

Flow Down of Customer Requirements to Suppliers

NOTES: Clauses 1 to 12 and 15 to 17 apply to all Purchase Orders
 Clauses 13 and 14 apply to all Purchase Orders for calibrated equipment or calibration services.

1. **QUALITY/INSPECTION SYSTEM.** The supplier shall maintain a quality/inspection system which is in conformance with the requirements of AS9100 and/or ISO9001 to include: Receiving, First Article, In-Process and Final inspection including Inspection and Test Records supplied to PASI at the point of First Article Inspection (if required via Performance Aircraft Services, Inc.'s (hereinafter PASI) Purchase Order) and upon completion and shipment of said order.
2. **CERTIFICATION OF CONFORMANCE.** (C of C) attesting to the conformance of material outside services performed, hardware, machining/manufacturing, etc. The C of C shall include at a minimum date, purchase order number, suppliers names, part number, drawing number and .or representative, lot, batch, serial number or other identification be signed by an authorized representative of the Supplier and shall accompany an order upon receipt of said items to PASI.
3. **RIGHT TO VERIFY.** PASI's customer shall be afforded the right to verify at the vendors (sellers) premises that the subcontracted product conforms to specified requirements.
4. **RIGHT OF ENTRY.** The Supplier shall include provisions in the subcontracts to allow the supplier, Customer, and Regulatory agencies Right of Entry to any place necessary to determine and verify the quality of contracted work, records and material. Note: Delegation of supplier verification to subcontractor is not practiced at PASI.
5. **RECORD RETENTION AND CERTIFICATIONS.** Unless otherwise specified, records must be maintained for a period of 7 years and must be retrievable within 48 hours of a request by PASI. Certification test data shall be traceable to the organization performing the testing, special processing and/or inspection(s) requested via PASI Purchase Order. All factual information shall be included to demonstrate conformance of specification and/or Purchase Order requirements.
6. **REPORT OF NON-CONFORMITIES OR INCONSISTENCIES WITH PRODUCT AND/OR PURCHASE ORDERS.** The supplier shall review the Purchase Order and product manufacturing, processing, and/or testing requirements prior to its initiation. If errors or inconsistencies are noted with the P.O., Part and or other document referenced by the Purchase Order the supplier must immediately notify PASI or its acting delegation. Supplier proceeding with work without written concurrence does so at his own risk. Product will not be accepted by PASI Quality Assurance Department until the Purchase Order and all documentation referenced there on properly describe the comply with product delivered.
7. **CORRECTIVE ACTION REQUEST.** Acceptance of this purchase order obligates the seller to perform, upon request, a corrective action investigation when discrepant material is received by the buyer. A written report shall be furnished, within a period of five business days which is specific and conclusive to prevent a reoccurrence of the discrepancy.
8. **IDENTIFICATION-LIMITED SHELF LIFE.** Materials with limited shelf life (epoxy, paint, adhesives, etc.) shall indicate the date of manufacture, lot number and applicable specification on the container. Time lapse "between cure or manufacturing date and date of scheduled receipt shall be consistent with applicable specifications or Purchase Order requirements. At a minimum, product receipt shall not have less than 85% of its shelf life remaining.
9. **EMPLOYMENT.** All suppliers are required to comply with the Equal Employment Opportunity requirement of FAR 52.222-22.
10. **FOREIGN OBJECT DEBRIS / DAMAGE (FOD).** The supplier shall employ appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, if any, during operations and/or normal daily tasks and shall ensure FOS requirements are flowed down to sub-contractors and suppliers at every tier.
11. **PACKAGING.** As a minimum, the supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration and physical damage during shipment. Due to inadequate packaging material lots are shipped, each lot shall be separately packaged and identified.
12. **FLOW DOWN.** The supplier shall flow-down all applicable requirements to subcontractors and suppliers at every tier.
13. **CALIBRATION SYSTEM.** Seller's (herein referred to as supplier) calibration system shall meet the requirements of ISO 17025, ISO 10012-1, ANSI-Z540-1 or MIL-STD-45662.
14. **CERTIFICATION OF CALIBRATION.** The calibration service shall provide a certificate attesting to the accuracy of the items procured and be supplied with each shipment. This certification must contain all the test parameters necessary to demonstrate conformance to the manufactures specifications and shall be traceable to National Institute of Standard and Technology (NIST).

- 15. QUALITY AND DELIVERY.** The seller's (herein referred to as supplier) quality of products at time of delivery must meet PASI quality standards (pass or fail) 95% of the time. Delivery of products must be on time as requested or quoted 90% of the time. Changes to delivery times must be agreed upon by both parties and documented.
- 16. COUNTERFEIT PARTS.** The seller's (herein referred to as supplier) shall prevent the use of counterfeit parts and ensure parts provided are sourced from the original equipment manufacturer (OEM) suppliers, made to OEM specifications and approved for use.
- 17. AWARENESS.** The seller's (herein referred to as supplier) shall ensure that they are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.