



PURCHASE ORDER QUALITY CLAUSES

This document outlines the minimum requirements for Suppliers providing products and/or services to Aviation Equipment Processing (AEP). These requirements pertain to the tasks necessary to demonstrate product conformance to drawings, specifications, Purchase Order and other contractual requirements. Additional requirements may be included on the Purchase Order.

Acceptance of the AEP Purchase Order indicates acceptance of the following requirements, unless otherwise agreed to in writing by AEP.

QC 1 Documentation

Supplier shall furnish legible inspection reports, certificates of conformance (CoC) and applicable material and processing certifications for the parts or services that they provide. The CoC shall include (at a minimum) a unique certification number, the part number, quantity, applicable lot, batch, roll or serial numbers, applicable specifications (including revision), AEP Purchase Order number, a statement verifying that all items provided under this Purchase Order meet all applicable requirements, the date, and the name, title and signature of the Supplier's authorized Quality Assurance representative.

QC 2 First Article Inspection Report

Documented first article inspection reports in compliance with the requirements of the current revision of AS9102 shall be submitted to AEP Quality prior to the beginning of production. Supplier assumes all financial responsibility for replacement, rework and material when production of parts is begun without first article inspection approval from Quality.

QC 3 Shipment Delays

Any delay in the scheduled shipment must be conveyed to AEP Purchasing as soon as the delay is known by the Supplier, regardless of the reason.

QC 4 Deviations From or Changes to Requirements

Any deviation from or change to the contract requirements by Supplier must be approved by AEP in advance and in writing.



QC 5 Export Control

This Purchase Order, including any attachments, supporting documents, etc. may contain information which is subject to the International Traffic in Arms Regulations (ITAR) or Export Administration Regulations (EAR) or may contain defense related technical data which may not be released to foreign concerns or foreign persons either inside or outside the United States without first obtaining the proper export authority. All information contained in and pertaining to the contract/Purchase Order shall be held in confidence by the supplier and no third party requests for information shall be authorized unless permitted in writing by an AEP representative. Seller shall comply with applicable International Traffic Arms Regulations (ITAR) and Export Administration Regulations (EAR) requirements.

QC 6 Right of Entry

Supplier shall afford AEP and/or AEP's Customer Representatives the right to enter the Supplier's and Supplier's sub-tier's premises where work is being or is scheduled to be performed in order to verify that the Supplier's quality system and/or the contracted product conforms to specified requirements, including the performance of in-process inspections.

QC 7 Quality System

Supplier shall maintain a quality system compliant to ISO/EN 9001, AS9100, MIL-I-45208 or equivalent industry-recognized quality system or standard acceptable to AEP. Supplier's quality system shall be approved by AEP through either an On-site Supplier audit or questionnaire/desk audit.

QC 8 Changes

- a. **Sale, Relocation or Transfer of Work:** Supplier is required to notify AEP, in writing, in advance of any sale, closure, relocation or transfer of the Supplier's applicable operations or facilities. This notification shall include, at a minimum, the address of the new location(s), the new name of the facility (if different than that appearing on the Purchase Order) and the impact or potential impact on the delivery schedule. It is the Supplier's responsibility to ensure that required customer or industry approvals are maintained or re-acquired following the change.
- b. **Quality System Changes:** Supplier shall notify AEP in writing, within 10 days of the following, as applicable to AEP product:



- Nadcap accreditation is withdrawn, expires, an audit is failed or a scope of accreditation is changed
- Change in key personnel
- A GIDEP Alert is required or received affecting AEP items
- Change in its quality system status
- Loss of third party registrar's certification status

QC 9 Nonconforming Product Discovered After Shipment

Supplier is required to notify AEP in writing within 72 hours when a nonconforming product is discovered after shipment. At a minimum, the notification shall include the description of the discrepancy, parts affected, lot numbers, delivered quantities and delivered dates, as applicable. AEP and AEP's Customer have the right to refuse to accept any nonconforming product.

QC 10 Nonconforming Product Discovered Prior to Shipment

If a nonconforming product is discovered prior to shipment, Supplier's disposition authority is limited to elimination of the nonconformance by rework to engineering, return to supplier (Sub-tier), or scrapping (only if the product is Supplier-owned material). Supplier shall submit nonconforming reports to AEP for any other disposition. Supplier must receive approval in writing prior to shipping any nonconforming products to AEP. Nonconforming products shipped to AEP shall be clearly identified as such, and shall be segregated from conforming product. AEP and AEP's Customer have the right to refuse to accept any nonconforming product.

QC 11 Seller's Flow-Down to Sub-tiers

Supplier's Purchase Orders to sub-tier suppliers shall clearly define all applicable requirements, including processing, non-destructive testing, inspections and approval criteria as required in the associated AEP Purchase Order. Seller shall direct sub-tier suppliers to incorporate the requirements in Purchase Orders issued to their sub-tiers.

QC 12 Executive Order E13224 and DPAS Rating

- a. Supplier shall not engage in any transaction of any type with persons or business or organizations who commit, threaten to commit or support terrorism.
- b. Supplier must comply with Defense Priorities and Allocation System (DPAS) when a priority rating is listed on the Purchase Order.



QC 13 Controlled Processes, Special Processes or Processing

Supplier is responsible for obtaining and maintaining required customer, prime or industry approvals or certifications for itself and all of its sub-tiers as applicable to the Purchase Order. The CoC, which must accompany each shipment shall provide traceability to the items processed, and shall specify the processes, specification and revision to which they conform, the name of the agency and location where the process was performed and the name and title of the authorized representative signing the form. When items provided by the Supplier are serialized, the serial numbers shall be included on the CoC.

QC 14 Counterfeit Products and Chain of Custody:

- a. Supplier shall plan, implement, and control processes, appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to AEP and its customers.
- b. Legible certifications and related chemical or physical test reports for raw materials must be delivered with each lot/shipment. These reports must contain the specification, lot, roll, batch or serial numbers applicable to the material being supplied. Supplier shall maintain and provide evidence of authenticity (chain of custody) back to the mill/OCM/OEM. The certification(s) shall clearly identify the name and location of all of the supply chain intermediaries from the original manufacturer to the final source of the product delivered to AEP.
- c. Parts or components shall not be used or reclaimed and represented as new.

QC 15 Records

Supplier shall maintain all records relating to the product/services provided (including those received from sub-tiers) and ensure these records are available for review for a minimum of 15 years after the completion of the Purchase Order unless otherwise directed on the Purchase Order. For Fracture Critical parts, records shall be kept for the life of the program.

QC 16 Digital Data Control

Digital dataset control is required. Supplier is to conform to the requirements of AEP and its customers/prime (D6-51991, SQR-004, etc.) as applicable. When DPD/MBD data is provided, the Supplier shall maintain a documented DPD/MBD procedure to ensure the product configuration is maintained through creation of derivatives to product acceptance. When utilizing developing



NC programs or translating data, the Supplier shall maintain traceability from the NC Program or translated data to the original dataset and ensure only current datasets are available for use in production and inspection.

QC 17 FOD

Supplier shall have a FOD Control process in place for the purpose of prevention, detection, and removal of foreign objects. Supplier is responsible to ensure that AEP receives clean, undamaged and contamination-free product.

QC 18 Personnel Awareness

Supplier shall ensure that the organization's personnel are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.