

The following Purchase Order Quality Clauses shall apply to all Goods furnished by Supplier to Perfekta, Inc (hereinafter referred to as "Perfekta"). Updates to these Quality Clauses shall become applicable upon notice to Supplier of such updates:

**A) Right of Entry** – Perfekta, the Perfekta customer, the customers' customer and regulatory agencies shall be allowed the Right of entry to determine and verify the quality of work, records and material at any place, including the plant of the subcontractor.

**B) Quality Standards Requirements Flow down** – Subcontractors shall have a quality and calibration systems meeting one of the following requirements as applicable: AS91xx, D6/82479 Addendum 1, and/or AC7004. A subcontractor evaluation form (PF-0023) must be on file at Perfekta, prior to acceptance of product. Perfekta reserves the right to approve subcontractors based on requirements and resources. If after initial evaluation (form PF-0023) and approval of subcontractors by Perfekta, the subcontractors quality system and/or calibration system fall below the as applicable requirements of AS9100, D6/82479 Addendum 1, and/or AC7004, the subcontractor must notify Perfekta in writing before processing or shipping any product to Perfekta. Supplier shall flow down to all subsequent sub tier suppliers all applicable requirements included in Perfekta's purchase order, including key characteristics where required.

- 1) All sub-tier suppliers shall flow down the requirements of AS9100, Section 8.4.3.m to their sub-tier suppliers, e.g., their contribution to product or service conformity, product safety, and the importance of ethical behavior.
- 2) **Revocation of Quality Management System Certification** – Suppliers are required to communicate to Perfekta's purchasing agent and/or quality manager any change in certification status that results in revocation of their quality management system certification. This communication is required to be performed within 24 hours (Monday through Thursday) or 72 hours (Friday through Sunday) depending on the date of the revocation.

**C) Quality Records** – Suppliers shall maintain quality records, including traceability throughout all stages of manufacturing for a minimum of (10) years. Those records must remain readily retrievable upon request by Perfekta. No quality records shall be destroyed without the written consent of Perfekta Quality.

**D) Material Suppliers** – Material supplied against this contract must be purchased from approved sources of the end item users (Perfekta's customer).

**E) Materials Receiving Inspection** – Seller certifies that he has performed receiving inspection on purchased materials to ensure compliance with all drawings and specifications, and has test reports and/or raw material certifications on file available for review upon request.

**F) Specification Revisions**

**1) Non-Special Process Specification Revisions** - The product being manufactured and/or service being performed must be completed using the following order of precedence: 1) Purchase Order, 2) Engineering Drawing as provided 3) The latest revision. At no time shall any other revisions be used without the express, written permission of an authorized representative of Perfekta.

**2) Special Process Specification Revisions** – For Special Processes, refer to document PF-0073 for the process revision to be used. PF-0073 can be accessed at our website [www.perfekta-inc.com/supplychain.htm](http://www.perfekta-inc.com/supplychain.htm).

**G) Approved Processing Sources** – Subcontractors shall use only end item customer approved processing source.

**H) Manufacturing Routings** – Seller certifies that shop travelers/manufacturing work orders will reflect and indicate work requirements, including non-destructive inspection, as evidence by the supplier's quality assurance signature or acceptance stamp, and are on file available for review upon request.

**I) Control of Non-Conforming Product** – Supplier will notify Perfekta within 24 hours of any / all nonconformance(s) identified or suspected. Non-conforming products will be segregated, tagged and returned to Perfekta along with completed (Seller's) internal non-conformance report. Documented cause and corrective action is required for each non-conformance.

**J) Handling, Packaging, Preservation and Delivery** – The subcontractor shall use appropriate methods of handling, packaging and preservation to prevent damage of product in process and during delivery. Packaging shall be inspected prior to use for signs of deterioration e.g., protruding nails and screws, split wood, splitting seams etc . . . Additionally, as in accordance with Para X containers shall be inspected for FOD and all debris shall be removed.

**K) Evidence of Inspection** – A qualified representative of the supplier's quality department shall sign and document acceptance status for each shipment as evidence of 100% inspection. Sampling inspection shall not be performed without prior written approval from Perfekta and our customer.

**K1) Acceptance Authority Media (AAM)** - Refers to any documentation, impression stamps both electronic and physical (including hybrid Biometrics/Fingerprints), signatures or initials, passwords, and any other acceptance authority media recognized by the Quality Management System that is used to validate, verify, approve and/or certify acceptance of product(s) and/or process(es) that have been provided to any of Perfekta's customers or 3<sup>rd</sup> party registration entities, and to comply with regulatory and/or statutory requirements as published by industry, local/state/federal and/or international government(s).

Application of any Acceptance Authority Media (AAM) is a personal warranty by the individual applying the AAM that the product and/or service was provided and/or performed to the specified requirements.

**L) First Article Requirements** – A completed First Article Inspection Form per AS9102 (Perfekta form PF-0030 or equivalent) shall be provided with the first shipment as evidence of 100% inspection of one of each part from the first shipment. Suppliers with contracts that

have been novated or assigned to Perfekta by their customer shall provide a copy of the first article report matching the current configuration.

**M) Certificate of Compliance (C of C) & Product Documentation/Certifications**– Seller shall certify that all parts which are supplied conform to drawing and purchase order requirements, applicable specifications, finishes, dimensions, etc. and records are on file subject to examination by Perfekta. A Certificate of Compliance shall accompany each shipment and shall reflect all information necessary to identify the product, quantity, current revisions, mill source and any services or processes you have performed. For finish operations the Seller shall report on the Certificate of Conformance the actual thickness of any organic coatings e.g. Prime and Top Coat in addition to or in conjunction with specification requirements. Also, Each material and process specification as called out on the drawing or PO must be specifically documented on the C of C. The C of C must be signed by an authorized representative of the Seller. All documentation received must be legible.

**N) Test Reports** – The original mill or foundry chemical and mechanical test reports for material used in fulfilling this order must be maintained for a period of ten (10) years. The heat lot number of each test report must be traceable to the material. Any reprocessed raw material must be traceable to the original mill test report and must include objective evidence of compliance (e.g., mechanical tests) to the materials reprocessed condition. Copies of the test reports must be submitted with each shipment. When Perfekta provides material, the supplier must ensure that a statement is included on the shipment certification and/or shipper identifying “Perfekta Supplied Material”. All documents must be 100% legible.

**O) Traceability / Lot Shipment Requirements** – Lots may not be commingled. Shipments may consist of no more than two (2) manufacturers lots for each part number included in an order. No quantity of a single manufacturer’s lot may consist of less than 20 percent of the total quantity per shipment unless otherwise specified on the purchase order. The Seller shall maintain a method of commodity and item level traceability that ensures tracking of the supply chain back to the manufacturer of all materiel being delivered per this order. This traceability method shall clearly identify the name and location of all of the supply chain intermediaries from the manufacturer to the direct source of the materiel for the Seller and shall include the manufacturer’s commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers, or batch identifications.

- A production lot shall consist of parts that are all the same configuration fabricated under the same conditions, from the same material, processed (including heat treat) together and produced as one continuous run.

- A casting, forging, machined part or sampling lot consists of the same part number, of one alloy, produced using the same processing parameters (including heat treat) and contains a homogeneous heat pour, or same basic material.

- A plating lot (cadmium, anodize, chemical milling, etc.) shall consist of treated articles on the same order, treated under the same conditions, from the same chemical composition, from the same tank.

- A coating lot (paint, dry film lube, etc.) shall be processed as one batch, on the same part, on the same order. A batch is defined as the end product of all of the raw materials mixed or blended in a single or continuous operation.

**P) Product Verification** –Verification by Perfekta shall not absolve the Seller of the responsibility to provide acceptable product, nor shall it preclude subsequent rejections by Perfekta. In the event that a supplier non-conformance becomes evident by Buyer or any subsequent Customer, the Seller will retain liability for the non-conformance and will be obligated to pay for all direct and indirect costs associated with the non-conformance. The Parties acknowledge that the nature and actual amount of costs associated with a non-conformance are uncertain and difficult to calculate. Therefore, Perfekta may choose, in its sole discretion and/or as a pass through from Perfekta’s customer, to require Seller to pay Perfekta liquidated damages. The parties further acknowledge that such payments are not intended as a penalty, but are, in lieu of the actual damages measured by such costs

**Q) Shelf Life** – When services from the supplier include using materials with a limited shelf life, the supplier shall include the expiration date of the materials used and batch identification on the required certifications.

**R) Control of Perfekta Property** - Seller shall ensure control of Perfekta property, which includes storage, safeguard and recovery, which includes, but is not limited to Tooling, Mylar, NC Programs, Drawings and Perfekta Aids.

**S) Configuration Control** – Seller shall ensure configuration control and conform to the requirements of W.I. 10.016 “Perfekta Digital Product Definition Method” when using digital datasets.

**T) Tool Calibration Requirements** – Items for calibration shall be calibrated per ANSI/NCSL Z540-1.

**U) Counterfeit Materiel** – Seller shall have a counterfeit parts plan per AS6174. Seller’s plan shall ensure that only new and authentic materials are used in materiel delivered to Buyer. The Seller may only purchase materiel directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers. Use of materiel that was not provided by these sources is not authorized unless first approved in writing by Buyer. The Seller must present compelling support for its request (e.g., original manufacturer documentation that authenticates traceability of the materiel to the original manufacturer), and include in its request all actions to ensure the materiel thus procured is authentic and conforming.

If suspect/counterfeit materiel is furnished under this purchase agreement, such items shall be impounded. The Seller shall promptly replace such items with items acceptable to the Buyer and the Seller may be liable for all costs relating to impoundment, removal, and replacement. Buyer may turn such items over to Authority Having Jurisdiction for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation. Any known instances of fraud or attempted fraud shall be documented in writing to Buyer.

**V) Penalties Associated With Fraud** – This purchase order and activities hereunder are within the jurisdiction of the Government. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in

connection with the performance of work under this purchase order may be punishable in accordance with applicable legal statutes. Seller employees engaged in the performance of work under this purchase order shall be informed in writing prior to performance of work that there is risk of criminal penalties associated with any falsification, concealment, or misrepresentation in connection with the work performed under this purchase order.

Seller shall include the following statement preprinted on each Certificate of Conformance initiated by the Seller and provided to the Buyer in conjunction with this purchase order:

NOTE: The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a crime under Government statute.

Seller shall include all provisions of this contract clause, including this sentence, in all lower tier contracts under this order. Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to Buyer.

**W) Certificate of Conformance and Traceability (CoC/T) (U.S. Department of Defense Contracts)** – This clause is applicable to all contracts for Qualified Products List (QPL) or Qualified Manufacturers List (QML) Controlled Materiel. This clause applies regardless of the point of inspection designated in the contract award. This clause applies both to contracts awarded directly to a manufacturer listed on the applicable QAPL/QML and to its suppliers (e.g., distributors) not listed as approved manufacturers on the applicable QPL/QML.

The materiel supplied must be in strict conformance to the requirements set forth and/or referenced in the item description, including applicable revisions and slash sheets. To ensure this conformance, the contractor must provide a Certificate of Conformance and Traceability (CoC/T) with the information and documentation required by the applicable specification. This documentation must reference the contract number and include a certification signed by the approved QPL/QML manufacturer. In addition, if the materiel is not procured directly from the approved manufacturer, all additional documentation required by the specification must be provided to establish traceability from the QPL/QML manufacturer through delivery to the Government. The CoC/T is required to determine acceptability of the supplies. If the CoC/T is not provided, it is incomplete or otherwise unacceptable, the supplies will be determined not to meet contract requirements and will be rejected.

If the contract requires inspection and acceptance at origin, the contractor shall furnish the original and two copies of the CoC/T to the Government Quality Assurance Representative (QAR) with the items offered for acceptance. The CoC/T must clearly reference the applicable contract number. The contractor shall submit one signed copy to the contracting officer. The second copy shall be retained by the QAR. The original shall be maintained by the contractor.

If the contract requires inspection and acceptance at destination, the contractor shall mail one copy of the CoC/T to the contracting officer upon shipment/delivery. The CoC/T must clearly reference the applicable contract number.

**X) Foreign Object Debris/Damage (FOD) Prevention** - Seller shall maintain a FOD prevention program in accordance with National Aerospace Standard NAS-412, Foreign Object Damage/Foreign Object Debris (FOD) Prevention.

Whenever and/or wherever FOD entrapment or foreign objects can migrate, Seller shall ensure that applicable Quality requirements are flowed down to Seller's subcontractors at every tier.

Prior to closing inaccessible or obscured areas and compartments during assembly, Seller shall inspect for foreign objects/materials and ensure no FOD barriers remain embedded, e.g. embedded protective plugs. Seller shall ensure tooling, jigs, fixtures, and test or handling equipment are maintained in a state of cleanliness and repair sufficient to prevent FOD. By delivering Items to Buyer, Seller shall be deemed to have certified to Buyer that such Items are free from any foreign materials that could result in FOD.

**Y) This clause removed at revision M, 11/12/2015**

**Z) Flow down of End Item Customer Quality Requirements** - The current release of following quality documents is required to be adhered to based on the end item customer identified on the Perfekta purchase order.

Company: **Gulfstream Aerospace Corporation**  
Quality Document: **SQAR-9100 (Supplier Quality Assurance Requirements Under an AS9100 Quality System)**  
Location: **Contact your Perfekta Purchasing Agent for a current copy**

Company: **Lockheed Martin Aerospace Corporation**  
Quality Document: **Appendix QX (Supplier Quality Requirements)**  
Location: **<http://www.lockheedmartin.com/us/aeronautics/materialmanagement/scm-quality.html>**

Company: **Northrop Grumman Corporation**  
Quality Documents: **SQAR (Supplier Quality Assurance Requirements)  
SQAR Supplement for the F-35 Lightning Program**  
Location: **<http://www.northropgrumman.com/suppliers/Pages/ASQualityDocs.aspx>**

Company: **Boeing**  
Seller Requirement: **Seller hereby acknowledges that the parts and/or materials being shipped under this order are intended for use under Boeing's Federal Aviation Administration (FAA) issued Production Certificate 700 and no articles (or constituent parts thereof) or the accompanying paperwork (e.g., packages, shippers, etc.) contain any Federal Aviation Administration- Parts Manufacturer Approval (FAA-PMA) markings. Suppliers utilizing Digital Data must comply with the requirement of Boeing specification D6-51991 Quality Assurance Standards for Digital**

**Product Definition at Boeing Suppliers. Supplier shall not perform any special tooling fabrication, rework, or repair without Perfekta Aerospace approval in accordance with Boeing BDS D950-11059-1 requirements.**  
Location [https://www.boeing.com/supplier/D6-51991\\_REV\\_N.pdf](https://www.boeing.com/supplier/D6-51991_REV_N.pdf)

**Special Purchase Order Quality Clauses**

The following Quality Clauses apply if specifically referred to in the notes of the Purchase Order.

**SA) Source Inspection** – If specified on the purchase order, Perfekta source inspection is required prior to shipment from your facility. Upon request, seller shall provide personnel and equipment to assist buyer's representative during inspection of items. On site product acceptance by Perfekta and/or customer personnel does not absolve the seller of the responsibility to provide an acceptable product, nor shall it preclude subsequent rejections by Perfekta.

**SB) Key Characteristics** – Seller shall inspect all key characteristics referenced on purchase order or print.