conformance on file and shall make such records available to ZIM Aircraft Cabin Solutions, upon request. One copy of the certification that is signed / stamped by the supplier's Quality Representative, shall be included with each shipment. All certifications of compliance must include:

- Company Logo / Name - PO Line Item (when applicable)
- Date - Quantity
- Part Number - Certification of Conformance Statement
- Revision - Signature / Unique Stamp of Supplier's Quality Representative
- PO Number - A statement that indicates compliance with ZACS PO requirements, in addition to, applicable drawing / specification requirements.

6. SAMPLING INSPECTION

Suppliers that perform acceptance sampling inspection shall have ZIM Aircraft Cabin Solutions review the sampling inspection plan before it may be used.

7. ALTERNATE MATERIAL

Alternate metallic material may be used if authorized by the drawing or parts list. To utilize one of these alternate materials (as permitted by drawing or Parts List), refer to Standard Operating Procedure EQSOP-0020 for instructions on documentation and validation of alternate material usage.

8. FLAMMABILITY CERTIFICATION

All non-metallic materials, such as: plastic, foam, fabric, muslin, Velcro, fire-blocking, rubber, nylon, fiberboard, and leather, must include a certification showing acceptance for flammability requirements, in accordance with 14 CFR Part 25.853.

9. RAW METALS MATERIAL TEST REPORT

Sellers who provide raw material shall maintain chemical and physical test reports and certifications that show compliance to the specification / drawing requirements with each shipment and shall be identifiable to the material submitted. These test reports must contain the specification and lot/heat number, as applicable, and results of the test from the approved agency performing the test. In addition, each test report must stipulate acceptance criteria (minimum and maximum tolerance). All items shipped to ZIM Aircraft Cabin Solutions locations shall require the supplier to furnish copies of this documentation with each shipment.

10. SHELF LIFE CONTROL

Materials (such as paints, glues, adhesives, inks, o-rings, seals, etc.) that are sensitive to age and temperature shall include, with each shipment, the date of manufacture and/or manufacturer's recommended shelf life. All shelf life materials shall be shipped to ZIM Aircraft Cabin Solutions with a minimum of 75% of the material's remaining shelf life. The Material Safety Data Sheet (MSDS) or Safety Data Sheet (SDS) shall be submitted with the shipment for all chemical products.

11. ELECTROSTATIC SENSITIVE DEVICE / MATERIALS (ESDS)

All ESDS materials shipped to ZIM Aircraft Cabin Solutions (such as digital PCUs, video monitors, electrical boxes, etc.) shall be properly labeled with ESDS warning labels and bagged within ESDS protective bags.

12. SUPPLIER FIRST ARTICLE INSPECTION

First Article Inspection (FAI) shall be performed by the Seller in accordance with requirements of AS9102. When documenting FAI, the Seller may use the forms contained within AS9102 or their equivalent so long as the forms contain all information required by AS9102. Seller shall notify the ZACS Quality Control Manager within 48 hours of receipt of this contract to coordinate and plan for ZIM Aircraft Cabin Solutions First Article Inspection to be conducted, as determined appropriate, by the ZACS Quality Control Manager. Seller will include a copy of the FAI report, and the FAI report (s) for any lower level items noted on form 1, with the initial shipment of the FAI item. Any partial or re-accomplished FAI performed as required by AS9102 for any FAI document provided in the previous sentence, is required to be provided with the shipment of the partial or re-accomplished item. FAI's are required when any of the following conditions apply:

- a. First time part is produced from a new tool.
- b. A change in the design affecting fit, form, or function of the part.
- c. A change in manufacturing source(s), processes, inspection method(s), location, tooling, or materials with the potential of affecting fit, form, or function.
- d. A change in numerical control program or translation to another media.
- e. A natural or man-made occurrence, which may adversely affect the manufacturing process.
- f. A lapse in production for two years unless relief is provided in accordance with this procedure or as specified by the Customer.

The FAI requirements may be satisfied by either a full or a partial FAI, in accordance with AS9102. A partial FAI addresses only differences between the current configuration and prior approved configuration and is generally conducted if data changes subsequent to the accomplishment of a full FAI or a tool is reworked, etc.

13. ZIM AIRCRAFT CABIN SOLUTIONS SOURCE INSPECTION

Source inspection will be identified on the purchase order, if required. When source inspection is specified, all quality requirements, goods, and services under this contract are subject to Buyer Source Inspection throughout the manufacturing process and testing operations, on a random or 100% basis, and at all times and places, including Seller's subcontractor's facilities, and in any event prior to shipment. When in-process Buyer Source Inspection is required, the ZACS Quality Control Manager will coordinate with Seller's Quality department and select the mandatory in-process inspection points. Seller shall ensure that mandatory Buyer Source in-process inspection points are not bypassed. Seller shall provide reasonable facilities and assistance, including all quality records and related data (in hard copy unless otherwise arranged), for safe and efficient performance of Buyer's inspections. Seller shall notify the ZACS Quality Control Manager and Procurement Representative at least 48 hours in advance of the time that the goods or services will be available for Buyer's Source Inspection review. Seller shall ensure evidence of Buyer's Source Inspection is indicated on or attached to the shipping report / documents accompanying each shipment.

NOTE: Seller shall not deliver goods that have not been inspected as required by this Contract without a specific written waiver or deferral from the Buyer's authorized Procurement Representative. The written waiver or deferral shall be included with the shipment. Verification of product by the source inspection does not relieve the supplier from the responsibility to provide acceptable product, nor shall it preclude subsequent rejection.

14. STATISTICAL PROCESS CONTROL

When specified by purchase order, drawing, or specification requirements, the supplier shall implement statistical process control methods on KEY Characteristics identified by ZIM Aircraft Cabin Solutions. The implementation shall include statistical data collection on those KEY Characteristics during the production process and shall be used as a tool to identify and reduce variation in the process. When KEY Characteristics are not specified, Seller is encouraged to utilize variability reduction methods to improve product quality and reduce quality costs. The supplier may contact ZIM Aircraft Cabin Solutions for technical assistance, when needed.

15. FAA PMA & TSO APPROVED PARTS

When PMA or TSO parts are shipped to ZIM Aircraft Cabin Solutions, an 8130-3 Airworthiness Certification Tag shall be supplied with the shipment.

16. SPECIAL PROCESSES

Special processes shall be defined as: painting, powder coating, anodizing, plating, chemical finishing, heat treating, and welding. Suppliers who perform special processes for ZIM Aircraft Cabin Solutions shall ensure that the processes are carried out in accordance with the drawing and process specification requirements. The supplier shall maintain a Process Certification Statement that certifies that the parts were processed in accordance with the drawing and specification requirements. All documentation for special processes shall be maintained on file by the Supplier and readily available upon request by ZACS, if / when required. This requires the certification to include:

- Applicable Drawing Note complied with.
- Full Part Number as specified on the Purchase Order (including color code, when applicable).
- Process Specification, as called out on the drawing.

17. CALIBRATION LABORATORIES

Calibration laboratories shall comply with ISO 10012 and/or ANSI / NCSL Z 540-1.

18. NOTIFICATION OF CHANGES IN DESIGN OR PROCESSES

For supplier-owned designs, written notification of processes or design changes for products sold to ZIM Aircraft Cabin Solutions is required. For ZACS-owned drawings, supplier must initiate ZACS Engineering Change Request (Form EN-0090) and forward to Supply Chain representative. Form and instructions can be requested through the Supply Chain representative. Suppliers must notify ZIM Aircraft Cabin Solutions, in writing, of changes to sub-tier suppliers and manufacturing facility locations. All changes must be communicated to ZIM Aircraft Cabin Solutions prior to shipment.

NOTE: Changes to ZIM Aircraft Cabin Solutions-owned drawings is not acceptable without ZIM Aircraft Cabin Solutions Engineering approval.

19. COUNTERFEIT PARTS PREVENTION

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Phone: 336-862-1418



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Suppliers must make every effort to assure safe, reliable product and mitigate the risk of counterfeit parts entering the system. A counterfeit part is any item misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes parts that have reached a design life limit or have been damaged beyond possible repairs but are altered and misrepresented as acceptable. All suppliers must establish a Counterfeit Parts Prevention and Control Plan to assure that parts meet or exceed ZIM Aircraft Cabin Solutions, regulatory, and ZIM Aircraft Cabin Solutions customer requirements. This shall ensure counterfeit parts are not delivered to ZIM Aircraft Cabin Solutions or its customers. Aerospace Standard AS-5553 is an excellent guideline for developing a Counterfeit Parts Prevention Program. Supplier shall immediately notify ZIM Aircraft Cabin Solutions with the pertinent facts regarding any confirmed or suspected counterfeit parts. In any case, the Counterfeit Parts Prevention Program must include but not be limited to:

- a. A robust receiving inspection process.
- b. Documentation traceability requirements (certifications, packing slips, etc.)
- c. Counterfeit Part recognition keys:
 - 1) Absence of manufacturer's logos or labels.
 - 2) Alterations or changes to documents.
 - 3) Inconsistent finishes, painting, etc.
 - 4) Poor quality part ink or laser marking.
 - 5) Bar codes that do not match the printed part number.

If counterfeit parts are furnished under a purchase agreement, such items shall be impounded. The Supplier, or when applicable their Sub-Tier Supplier, shall promptly replace such items with items acceptable to ZIM Aircraft Cabin Solutions and the Supplier, or when applicable their Sub-Tier Supplier, may be liable for all costs relating to impoundment, removal, and replacement. ZIM Aircraft Cabin Solutions may turn such items over to US Government authorities (Office of Inspector General, Defense Criminal Investigation Service, Federal Bureau of Investigation, etc.) for investigation and reserves the right to withhold payment for the suspect parts pending the results of the investigation.

20. QUALITY RECORDS RETENTION

The Supplier shall maintain Quality records in accordance with the applicable Quality System standard (i.e., ISO 9001, AS 9100, CFR's, etc.). The records shall be retained for a period of not less than ten (10) years from completion of purchase order. All records must be in the English language and must be legible. In the event a Supplier ceases doing business, regardless of the reason, all records affecting ZIM Aircraft Cabin Solutions delivered product shall be transferred to ZIM Aircraft Cabin Solutions forthwith. The Supplier must impose this requirement on their Sub-Tier Suppliers.

Records shall include, but not be limited to:

- a. Evidence of inspection to assure conformance to current drawings and specifications.
- b. First Article Inspection Report.
- c. Test Reports (e.g., metallic physical & chemical, acceptance test, functional test, etc.)
- d. Periodic inspection and control of inspection media.
- e. Records to indicate control of special Tooling and Special Test Equipment.
- f. Data records of all Qualification and Acceptance/Function tests performed.
- g. Certification of personnel as required by specification and/or contract.
- h. Standard of Special Process certification, including those from subcontractors.
- i. Material Review Board reports.

21. REPAIR STATION

Maintenance vendors (certificated repair stations) and maintenance contractors (un-certificated facilities) providing repair services are required to maintain their quality system as audited by ZIM Aircraft Cabin Solutions. Any change in this quality system or company certification status must be reported to ZIM Aircraft Cabin Solutions. The supplier shall keep accurate records of work and inspection for at least two (2) years from date article is returned to ZACS and allow representatives from ZIM Aircraft Cabin Solutions, its customers, and regulatory agencies (FAA, etc.) to review such records. Additionally, the supplier shall provide access to their facilities for surveillance of the product, documentation, processes, procedures, equipment, and tests performed as required by the applicable purchase orders. Certified repair stations must provide FAA Form 8130-3 (or equivalent) for work performed. Maintenance contractors must provide Certificate of Conformance meeting the requirements of clause 5. All documentation sent with articles must be returned to ZACS. Any supplier quality escapes pertaining to product shipped to ZACS require immediate notification to ZACS of the escape.

NOTE: The "R-" prefix of the article number on the Purchase Order is for internal use at ZACS only and shall not be on any documentation returned to ZACS from the supplier.

22. FOREIGN OBJECT DEBRIS (FOD)

The supplier shall develop / maintain a FOD program IAW AS9100D and/or ISO9001:2015 as required by their Quality Management System. The FOD program shall utilize IAQG9146 / AS9146 standards or equivalent

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"X" marks signify required clauses for each commodity / supplier		PURCHASE ORDER SUPPLEMENT - QUALITY REQUIREMENTS																		
		COMMODITY	Fabric & Leather Supplies	Metals, Raw Material	Plastic, Raw Materials	Raw Material Extrusions	Hardware, Fasteners, Hinges, etc.	Adhesives, glues, paint, ink, etc.	Injection molded parts	ZIM Aircraft Cabin Solutions furnished materials manufactured to ZIM Aircraft Cabin Solutions drawings	Supplier furnished materials manufactured to ZIM Aircraft Cabin Solutions drawings	Supplier proprietary parts	IFE Equipment (PCUs, cables, video monitors, etc.)	Welding	Heat Treating	Plating, Surface Finishing, Anodizing, Chem-film, etc.	Paint, powder coat, etc.	Calibration Laboratory	Distributors	Repaired Articles
EQ-0020 CLAUSES																				
1	Inspection System Requirements / Right of Entry	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
2	Safety Critical Part Inspection	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
3	Material Identification / Traceability	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
4	Nonconforming Material	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
5	Certification of Conformance	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
6	Sampling Inspection	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
7	Alternate Material								X	X										
8	Flammability Certification	X		X				X		X	X									
9	Raw Metals Material Test Report		X		X					X										
10	Shelf Life Control						X													X
11	Electrostatic Devices (ESDS)											X								X
12	Supplier First Article Inspection				X			X	X	X										
13	ZIM Aircraft Cabin Solutions Source Inspection		X	X	X	X		X	X	X	X	X	X	X	X	X				
14	Statistical Process Control								X	X										
15	FAA - PMA & TSO Approved Parts										X									
16	Special Processes												X	X	X	X				
17	Calibration Laboratories																	X		
18	Notification of Design / Process Changes	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
19	Counterfeit Parts Prevention	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
20	Quality Records Retention	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
21	Repair Station	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
22	Foreign Object Debris (FOD)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X