

SUPPLIER PURCHASE ORDER QUALITY REQUIREMENTS

SQR COMMODITY GROUP 1: RAW MATERIALS (FERROUS & NON-FERROUS MATERIALS)	
SQR COMMODITY GROUP 2: CHEMICAL PROCESSING-PLATINGS-COATINGS, SHOT PEEN	
SQR COMMODITY GROUP 3: HEAT TREATMENT / THERMAL PROCESSING	
SQR COMMODITY GROUP 4: HARDWARE, FASTENERS, ATTACHMENTS, DEVICES	
SQR COMMODITY GROUP 5: MACHINING, BENCH-DEBURR, GRINDING, HONING, FORMING, C&S	
SQR COMMODITY GROUP 6: TESTING DESTRUCTIVE & NON-DESTRUCTIVE	
SQR COMMODITY GROUP 7: ADHESIVES, SEALANTS, FILMS, LUBRICANTS, LIMITED SHELF LIFE MATERIALS	
SQR COMMODITY GROUP 8: CALIBRATION	
SQR COMMODITY GROUP 9: ASSEMBLY	
COMMODITY GROUP #	APPLICABLE SUPPLIER QUALITY REQUIREMENT
1, 2, 3, 4, 5, 6, 7, 8, 9	1. RIGHT OF ENTRY: <i>Verus Aerospace, ASA Operations</i> , its customers, statutory and regulatory agencies will have the right to enter the supplier facilities to inspect or witness activities performed during the execution of purchase order to ensure compliance to all specifications, requirements, terms and conditions.
1, 2, 3, 4, 5, 6, 7, 8, 9	2. ACCEPTANCE: acceptance of this order or the initiating of any process, furnishing of any product or the acceptance of Payment constitutes unconditional acceptance by the supplier/subcontractor.
1, 2, 3, 4, 5, 6, 7, 8, 9	3. AMENDMENTS: purchase order amendments shall be set forth in writing via purchase order change notice and/or revised purchase order issued to the affected supplier/subcontractor. <i>Verus Aerospace, ASA Operations</i> will only consider requests for modifications or objections to purchase order terms & conditions when submitted in writing prior to the acceptance of purchase order by supplier. Supplier Quality Requirements (SQRs) are non-negotiable.
1, 2, 3, 4, 5, 6, 7, 8, 9	4. NONCONFORMANCES: Supplier will notify within 24 hours of any / all nonconformance(s) identified or suspected. Nonconforming parts / products shall be conspicuously identified and segregated ensuring nonconforming parts / products are contained.
1, 2, 3, 4, 5, 6, 7, 8, 9	5. STATUTORY & REGULATORY REQUIREMENTS: Supplier/subcontractor shall comply with all state and federal agency requirements (FAA, OSHA, DFEH, EAR, ITAR, etc.).
1, 2, 3, 4, 5, 6, 7, 8, 9	6. QUALIFICATION OF PERSONNEL: Personnel conducting or performing processes affecting product/service quality as stated per purchase order requirements shall be trained, qualified and determined competent by the supplier/subcontractor. Evidence of qualifications shall be made available on request. For Purchase Orders identified as "For UTAS End Use" only: Unless otherwise specified, procedures shall be implemented to ensure that eye examinations, including visual acuity and color vision, as applicable, are administered by a medically qualified / trained person to all individuals performing visual inspection, other product acceptance activities and/or M&TE calibration that require visual acuity. <ul style="list-style-type: none"> • Intervals shall not exceed one year. • Individuals shall be tested in at least one eye, either corrected or uncorrected. • Color Perception testing is required one time only. Individuals shall be capable of adequately distinguishing and differentiating colors used in the method for which certification is required, the process being performed or inspection activity. • Records shall be retained for each individual.
1, 2, 3, 4, 5, 6, 7, 8, 9	7. CHANGES: Supplier/subcontractor shall not deviate from purchase order specifications and requirements. Supplier/subcontractor shall not make changes to any process/procedure affecting product quality with the prior consent and written approval from <i>Verus Aerospace, ASA Operations</i> .
1, 2, 3, 4, 5, 6, 7, 8, 9	8. OUTSOURCING: Supplier will not outsource or transfer any processes, services or materials without the consent and written authorization from <i>Verus Aerospace, ASA Operations</i> . All purchase order specifications, quality requirements and special requirements will be strictly adhered to.
1, 2, 3, 4, 5, 6, 7, 9	9. DATA / INFORMATION: Product configuration data is proprietary customer information. Supplier/subcontractor will safeguard and control all furnished product configuration data during the execution of this purchase order. All customer product configuration data supplied by <i>Verus Aerospace, ASA Operations</i> will be returned by the supplier/subcontractor upon completion of the purchase order requirements and shipment of the completed order to <i>Verus Aerospace, ASA Operations</i> . This includes and not limited to blueprints, drawings, Mylars, electronic data, product specifications, etc. flowed down to the supplier by <i>Verus Aerospace, ASA Operations</i> . Supplier to work to latest customer information or as specifically called out on purchase order. Supplier to reference Verus Specification Listing for current customer document revisions.
1, 2, 3, 4, 5, 6, 9	10. PROCESS APPROVALS: During the execution of this PO, the supplier shall maintain NADCAP and / or end Customer Approval for the following special processes as applicable; Heat Treat, Shot Peen, NDT, and Chemical Processing. Supplier will immediately issue notification upon suspension / withdrawal of NADCAP and / or end Customer approval.
2, 3, 4, 5, 6, 8, 9	11. SERIALIZATION: Supplier shall maintain, without exception, serialization and traceability of products / parts while in supplier's possession. Serialization of products / parts shall be maintained throughout execution of purchase order requirements. Supplier shall immediately notify <i>Verus Aerospace, ASA Operations</i> upon discovery or suspicion of serialization and traceability maintenance failures. Note: For small-scale products/materials (example: brackets, nuts, and bolts) without individual serialization, traceability shall be maintained through batch identifications. Batch identification shall include at minimum a part number, material type, job number, and quantity.
1, 2, 3, 4, 5, 7, 8, 9	12. PACKING, PROTECTION, and FOD: Supplier shall protect and safeguard products from damage, Foreign Object Debris, and environmental exposure. Packaging and delivery methods shall be done in such manner as to protect products from handling, processing, and shipment damages. Product Safety should be maintained during all processes.

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1, 3, 5, 6, 9	13. TOOLING: <i>Verus Aerospace, ASA Operations</i> furnished tooling shall be maintained, protected from harm and damage, maintained in proper working condition.
1, 2, 3, 4, 5, 6, 7, 8, 9	14. CALIBRATION: Supplier/subcontractor shall meet and maintain a Calibration System in compliance with calibration system requirements of ISO 9001:2008, AS9100C, ISO 17025:2005, ISO 10012 or ANSI Z540.3 as applicable.
1, 2, 3, 4, 5, 7, 9	15. FIRST ARTICLE INSPECTION: When identified on the body of the PO (FAI Required), an AS9102 compliant Inspection Report must be completed upon presenting 1st Article part, including an authorized Inspection Stamp <i>Verus Aerospace, ASA Operations</i> .
1, 2, 3, 4, 5, 6, 7, 8, 9	16. C of C: Certificate of Conformance required with the following: <ul style="list-style-type: none"> • Quantity of shipment • Material Description, Alloy, Type, Grade or Condition, and Specification • Processes performed with applicable Specifications #, Title & Revisions • Processors location along with each Certification.

COMMODITY GROUP #	APPLICABLE SUPPLIER QUALITY REQUIREMENT
1, 3, 4, 5	17. HEAT TREATMENT: Heat treating processor must furnish Certification listing the following: <ul style="list-style-type: none"> • Quantity Accepted and Rejected, • Material Description, Alloy, Type, Grade or Condition, • Actual Elevated Temperatures and Times, • NADCAP Registration Number of Heat Treat Processor and of Testing Facility, • Applicable Specification #, Title and its latest revision (Reference: Arden Engineering's monthly specification revision sheet).
1, 4, 5	18. RAW MATERIAL: Certification shall include the following: <ul style="list-style-type: none"> • Quantity and sizes • Grain directions, when required • Material Description, Alloy, Type, Grade or Condition, • Original Mill Producer including any applicable Heat Lot Numbers, • Actual Physical and Chemical Test results, • Material Specification #, Title and its latest revision (Reference <i>Verus Aerospace, ASA Operations</i> monthly specification revision sheet). • For Military Programs ONLY - Original Mill Producer must be of a Domestic source - unless otherwise listed on the material APL. Any specialty metals under this contract shall be melted in the United States, outlying areas or qualifying countries less certain exceptions as defined in DFARS clause 252.225-7009. This provision includes any subcontractors. <p>Note: Material distributors are prohibited from sawing the (ST) thickness dimension to the final size. Product must be rolled, extruded, forged etc. as outlined in the applicable purchased material specification</p>
1, 2, 3, 4, 5, 6, 7, 9	19. SUBSTITUTIONS: Substitution of any material, hardware, special processing materials is strictly prohibited . Verus Aerospace, ASA Operations shall inform supplier of any permissible substitutions only after receiving documented customer approval. The requirements of BDS Terms & Condition Clause H900, Section A para 26/D607 shall apply to all material purchased for Boeing Defense, Space & Security programs. Certification must state the following: "Material meets all requirements of BDS Terms and Conditions Clause H900 Section A para 26/D607" Material suppliers shall not supply any other material other than that called out on this purchase order. Purchase Order must be negotiated and revised for any Automatic Substitutions.
1, 2, 3, 4, 5, 6, 7, 9	20. CONTROL of DIGITAL DATA: Suppliers utilizing Digital Data must comply with the requirements of Boeing specification D6-51991 QUALITY ASSURANCE STANDARDS FOR DIGITAL PRODUCT DEFINITION AT BOEING SUPPLIERS.
1, 3, 5, 9	21. BDS SPECIAL TOOLING: Supplier shall not perform any special tooling fabrication, rework, or repair without Verus Aerospace, ASA Operations approval in accordance with Boeing BDS D950-11059-1 requirements.
1, 2, 3, 4, 5, 6, 7, 8, 9	22. CONTROL of RECORDS: Supplier is responsible in maintaining Records (Certifications, Calibration, Traveler, Testing Results, Furnace Charts etc.) pertaining to this Purchase Order for a minimum of (10) years. Records of Fracture Critical parts per 2ZZP00006 will be maintained for a minimum of (30) years. Original Records shall be available to Customer, <i>Verus Aerospace, ASA Operations</i> and any Regulatory Agency.
1, 2, 3, 4, 5, 6, 7, 9	23. COUNTERFIT PART PROGRAM: Suppliers 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 <i>Verus Aerospace, ASA Operations</i> and shall apply to all purchases. Counterfeit part prevention processes should consider: <ul style="list-style-type: none"> • training of appropriate persons in the awareness and prevention of counterfeit parts; • application of a parts obsolescence monitoring program; • controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources; • requirements for assuring traceability of parts and components to their original or authorized manufacturers; • verification and test methodologies to detect counterfeit parts; • monitoring of counterfeit parts reporting from external sources; • quarantine and reporting of suspect or detected counterfeit parts. <p>For Purchase Orders identified as "For UTAS End Use" only: Supplier shall prevent and mitigate the use of counterfeit parts. Supplier shall comply with the requirements of AS5553 for electronic components and AS6174 for non-electronic product. Supplier shall request and obtain approval from Member using ASQR-01 Form 3 prior to the use of shipment of material with broken traceability or material provided from a non-authorized supplier.</p>

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1, 2, 3, 4, 5, 6, 7, 8, 9	<p>24. INSPECTION SYSTEM REQUIREMENTS: <i>Verus Aerospace, ASA Operations</i> has the right to survey the Seller to assure the Seller maintains an inspection system containing at a minimum:</p> <ul style="list-style-type: none"> • Receiving Inspection • In-Process Inspection • Final Inspection • Calibration System • Non-Conformance Control System
1, 2, 3, 4, 5, 6, 7, 9	<p>25. ITAR REQUIREMENTS: THE PRODUCTS AND ALL APPLICABLE INFORMATION FURNISHED TO YOU FOR THE EXECUTION OF THIS ORDER ARE CONTROLLED BY THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) 22 C.F.R CHAPTER I, SUBCHAPTER M PARTS 120-130. THROUGHOUT THE EXECUTION OF THIS ORDER YOU THE SUPPLIER ARE REQUIRED TO COMPLY WITH AND ADHERE TO THE FOLLOWING:</p> <ol style="list-style-type: none"> 1) SUPPLIER will control all information, technical data and product(s) furnished by <i>Verus Aerospace, ASA Operations</i>. Safeguard and protect from theft and unauthorized usage & viewing. 2) SUPPLIER will not transfer or remove technical data and product(s) from the facilities for any reason without approval from <i>Verus Aerospace, ASA Operations</i>. 3) SUPPLIER will not create copies of technical data and product information furnished. 4) Upon completion of this order SUPPLIER will return all products, information and technical data furnished. 5) SUPPLIER will ensure that all person(s) with access to furnished product(s), technical data and product information are U.S. person(s) as defined in the ITAR under Part 120 section 120.15. 6) SUPPLIER will ensure that all affected person(s) within their organization are aware of and understand the ITAR requirements for the execution of this order. 7) SUPPLIER will immediately notify <i>Verus Aerospace, ASA Operations</i> of any occurrence, actions or incidents that may or have compromised the security and protection of products, information and technical data furnished. 8) Should the SUPPLIER become unable to comply with the requirements of the ITAR, all work will be stopped and <i>Verus Aerospace, ASA Operations</i> will be immediately notified. Product(s), information and technical data furnished will be quarantined and safeguarded. 9) SUPPLIER is required to comply with all statutory and regulatory requirements.

1, 2, 3, 4, 5, 6, 7	<p>Refer to the following sections from the ITAR for definitions of the following as established by the U.S. Department of State Directorate of Defense Trade Controls (DDTC):</p> <ul style="list-style-type: none"> • 120.10 Technical Data • 120.11 Public Domain • 120.14 Person • 120.15 U.S. Person • 120.16 Foreign Person • 120.17 Export • 120.18 Temporary Import • 120.27 U.S. Criminal Statutes • 121.1 United States Munitions List • 121.8 (a) End Items, (b) Components, (c) Accessories, Attachments, (d) Part • 121.10 Forgings, Castings and Machined Bodies <p>The U.S. Department of State Directorate of Defense Trade Controls (DDTC) has the authority for enforcement of the ITAR.</p>
1, 2, 3, 4, 5, 6, 7, 8, 9	<p>26. SPECIAL REQUIREMENTS: Quality requirements assigned and identified in the body of the PO unique to this commodity, process or product not otherwise stated within this document.</p>
1, 2, 3, 4, 5, 6, 7, 8, 9	<p>27. APPLICATION of ACCEPTANCE AUTHORITY MEDIA: Seller shall comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of Acceptance Authority Media (AAM) requirements. Seller shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS). Seller shall, upon Verus Aerospace request, be able to demonstrate evidence of communication to its employees and to its supply chain; use of AAM must be considered as a personal warranty of compliance and conformity. The areas of focus of internal and supply chain assessment shall include but are not limited to:</p> <ul style="list-style-type: none"> • 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.)
1, 2, 3, 4, 5, 6, 7, 8, 9	<p>28. CODE OF BUSINESS CONDUCT AND ETHICS: When interacting with our organization, seller shall conduct business with the intent of communicating clearly, respectfully and professionally. We do not support or condone preparing false records under any circumstances. We do</p>

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	<p>not support violation of antitrust laws, bribery or anti-corruption laws, violation of International Trade Compliance, anti-boycott or FCPA regulations.</p> <p>Gifts Policy: We do not offer or accept anything designed to obligate a person to act improperly with regard to our business, do not offer or accept cash gifts, do not participate in any business entertainment activity that would violate the law, do not provide anything of value to Government officials, do not seek favors directly or indirectly from organizations doing business or seeking to do business with us.</p>
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<p>Quality Management Approval</p>	<p>SHANNON MANDEVILLE</p>
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