

Pexco Aerospace, Inc. Purchase Order Quality Requirements

- a. This quality document serves as the basic quality requirements considered to be general aerospace industry standard quality requirements associated with products and/or services used to support production related (a.k.a. - deliverable product) activities to customers. Additional quality clauses may be made a part of purchase orders / contracts, either directly or by reference. Quality clauses describe quality requirements which may be imposed with regard to purchase orders. Suppliers are to comply with the requirements of all quality clauses.
- b. Quality requirements and clauses are intended to be in addition to, not in derogation of, purchase order requirements.
- c. Some quality clauses are related to specific activities or actions to be accomplished by the Supplier which may be derived from Pexco Aerospace, Inc. contractual obligations, industry specifications and/or standards associated with the products and/or services being procured.
- d. A quality clause (statement of requirement) may be noted on the purchase order in addition to this document.
- e. If a Supplier cannot comply with any applicable quality requirement listed within a quality clause on a purchase order, then resolution and/or changes to the requirements must be obtained prior to acceptance of the Pexco Aerospace, Inc. purchase order.
- f. Distributors, as the direct Supplier to Pexco Aerospace, Inc. and the representative of the Manufacturer, Distributors are responsible for compliance with all purchase order requirements. The applicable requirements of all quality clauses and any technical requirements listed on the purchase order will apply to both the Distributor and the Manufacturer of the product.
- g. All data, documents and any certificates of conformance from the Supplier and sub-tiers shall be in English or contain an English translation.
- h. Suppliers, contractors, or subcontractors shall maintain quality records for a period of eleven (11) years after completion of contract. Customer specific requirements may extend beyond the eleven (11) years after completion of contract. The requirement shall be flowed to the lowest level sub-tier via the purchase order contract.

The suppliers, contractors, or subcontractors shall be in compliance to AS9100, record retention requirements and should safeguard against loss. All records shall be permanent (e.g., pencil not allowed). At the expiration of such period, Pexco Aerospace, Inc. reserves the right to request delivery of such records.

Companies ceasing business operations as an entity shall arrange for transfer of ownership of records to Pexco Aerospace, Inc. Aerospace, Inc. and may be subject to commercial consideration associated with 11 year maintenance.

First Piece/Article Inspection (FPI/FAI) reports (where applicable) are to be maintained for an indefinite period of time.

- i. Suppliers will notify Pexco Aerospace, Inc. when changes occur that will affect their management system (address/location, quality system approval level/type). In order to maintain an accurate Approved Supplier List, Pexco Aerospace, Inc. may conduct periodic reviews (surveys, questionnaires, on-site visit, etc.) to ensure a Supplier's information is correct and current.

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- j. Direct Suppliers to Pexco Aerospace, Inc. will flow down applicable quality and purchase order requirements to their sub-tier Suppliers to ensure the integrity of the specified requirements are maintained throughout the supply chain (i.e., first piece/article inspections, customer approved special processes, key characteristics, record retention, etc.)
- k. Pexco Aerospace, Inc., our Customers and regulatory agencies may visit the Supplier's facility and/or their sub-tier Suppliers for the purpose of verifying contract compliance and product conformity (i.e., source inspection, witness testing, product audit, quality system audit).
- l. Supplier will notify Pexco Aerospace, Inc., of any non-conforming product Supplier has delivered or will deliver to Pexco Aerospace, Inc. Notification must occur within 3 business days of knowing of the non-conformance. However, if the condition is possible safety of flight, submit all available information immediately.
- m. Supplier is to provide root cause analysis and corrective action when a Supplier Corrective Action Request (SCAR) is issued as a result of nonconforming products, services, on-site survey/evaluation, or documentation and delivery problems.
- n. Supplier is Not granted Material Review Board (MRB) authority for any product that is manufactured to a Pexco Aerospace, Inc. drawing/specification or a Pexco Aerospace, Inc. Customer's drawing/specification. Any deviations to engineering drawings/specifications must have Pexco Aerospace, Inc. and/or Pexco Aerospace, Inc.'s Customer approval prior to shipment of product. MRB disposition received from Pexco Aerospace, Inc. or Pexco Aerospace, Inc.'s Customer is a conditional acceptance of the item(s) and does not relieve the Supplier of any contractual responsibilities in the event that Pexco Aerospace, Inc. or Pexco Aerospace, Inc.'s Customer is dissatisfied with the product. In addition, Suppliers may not exercise MRB dispositions of repair or use as is on Supplier designed parts, materials, or formulations without notification to Pexco Aerospace, Inc. and concurrence of acceptability for end use. Pexco Aerospace, Inc., reserves the right to veto the disposition and/or require further testing or information to support that the product meets drawing or specification requirements in its rectified condition.
- o. Shelf life information (i.e., expiration date, cure date) of product/materials subject to degradation with age or varying temperatures must be clearly stated on the certificate of conformance/packing slip or product/packaging. Product/materials shall have a minimum of 85% shelf life remaining at time of receipt by Pexco Aerospace, Inc. If the Supplier desires to provide product with less than 85% shelf life, Supplier is required to obtain approval from the Pexco Aerospace, Inc. Purchasing representative prior to shipment.
- p. Products/materials which are volatile or toxic in nature shall be properly packaged in accordance with the applicable Code of Federal Regulation. Containers will be plainly marked as to the contents with the appropriate warnings, precautions, instructions and storage conditions. Appropriate documentation (MSDS, handling, etc.,) will accompany each shipment.
- q. If Supplier has received product from Pexco Aerospace, Inc. (aka. - customer supplied material) as related to an issued purchase order, Supplier is required to maintain traceability (i.e., lot/batch identification, part marking) of the product through the processes when possible.
- r. Supplier shall perform 100% inspection for in-process and final inspection, or Supplier shall conform to requirements of document AS9138. Buyer reserves the right to disallow a supplier's statistical methods for product acceptance for specific sites/ programs, parts or

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characteristics, and to conduct surveillance at Seller's facility to assess conformance to the requirements of AS9138.

If Supplier has an Operator Self-Verification (OSV) program, Supplier shall comply with the requirements set forth in SAE industry standard AS9162. Buyer reserves the right to conduct surveillance at Suppliers facility to determine that Supplier is compliant to the requirements of AS9162.

- s. Dependent upon the type of product procured by Pexco Aerospace, Inc., the Supplier is required to provide with each shipment of product a document (Certificate of Conformance, Certificate of Analysis or equivalent as appropriate) with a statement of conformity that contains the following:
- (1) Pexco Aerospace, Inc. purchase order number,
 - (2) Part number and/or description of the ordered item,
 - (3) Revision number/letter of the item being provided, when applicable,
 - (4) Signature and/or stamp of the Supplier's representative.
 - (5) Lot Batch no.
 - (6) Reference to any Concession or satisfactorily closed non-conformities.
 - (7) For suppliers that provide services of calibration of equipment and/or tools, certificate of conformance must include as received data, as well as, as shipped data for each item.

NOTE: A Certificate of Conformance document that includes the company letterhead and a Certificate of Conformance statement may be deemed acceptable, at Pexco Aerospace, Inc.'s discretion, in lieu of providing a Supplier representative's signature and/or stamp.

Distributors - A Manufacturer Certificate of Analysis is preferred for each item delivered to ensure that the product provided is as specified in the Pexco Aerospace, Inc. purchase order. If a Manufacturer Certificate of Analysis is not provided with the shipment of product, Pexco Aerospace, Inc. reserves the right to receive from the Distributor, at the time of or after receipt of product, a Manufacturer's Certificate of Conformance.

- t. When First Article Inspection is required, the supplier should perform and document the FAI per AS9102 requirements. At a minimum, the report should contain the following:
- (1) Engineering drawing number, configuration, and revision,
 - (2) Notation of applicable material and process specifications used,
 - (3) Notation and verification of all dimensions and applicable notes on the drawing(s),
 - (4) Notation of any nonconformance documents generated during the FAI Process.
 - (5) Copies of certificates of conformances for all materials, processes, parts used in the production of the ordered item(s), where applicable.
- u. Supplier is to provide a copy of the raw material test data (chemical, physical, heat treatment, etc.) for the ordered product that demonstrates compliance with applicable specifications (BMS; QQ-N- ; AMS-; SAE- ; etc.) and/or drawings requirements. If the Pexco Aerospace, Inc. purchase order and/or provided drawing do not callout any particular material

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specification for the material type being ordered, then the Supplier may provide material to a specification of their choice.

- v. Supplier is to furnish certificates of conformance for special processes or testing (i.e., NDT, spectral scans, coatings such as electroplating, chemical film, paint) that includes the specification(s) and other necessary data associated with the performed process(es) such as film thicknesses and tolerances.
- w. Supplier shall put into place (where relevant to risk) a program to avoid, detect, mitigate and disposition Counterfeit parts and materials. This program shall include flow down counterfeit parts requirements to their sub-tiers.
- x. Acceptable Authority Media (AAM). Suppliers shall have as part of their policy for their employees and suppliers the proper use of Authority Media.
Areas of focus of this assessment shall include but are not limited to:
 - Authority Media Application errors (i.e., Omission, Typos, Legibility, etc.)
 - Authority Media Application Untimely Use (i.e. Documentation is not completed as planned, "Stamp/Sign as you go", etc.)
 - Authority Media Application Misrepresentation (i.e. Uncertified personnel, Falsification of Documentation, Work not performed as planned, etc.)
 - Authority Media Application Training Deficiencies (i.e. Ethics, Culture awareness, Proper use of authority media, etc.)
- y. Supplier will ensure that an effective Foreign Object Debris/Damage (FOD) program in accordance with AS9146 is in place for prevention, detection and removal of foreign objects as applicable to the product.
- z. All material and parts must be packaged in a manner that will prevent damage during handling and shipping.