

GENERAL REQUIREMENTS

The general Procurement Clauses as listed in Section 1 are applicable to all Sanders Purchase Orders as they pertain to the product being purchased. (for example: A First Article Report would not be required for a chemical compound)

Purchase Order specific or unique Procurement Clauses that are imposed will be specifically coded and will be located on the face of the Purchase Order. These are described in Section 2.

In any case where P.O. specific clauses in Section 2 are in conflict with the General Requirements in Section 1, the Section 2 requirements shall take precedence.

SECTION 1

Q1 **Quality System Requirements:** The supplier shall maintain a documented Quality System (manual), Receiving and Final Inspection, gage calibration, and Quality Records. Distributors, as a minimum, must have a Receiving System and Quality Records.

Sanders Composites, its customers, and regulatory agencies reserve the right of access to the supplier's facility at any time during performance of the Purchase Order. Reason for access may include but not be limited to inspecting any or all of the item(s) included in the Purchase Order or the records associated with the item; or, having given reasonable notice, for auditing the supplier's Quality system.

Q2 **First Article Inspection (FAI):** Supplier is required to perform and document First Article Inspection per AS9102 latest revision on each manufactured lot. A copy of the First Article Inspection data must be submitted with the first shipment of each manufactured lot. Unless otherwise agreed by Sanders Composites, Inc., the FAI report will be provided at no cost; the supplier will absorb all costs incurred.

Q3 **Certificate of Conformance:** A Certificate of Conformance(C of C) shall be provided with each shipment. C of C can be a separate document, or it can be included as part of the shipping declaration/packing slip text. The following items are required to flow down to sub-tier suppliers. A complete C of C must clearly state conformance to all specifications in their entirety, including revision, and shall include the following items:

- 1) supplier name and address
- 2) statement that the products/parts conform to the purchase order requirements
- 3) purchase order and line item number
- 4) original manufacturer' name and part number if the supplier is not the manufacturer
- 5) part number and revision letter
- 6) quantity shipped (listed quantities can be broken out by lot, and also totaled
- 7) material traceable by lot number, heat number, batch number
- 8) traceability to test reports, special processing, and physical and chemical test data, if required
- 9) manufacturer C of C
- 10) all sub-tier supplier's certifications to be traceable to supplier's C of C
- 11) date of shipment
- 12) date of manufacture
- 13) date and authorized signature of quality representative or company official.
- 14) Shelf life date when applicable

- Q4** **Shelf Life:** A minimum of 75% of the specified shelf life shall be remaining at the time of shipment from seller's facility. Include written certification as to date of expiration.
- Q5** **Approved Special Process Suppliers:** Suppliers and sub-tiers who perform special processes as identified on the purchase order must be approved by Sanders Composites and, when required, listed in its customers Approved Supplier Listing for all special processes being performed.
- Q6** **Notification of Nonconforming Product** – The supplier is required to notify Sanders Composites, Inc. in the event of nonconforming product and obtain disposition approval from Sanders Composites, Inc. in writing prior to supplying the material.
- Q7** **Notification of Changes** – The supplier is required to notify Sanders Composites, Inc. of changes in the product, process, changes in suppliers, and changes in manufacturing locations.
- Q8** **Flow Down to Supply Chain** – The supplier is required to flow down applicable requirements to their supply chain, including customer requirements.
- Q9** **Records Retention** – The supplier shall maintain records in accordance with Sanders Composites, Inc. record retention policy of ten (10) years.
- Q10** **Conflict Minerals – SEC Conflict Minerals Rule:**
In accordance with the U.S. Security and Exchange Commission (SEC) Conflict Minerals Final Rule (which added section 13.p. to Section 1502 of the Dodd-Frank Wall Street Reform and Consume Protection Act, 8/22/12), any conflict minerals included in the articles delivered under this order must comply, and you must flow down the SEC Conflict Minerals Final Rule dated 8/22/12 to all of your suppliers that furnish any articles that include conflict minerals in any goods sold or furnished to Sanders Composites, Inc.
- Q11** **COUNTERFEIT ELECTRONIC PARTS DETECTION AND AVOIDANCE SYSTEM REQUIREMENTS**
Seller shall implement a counterfeit electronic parts detection and avoidance system consistent with the requirements of the latest dated version of SAE standard AS5553, as of the effective date of this contract.
- Q12** **REWORKED/REPLACED MATERIAL**
REWORK = Bringing a non-conforming part back into conformance by simply reprocessing a prior sequence.
When returning previously rejected material to Sanders Composites, the supplier shall reference the rejection notice number on the shipping document, and shall state if the items have been replaced or reworked to conform to requirements.
- Q13** **REPAIR**
REPAIR = Brining a non-conforming part back into conformance using methods outside the original process
Under no circumstances shall a Supplier or a Supplier's Sub-tier perform any repair procedures/operations without specific written authorization and an approved repair procedure from Sanders Composites. Repair procedures shall be submitted to Sanders Composites for approval.
- Q14** **DISPOSITION DELEGATION AND MATERIAL REVIEW**
Sanders Composites does NOT grant nor delegate any disposition or material review authority to any of its suppliers.
- Q15** **SUBCONTRACTING WORK**
The supplier is prohibited from subcontracting any portion of their work to be performed in the performance of this contract without written approval by Sanders Composites.
- Q16** **DRAWINGS, SPECIFICATIONS, AND QUALITY REQUIREMENTS**
The Suppliers Quality System shall assure that the latest applicable drawings, specifications, and quality requirements are compatible with current purchase order agreements and are available and in use by the Supplier's manufacturing and inspection areas. Military Standards and Industry Specifications utilized shall be current to the latest revision in effect on the date of the purchase order, unless otherwise specified. The supplier may work to a subsequent revision of a document unless a specific document revision is specified. Unless otherwise stated by contract, when the referenced document has been cancelled and no superseding document has been specified, the last published issue of that document shall apply.
- Q17** **MERCURY FREE**
The use of mercury bearing instruments or equipment is prohibited during the fabrication assembly, testing or any phase of manufacture of any material furnished to Sanders Composites.
- Q18** **RoHS/REACH COMPLIANCE**
All materials and products delivered to Sanders Composites must be in compliance to RoHS and REACH requirements unless authorized in writing otherwise. Information on REACH and RoHS compliance is available on the internet.
- Q19** **FOREIGN OBJECT PREVENTION, DETECTION AND REMOVAL**
The supplier shall assure that work is accomplished in a manner preventing foreign objects or material from entering and remaining in deliverable items.

SECTION 2

- Q001** Quality System Requirements, FAA: The supplier shall meet all requirements of Note Q2 above. ***The supplier shall be certificated as a Part 145 FAA Repair Station.*** The supplier shall maintain a FAA approved Drug & Alcohol plan in accordance with 14 CFR Part 121, Appendices I and J.
- Q002** Quality System Requirements, FAA Approved Drug & Alcohol Plan: The supplier shall meet all requirements of Note Q2 above. The supplier shall maintain a FAA approved Drug & Alcohol plan in accordance with 14 CFR Part 121, Appendices I and J.
- Q003** Quality Systems Requirements, FAA: While this Purchase Order is in effect, the Buyer shall remain directly in charge of the work requested by this Purchase Order. Seller agrees to allow duly authorized aviation safety inspector(s) of any National Aviation Authority (NAA) to have access to its facility during normal business hours for the purpose of inspecting and observing the performance of work under this Purchase Order. A representative of Buyer and Seller may accompany the NAA representative(s) during these inspections. Nothing in this paragraph shall authorize the NAA to make any inspection or observation of Seller unless it is directly related to the specific work being performed under this Purchase Order.
- Q004** Quality Systems Requirements, FAA: Notwithstanding the provisions of Q2C, Seller agrees to allow a duly authorized representative of Buyer to have access to its facility during normal business hours for the purpose of inspecting and observing the performance of work under this Purchase Order. In addition, Buyer shall have access to the premises of Seller upon reasonable notice for the purpose of auditing the quality control system of Seller
- Q005** Source Inspection: Sanders Composites Quality representative will perform inspection/test at supplier's facility prior to each shipment. The supplier shall furnish reasonable access to relative contract, design and specification data, and necessary equipment and space to perform such inspection/test. The supplier must notify Sanders Composites at least 48 hours in advance.
- Q006** Certificate of Conformance, 8130-3: Each shipment shall be accompanied by a properly prepared FAA Form 8130-3.
- Q007** Special processing: Certification of special processing, i.e., plating, chemical film, passivation, anodizing, painting, NDT, welding, heat treating, etc., is required, and must accompany each shipment of parts processed to the requirements of the purchase order/drawing. The certification of compliance must contain the following: specification number of the process performed, any required reportable parameters and actual values, name of the process facility, Sanders Composites Part Number, quantity and date parts were processed, and the signature of authorized representatives of the seller.
- Q008** Test Data - Dimensional: One copy of the supplier's Test or Dimensional Inspection Acceptance Data, identifiable to the material or items supplied, must accompany each shipment. Data is to include sampling plan (when used), specified limits/parameters, actual results/dimensions, and quantity inspected and accepted.
- Q009** Test Data – Material (Physical and Mechanical): A test report must accompany all shipments made against this purchase order. The report must indicate the percentage of each element that makes up the chemical composition and physical and mechanical properties of all raw materials (actual results or ranges, not specification limits). The report shall specifically identify the material by indicating the number of the melt, heat, batch, lot or other similar designations, as well as the applicable specification, revision.
- Q010** Test Data – Material Hardness: Hardness values shall be obtained from a representative sample of the lot for each material. A second verification shall be performed and documented by qualified personnel impartial of the original verification. The verifications may be performed internally or externally.
- Hardness condition specified on print with no further heat treat performed: Verify hardness at the receipt of the raw material.
 - Heat treat performed during manufacture: Verify hardness twice after final heat treatment and prior to shipment.
- Q011** Test Data – Material Hardness (Boeing): Hardness Testing shall be performed in accordance with DPS 1.05 "AC"
- Q012** Approved Special Process Suppliers: Suppliers and sub-tiers who perform special processes as identified on the purchase order must be listed on the Sanders Composites and its customers, when required, Approved Supplier Listing for all special processes being performed.
- Q013** DFARS - PREFERENCE FOR DOMESTIC SPECIALTY METALS: This purchase order incorporates either the contract clause at: DFARS 252.225-7014 Alt. I; or DFARS 252.225-7014 Alt.I (Deviation); or DFARS 252.225-7014 (Deviation No. 2006-O0004); or DFARS 252.225-7014 Alt.I (Deviation No. 2006-O0004); or DFARS 252.225-7014 (Deviation No. 2007-O0011); or DFARS 252.225-7014 Alt.I (Deviation No. 2007-O0011); or DFARS 252.225-7014 (Deviation No. 2008-O0002); or DFARS 252.225-7014 Alt.I (Deviation No. 2008-O0002); whichever is applicable. You must flow down the applicable clause above, to all of your vendors that supply any articles delivered under this purchase order that include specialty metals. All such clauses provide the same definition of specialty metals and prohibit Sanders Composites and all of its suppliers at every tier from incorporating specialty metals into military parts, components and/or end item deliverables unless the

specialty metals have been smelted (the Deviation clauses add "or produced") in the United States, its outlying areas, or a qualifying country listed in DFARS 225.872-1.

Exemptions to requirements of the above clauses may exist, as outlined in the clauses themselves or by operation of applicable Department of Defense Domestic Non-Availability Determinations (DNADs) posted on its public web site for that purpose. If you believe an exemption(s) apply, please specify the specifics and provide Sanders Composites with documents and information sufficient to demonstrate your entitlement thereto. "Made in U.S.A." statements on material certifications must also contain the verbage "DFARS Compliant", e.g. "Made in U.S.A. – DFARS Compliant"

- Q014** **Digital Product Definition / Model Based Definition (DPD/MBD):** Supplier is required to be certified as a Boeing DPD/MBD Supplier. The Supplier will be required to respond to an SCI DPD/MBD Survey and annual audits to maintain status as a qualified Sanders Composites DPD/MBD Supplier.
- Q015** **ITAR/EAR** – The supplier shall comply with the regulatory requirements provided in the International Trade In Arms Regulation and Export Administration Regulation
- Q016** **Material Safety Data Sheets (MSDS)** – The supplier of material shall submit a current Material Safety Data Sheet with the shipment for the materials supplied.
- Q017** **Government/Buyer Owned Property** – The supplier is required to comply with the Accountability Requirements for Government/Buyer Owned property in accordance with Boeing IDS Terms and Condition Clause Number E000.
- Q018** **Boeing Special Tooling (ST)** – The supplier is required to comply with Boeing BDS Seller Special Tooling Requirements Specification D950-11059-1.
- Q019** **Temperature Control during Transportation** – Materials with storage temperature requirements shall be maintained at the specified temperatures during transportation from the supplier until receipt at Sanders Composites, Inc. to preserve and maintain shelf life/working life. Evidence of temperature controls will be provided by the temperature recorder.
- Q020** **Temperature Control** – The material shall be maintained at not higher than 0 degrees F.
- Q021** **Temperature Control** – The material shall be maintained at not higher than 10 degrees F.
- Q022** **Temperature Control** – The material shall be maintained at not higher than 40 degrees F.
- Q023** **Spaceflight Fastener Requirements** – NASA-STD-6008
Seller shall assure all Spaceflight fasteners provided to Buyer under this purchase contract meet the requirements of NASA-STD-6008. Seller shall send Buyer's Authorized Representative a signed or stamped certification stating that delivered Spaceflight fasteners (installed and/or uninstalled) under this purchase contract comply with the stated requirements of NASA-STD-6008.
- Q024** **Nondestructive Test (NDT) Certification**
A Certificate shall be included that lists the NDT performed and must include the Inspector's signature and NDT certification level.
- Q025** **Honeywell SPOC**
1.2.1 Subcontracting Policy -Honeywell suppliers shall ensure flow down to, and compliance with, all applicable Purchase Order and Engineering requirements to their sub-tier suppliers, including approved Special Process providers. For Honeywell designed hardware, Supplier/subcontractor Purchase Orders to special processing providers must contain the following as a minimum:
- Reference to the applicable Honeywell CAGE Code, or request for material.
 - Applicable SPOC number(s).
 - Honeywell part number and nomenclature of subject part.
 - Special Processes to be performed and the applicable specification(s), revision letter(s) including the type, class, or methods and testing that are required by drawing or specification.
 - Any special drawing instructions/notes, as applicable; such as approved Materials Engineering Supplier Agreement, inspection class, inspection grade and inspection acceptance requirements, MOT's, MBP's, or special handling requirements not otherwise stated, etc.
 - Fixed / Frozen process revision level and approval date. If not provided on the Honeywell purchase order, contact the Honeywell buyer for proper information to flow down.
- Approved subcontractors: Approved contractors must be used at all times. If further subcontracting is required then it must also be to HAY approved sources on HAY designed products. Parts Manufacture Approval (PMA): HAY will not accept the supply or use of PMA components or assemblies. In the cases where the original equipment manufacturer (OEM), which is the design authority, has obtained PMA approvals for his own equipment, this will only be accepted after clearance by HAY quality. All requests by suppliers for release of PMA parts, in the first instance, must be made to the HAY Procurement Department prior to delivery.

Revision History – Sanders Composites, Inc. Purchase Order Procurement Clauses QA25

Revision	Date	Initiator	Description of Change
A	09/18/2012	W. Lowrie	Initiate Revision History page. Revise Q15 – DFARS. Require “Made in USA” statements on certifications to also include “DFARS Compliant”
B	10/10/2012	W. Lowrie	Add Q25 – requirement for the supplier to be on the Sanders Composites Qualified Suppliers List (QSL).
C	10/25/2012	W. Lowrie	Add Q26 – Supplier must be approved in the controlling material or process specification(s)
D	10/26/2012	W. Lowrie	Add Q10D – requires 100% of Working Life be remaining upon receipt.
E	12/7/2012	W. Lowrie	Add Q27, Q28, Q29, Q30, and Q31.
F	1/7/2013	W. Lowrie	Add Q32, Q33, and Q34 (material temperature control requirements)
G	11/13/2013	W. Lowrie	Add clause Q2G – ASQR-01 UTAS Supplier Quality System requirements apply.
H	06/13/2014	W. Lowrie	Add sentence to QA5 – FAI reports will be provided to SCI at no cost.
I			Purposely skipped
J	03/03/2015	W. Lowrie	Add clause Q35 – Conflict Minerals
K	11/24/2015	P. Willoughby	Add Boeing Huntington Beach Clauses QXX - QXX
L	06/09/2016	P. Willoughby	Add Q35, Q26, Q37, Q38
M	09/22/2016	A. Lupercio	Reformatted to align with current practices. Restructured for clarity.
N	11/13/2016	A. Lupercio	Added QA025 - Honeywell SPOC section 1.2.1.