# Process Owner

* 1. Triumph Group Supply Chain Management

# Applies To

* 1. Triumph Group Supply Chain Management- Enterprise, OpCo’s and Sites

# Purpose

* 1. Standard process by which long-term contracts are entered into and managed with suppliers. This includes ESA’s, OpCo Agreements, Override Agreements, Service Agreements, IT Contracts, Consulting Agreements, Staffing Agreements, Non-Disclosure Agreements, and any other agreement that is for a period of more than one (1) year in length, which includes negotiated TGI General Purchase Order Terms and Conditions.

# Reference Documents

## NEG PLAN - Negotiation Plan Data entered through the Supply Chain Contracts Management System (Triumph Group Collaborate)

## Enterprise Sourcing Agreement (ESA)

## OpCo Agreement

## Triumph Group General Purchase Order Terms and Conditions

## SCMP 7.4 - Sourcing Board

# Definitions and Acronyms

## ESA - Enterprise Sourcing Agreement - An agreement, accessible in the Supply Chain Contracts Management System, as negotiated by a Commodity Team, between TGI and a shared supplier, which individual TGI subsidiaries (at the legal entity level) can sign onto through Adoption Agreements. The ESA establishes the basic terms and conditions of purchase and can include pricing in an Attachment for common part numbers. Adoption Agreements are developed by individual Triumph Legal Entities and can supplement or modify the terms of the ESA, including defining site specific requirements, one or more statements of work and include additional part numbers and/or pricing beyond what is included in the ESA.

## OpCo agreement - Operating Company agreement - Operating Company or “OpCo” agreements, accessible in the Supply Chain Contracts Management System, are negotiated at the individual legal entity level and only leverage the spend for that specific Triumph Group legal entity. Typically, this agreement is targeted for those suppliers who provide products and services on a more localized basis. The OpCo does not have Adoption Agreements, as any site-specific terms need to be incorporated into the OpCo itself. However, OpCos may have one or more statement(s) of work and include flow-down requirements (FAR/DFAR, Site-Specific, and/or Program/Customer Addendum(s)).

# Responsibilities - This standard work documents the following processes:

* 1. Use of the ESA and/or OpCo Agreement documents and their relevant Addenda, Attachments and Adoption Agreements.
  2. It is the responsibility of all Enterprise, OpCo’s and Sites to understand and comply with the requirements of this document when entering into a long-term agreement with a supplier. The latest version of each document is to be used and can be obtained from the Supply Chain Contracts Team.
  3. It is the responsibility of the Supply Chain Contracts Team to maintain the language and distribute the revision controlled long-term agreement and all relevant document templates.

# Process Flow- ESA and OpCo Agreements with Suppliers

# The ESA process consists of the following key milestones and decision points:

# Commodity Lead submits ESA supplier selection and Negotiation Plan data based on Source Selection Review (SSR) Board to applicable signature authority based on SSR approval requirements.

# Commodity Lead adds the project to the Supply Chain Contracts Contract Management System and a Supply Chain Contracts and Law Department Liaison is assigned via the Supply Chain Contracts Department.

# Commodity Lead has initial consultation with Supply Chain Contracts, and the Supply Chain Contracts prepares the ESA, attachments, and any initial Adoption Agreements for submittal to Supplier, with input from the Commodity Lead.

# Commodity Lead submits the contract documents to Supplier.

# Commodity Lead negotiates ESA/Adoption Agreement(s), with support from Supply Chain Contracts (and Legal as needed for legal issues or as requested by Supply Chain Contracts)

# If the objectives of Negotiation Plan are not met, approval is required from signature authority to approve the exceptions to the Negotiation Plan.

# Negotiated ESA/Adoption Agreement(s) is reviewed with Negotiation Plan and approved for signature by Source Selection Review (SSR) Board.

# Prior to sending final contract documents to Supplier for signature, return all documents to Supply Chain Contracts for final review.

# Supply Chain Contracts reviews and prepares all contract documents for signatures and returns documents in PDF format to the Commodity Lead.

# The Supplier should execute the final PDF contract document and return it to the Commodity Lead. The Commodity Lead should send it to Supply Chain Contracts to review AFTER Supplier executes to ensure no changes were made to the document prior to Supplier executing. Once Supply Chain Contracts has reviewed, they will send it to the VP of Integrated Operations and Supply Chain for their signature.

# When any Adoption Agreement(s) is negotiated the same approvals and process apply. Additional Operating Company approvals may be required per their procedure regarding signature authorities. It is the responsibility of the Commodity Lead and/or Operating Company Supply Chain lead to obtain the signatures from the Supplier. Once the Supplier has executed, the Commodity Lead should send it to Supply Chain Contracts to review AFTER Supplier executes to ensure no changes were made to the document prior to Supplier executing. Supply Chain Contracts will then forward the document to the OpCo/Site for their signature, then Supply Chain Contracts will forward the executed documents to the VP of Integrated Operations and Supply Chain for their acknowledgment/signature.

# All proprietary information, technical data and where there’s an obligation to restrict access, as in where Triumph is a competitor to the supplier, must be removed from the contract documentation. Then the original Word and scanned (.pdf) copies of the Agreement, Adoption Agreement(s) and negotiation plan will be uploaded and maintained in the Supply Chain Contracts Management System.

# The OpCo Agreement or any other long-term agreement process consists of the following key milestones and decision points:

# Buyer submits OpCo Agreement supplier selection and negotiation plan data from Site’s Sourcing Board Process into the Supply Chain Contracts Management System.

# Buyer notifies Supply Chain Contracts Team to add the project to the Supply Chain Contracts database and a Supply Chain Contracts and Law Department Liaison is assigned via the Supply Chain Contracts Department. Buyer has initial consultation with Supply Chain Contracts and Supply Chain Contracts prepares OpCo Agreement and attachments for submittal to Supplier.

# Buyer submits proposal package to Supplier

# Buyer negotiates OpCo Agreement with support from Supply Chain Contracts.

# Negotiated OpCo Agreement is reviewed with Negotiation Plan and approved for signature by Site’s Sourcing Board.

# Prior to sending final contract documents to Supplier for signature, return all documents to Contracts for final review.

# Supply Chain Contracts reviews and prepares all contract documents for signatures and returns documents in PDF format to Buyer.

# The Supplier should execute the final PDF contract document and return it to the Buyer. Buyer should send it to Supply Chain Contracts to review AFTER Supplier executes to ensure no changes were made to the document prior to Supplier executing. Once Supply Chain Contracts has reviewed, they will return it to Buyer for Site signature per Site’s Delegation of Procurement Authority.

# The Non-Disclosure Agreement (NDA) process consists of the following key milestones and decision points:

# Buyer submits NDA request from the Supply Chain Contracts Management System and the Supply Chain Contracts Team automatically receives notification of the new NDA request via the Contracts Management System.

# Supply Chain Contracts Team member reviews/edits/returns NDA to Buyer from the Supply Chain Contracts Management System.

# Buyer receives the NDA from the Contracts Management System and sends the link to the Supplier for their review and edits. Once complete, the Supplier returns edited NDA to Buyer via the emailed link from the Contracts Management System.

# Buyer receives NDA from Supplier in the Contracts Management System, reviews Supplier comments and if Buyer haves any additional comments on Supplier’s requested edits adds them and saves NDA within the Contracts Management System for Supply Chain Contracts Team member to review.

# Supply Chain Contracts Team member reviews the comments/edits in the NDA and adds any comments/questions/responses for any items not accepted and returns NDA to Buyer via Contracts Management System.

# Buyer begins to follow process described in 7.3.3, 7.3.4 and 7.3.5 until Supply Chain Contracts Team member is ready to finalize the NDA.

# Supply Chain Contracts Team member puts finalized NDA into pdf format ready for signatures and sends to Buyer via Contracts Management System.

# Buyer sends NDA pdf to Supplier for signature.

# Supplier should execute the final PDF NDA and return it to Buyer. Buyer obtains appropriate Site signature per Site’s Delegation of Procurement Authority. Buyer should send final signed NDA to Supplier and to Supply Chain Contracts Team via Contracts Management System.

# Appendices and/or Flowcharts

# Contracts Approval Flow

# Required Records

# Completed NEG PLAN

# Executed ESA, OpCo Agreement, and all relevant document

# Cost and pricing data where applicable

# Revision History

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| --- | --- | --- |
| **Revision Level** | **Description of Change** | **Effective Date** |
| Original | New Document | 04 August 2017 |
| A | Added note to para. 2.1; added AS9100 linkage reference | 15 December 2017 |
| B | Revised to incorporate New Contract Management System procedures | 20 January 2022 |

1. **Approvals (Authorizing Signatures on File)**

Director, Supply Chain Contracts. Triumph Group