



# APEX INSPECTIONS INC.

## PROFESSIONAL NDT SERVICES

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### Vendor Terms and Conditions

Vendor: As used herein the term “Vendor” shall also include all vendors, suppliers, service agents, subscribers, affiliates, resellers, or others who offer, confirm, provide, or deliver aircraft related services or products to Apex.

As a Vendor to Apex Inspections, Inc. (“Apex”), you become a key contributor to the products and services that we deliver to our customers. We value the conformance of your products and services to our specifications and requirements, your contribution to our product’s safety, and your ethical business practices.

By accepting purchase orders and/or payment from Apex, the Vendor agrees to comply fully with this documented Vendor Terms and Conditions (“Agreement”). Payment and/or delivery of product/service to Apex shall constitute as an acknowledgment, understanding, acceptance, and is binding to this Agreement.

These requirements are, therefore, to be considered an Agreement to all aerospace purchases:

1. Where required on the Apex Purchase Order, its suppliers must use Apex customer-approved special process sources. These sources will be communicated to you by Apex in advance or with the Purchase Order.
2. Apex is to be contacted (by the supplier) in the event of nonconforming product / material. Arrangements for the approval of supplier nonconforming product / material must be as directed by an Apex authorized manager or designee.
3. Notify Apex of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Apex’s approval.
4. Apex, their customers, and regulatory authorities retain the right of access to all supplier facilities involved in the aerospace order and to all associated/applicable records.
5. Apex requires that all applicable customer and regulatory requirements for the supplier to flow-down to your supplier and sub-tier suppliers (includes requirements in the purchasing documents and key characteristics).
6. Apex performs inspection activities to ensure that purchased product meets purchase requirements. They may include:
  - a. Receiving inspections (of supplier products/services/documents) may be/are performed by a designated Apex employee. Apex verifies the authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications or by other means. When necessary, Apex may inspect or audit at the supplier’s facility.
  - b. All incoming finished parts, bar stock, forgings, special tooling, or any item that is used in the manufacture of aerospace parts must be boxed or protected during shipping. Apex retains the right to refuse any shipment because of damage that may occur because of improper packaging, etc. and return it to the supplier for replacement at the supplier’s cost.
  - c. Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes (calibrations, etc.) will require a Certificate of Conformity.
7. When appropriate, Apex may delegate the inspection authority to one of its approved suppliers. Apex will communicate the inspection requirements and maintain a record of those approved to carry out such inspections.
8. When Apex or its customer intends to perform verification at the supplier’s premises, Apex will first state the intended verification arrangements and the method of product release. This information will be communicated on the Apex Purchase Order or via another acceptable purchasing arrangement.
9. Where specified in the contract, Apex’s customer or customer’s representative will be afforded the right to verify at the supplier’s and Apex’s premises that subcontracted product conforms to specified requirements. Verification by the customer is not used by Apex as evidence of effective control of quality by the supplier and shall not absolve Apex nor its supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer.
10. To prevent the purchase of counterfeit, suspect, or unapproved products, to ensure product identification and traceability, and for other reasons, Apex will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting documentation from its suppliers as is appropriate. These requirements may be specified on Apex Purchase Order or may otherwise be communicated to the supplier.
11. Records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements. Records shall be retained for a minimum of 7 years unless otherwise agreed. Contact Apex prior to

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Apex Inspections, Incorporated

FAA CRS X51R125Y • EASA 145.6775 • ISO/IEC 17025 (A2LA 4402.01)

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destroying records.

12. Apex expects 100% on time delivery. If the agreed upon delivery cannot be met, the appropriate Apex representative must be notified in advance. If Apex annual supplier evaluation identifies a supplier with an on-time delivery rate of 95% or less a corrective action can be issued.
13. Apex requires that products provided by its Approved Suppliers be correct and free of defect per the supplied Purchase Order. If Apex annual supplier evaluation identifies a supplier with a scrap/rework rate that exceeds 10% of their Apex orders; a corrective action can be issued.
14. Apex may also require specific actions where timely and/or effective corrective actions to a supplier issue(s) are not achieved. These actions may include but are not limited to any or all of the following: withholding payment until the issue is resolved, removal of the supplier from Apex's Approved Supplier List, and legal actions.
15. Documented information such as Test Reports, Material Certs., and/or Certificates of Conformity shall accompany all orders.
16. The supplier shall immediately notify Apex and explain any circumstances, including labor dispute, which may delay the timely performance of the Purchase Order and shall continue to notify Apex of any significant changes in delivery status.

**Contact:** If you have any questions about these Terms, please contact Apex Inspections at 972-418-5672 or via email at [ClientServices@ApexInspectins.com](mailto:ClientServices@ApexInspectins.com).