

## SUPPLIER QUALITY TERMS FOR PURCHASE ORDERS

- 1. Flow-Down of Requirements:** The supplier shall flow down to sub-tier suppliers the applicable requirements in this Purchase Order/Contract, including key characteristics where required. The supplier is responsible for control/conformance of all items procured from sub-tier supplier to the applicable requirements of the Purchase Order/Contract, accompanying documentation, drawings and specifications.
- 2. Right of Access:** The Supplier and their sub-tier suppliers shall provide right of entry/access and reasonable support for LUMINARY AIR GROUP, LUMINARY AIR GROUP's Customer, the Government, or their representatives for these activities: inspection, surveillance to verify conformance requirements of the contract, witness of the suppliers performance of acceptance inspection and tests, the review of acceptance inspection and test data, and control of materials and processes.
- 3. Notification of Changes:** The Supplier shall notify LUMINARY AIR GROUP of any intended design, material, drawing, process, or procedure changes or relocation of facilities prior to implementation/shipment of product.
- 4. Special Processes:** The Supplier shall gain approval from LUMINARY AIR GROUP for any special process sources before work begins. The Supplier shall maintain control and approval of all manufacturing (such as welding, machining, soldering, plating, casting, forging, painting, etc.) and inspection processes used in the performance of this order. The Supplier shall maintain objective evidence of process qualification in accordance with applicable specifications. The approval status may be subject to review by LUMINARY AIR GROUP.
- 5. Workmanship:** All items must conform to workmanship requirements as specified on applicable drawings and specifications. If no revision is specified, the most current revision is applicable. If no workmanship is specified, the items shall be fabricated and finished to normal industry acceptance standards. It is the responsibility of the supplier to verify that they are working to, and providing parts to the latest specification or drawing revision unless otherwise specified on our Purchase Order. For "Government, Military, or OEM Specifications" and "Standards" canceled or superseded, one must use the current revision of the replacement document as stated on the superseded or cancelled specification, (unless a specific revision is required by our Purchase Order). Products produced or altered to imitate or resemble a product without the authority or right to do so will be considered as counterfeit and deemed unacceptable.
- 6. Product Nonconformance:** Items that do not conform to the requirements of this contract shall not be shipped to LUMINARY AIR GROUP without prior written approval of LUMINARY AIR GROUP Quality Assurance. Failure to comply may result in return of the shipment at the Supplier's expense. Any material supplied under this Purchase Order/Contract which is returned LUMINARY AIR GROUP because of a nonconformance and is subsequently resubmitted by the Supplier to LUMINARY AIR GROUP shall be accompanied by a written description of the rework accomplished to correct the nonconformance and corrective action taken to prevent recurrence.
- 7. Supplier Corrective Action Request:** The Supplier shall receive Supplier Correct Action Requests (SCAR's) regarding quality problems with the Supplier's product and/or service. The Supplier shall

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respond appropriately in a timely manner with the following information: Immediate Correction, Root Cause, Root Cause Correction, Corrective Action Verification Plan, and Follow-Up.

**8. Supplier Inspection Requirements:** The Supplier is responsible for performing or having performed all inspections and tests necessary to substantiate that the items furnished under this contract conform to contract requirements, including any applicable technical requirements for specified manufacturer's parts.

**9. ESD Packaging/Packing Requirements (All static sensitive parts will be in accordance with this term):** Static sensitive parts will be packed in a conductive frame or with leads inserted in conductive elastomer or foam to protect them against electrical charges. External labels shall identify the package on at least two sides as containing static sensitive devices.

**10. Calibration Control (All measuring devices certified must be in compliance with the term):** The supplier shall control the calibration of all measuring devices against certified standards traceable to the National Bureau of Standards. The calibration program shall conform to specification ANSI/ISO/IEC 17025:2005, "Calibration System Requirements"

**11. General Certificate of Compliance (C of C):** The supplier shall certify in a signed certificate of compliance that all parts, materials, processes and finished items supplied under this Purchase Order/Contract were inspected, tested and found to comply with all specifications, drawings, and Purchase Order/Contract requirements with each shipment.

**12. Foreign Object Debris (FOD):** The Supplier shall assure that devices, components, and materials delivered under this purchase order are free of FOD. Supplier shall maintain a FOD prevention program in accordance with National Aerospace Standard NAS-412, Foreign Object Damage/Foreign Object Debris. The Supplier shall keep foreign object debris, large or small, from the product and packaging. Foreign object debris contamination will be cause for rejection of material.

**13. Moisture Sensitive Components (All moisture sensitive material will require compliance with this term):** All moisture sensitive components, as classified by IPC/JEDEC J-STD-033 or other documented procedure.

**14. Solderability (All soldered parts will require compliance with this term):** Any solderable parts supplied to LUMINARY AIR GROUP manufactured must meet the solderability requirements of the applicable ANSI/J-Standards.

**15. Manufacturer's Certificate of Compliance (C of C):** The supplier shall provide a copy of all sub-tier supplier/manufacturer certifications to show traceability from the original manufacturer to LUMINARY AIR GROUP. These certificates will include as a minimum: Name and Title of the authorizing person, Date, Purchase, Order Number, Lot number, Title and revision of all drawings, specifications and a Statement of Compliance. Inspection data, Test data, and Material Test Reports shall be maintained and are subject to LUMINARY AIR GROUP, LUMINARY AIR GROUP's Customer, the Government, or their representatives' examination. All applicable drawings and/or specifications and their revisions shall be referenced.

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**16. Material Test Reports (Actual):** The Supplier shall submit a signed chemical and physical test report per the applicable specification for the material shipped under this contract with actual test results from samples of this specific material.

Test reports shall include as a minimum:

- a) Material type
  - b) A statement that all materials, processes, inspections and tests meet the requirements of all specifications listed on the Purchase Order.
  - c) Manufacturer's name and material lot, melt, cast, heat, etc.
  - d) Chemical and Physical properties including actual values, material specifications, and specification revisions.
  - e) Identification of all special processes performed on the part including process specification, revision, type, grade, class, or other specifics of the process.
- NOTE:** When specified by reference in specifications listed on our Purchase Order, special processes may only be performed by sources qualified by the referenced specification.
- f) Non-metallic material shall only require a chemical properties inspection/test report.
  - g) Plated parts require a test report for the plating.

**17. Quality Program (ISO 9001):** The Supplier's Quality program shall be in compliance with Specification ISO 9001:2008 latest revision unless otherwise specified. Records of product origin, conformity, and shipment shall be maintained for a period of 7 years or in accordance with statutory and legal requirements, whichever is longer. Records shall include, but are not limited to:

- a) Manufacturer, distributor, repair station, test and inspection reports.
- b) Certificates of Conformity (manufacturer, sub-tier distributor), copies of airworthiness certificates.
- c) Non-conformance, concession, and corrective action records
- d) Lot or batch traceability records
- e) Environmental or shelf life condition records.

**18. Traceability:** All items furnished on this order shall have documentation on file to permit traceability from the delivered item back through its manufacture and inspection to the procurement records on its constituent parts and materials. These records shall be sufficient to prove conformance to all applicable specifications and drawings and shall provide means for identifying all like items. These records shall indicate the nature and number of observations, the number and type of deficiencies found, the quantities approved and rejected, and the nature of the corrective action taken. Records shall be retained for a period of time specified in applicable items specifications or seven (7) years if not otherwise specified in this contract.

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**19. Material Safety Data Sheet (MSDS) (All MSDS material will require compliance with this term):** MSDS required with each shipment.

**20. Shelf Life Data (All critical and limited shelf items must be in compliance with this term):** Data shall be provided for items or materials which are susceptible to quality degradation with age. The Supplier shall provide a signed statement with the starting date, shelf life, expiration date and special storage requirements, if any, to maintain stated shelf life. If the item has unlimited shelf life, the signed statement shall specify (unlimited). Shelf life requirement will be stated on the Purchase Order at time of purchase.

**21. Catalog, Drawing, or Specification Copies:** The supplier shall provide a copy of all applicable catalog, drawing, and/or specification sheets describing the items ordered with each shipment.

**22. Mercury Contamination:** The supplies furnished under any purchase order for the requested item shall not contain metallic mercury or mercury compounds and shall be free from mercury contamination. The supplies offered shall not have come in direct contact with mercury or any of its compounds, nor with any mercury containing devices employing only a single boundary of containment which is one that is not backed by a second seal or barrier to prevent contamination in event of rupture of preliminary seal or barrier. Mercury contamination of the supplies will be cause for rejection of materials.

**23. AS9102 First Article Inspection:** Supplier first article inspection is required. The first production piece must have a complete 100% First Article Inspection performed, and documented, to become part of the First Article Package to be submitted to the Buyer for review/approval prior to continuation of production. The First Article Package must consist of: the first production piece (segregated and identified as being the FAI part(s)), a documented inspection report containing each characteristic of the production piece, material certifications, and special processing certifications. When the item being delivered is an assembly or subassembly, the first article inspection shall also include all detailed parts contained therein. Seller shall ensure the first article conforms to all drawings, specifications and specified requirements of the Purchase Order, and that the first article is a representative of the production materials, processes, production equipment, and inspection equipment that is intended for use to produce the contracted quantity and verified by qualified personnel. Buyer's acceptance of Seller's first article does not guarantee acceptance of the production lot. First Article Inspection is required when any of the following occurs:

- a) The product is new to the supplier.
- b) There has been a change in the design affecting form, fit, or function of the product.
- c) There has been a change in numerical control program that can potentially affect fit, form or function.
- d) A lapse in production for more than 12 months.

**24. COUNTERFEIT PARTS DETECTION AND AVOIDANCE SYSTEM REQUIREMENTS:** Seller shall meet the following additional requirements for parts procured by or on behalf of Seller:

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a). Seller shall implement a counterfeit 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.

b). Seller shall include the substance of this article, including this flowdown requirement, in all subcontracts for parts awarded by Seller for work under this Contract.

**25.** Report products, articles or services that have been released from or provided by supplier and subsequently found not to conform to the production approval holding requirements.

