

# Purchase Order Quality Notes

## Scope

This Quality Assurance Specification establishes the specific quality requirements that apply when one or more of the following Quality Requirements (QR's) are specified by code on Peregrine's purchase orders. These requirements are in addition to those set forth in any other contractual document. The provisions indicated herein are an integral part of a Purchase Order.

Conformance with these requirements does not reduce Supplier responsibility for furnishing materials and services that fully comply with all Drawing(s) and Specification(s) Requirements, nor does it guarantee acceptance of materials or services by Peregrine. In the event that materials or services are found to be defective and cannot be demonstrated by the Supplier to be in conformance with the Purchase Order Requirements, Peregrine will have the right to reject them.

**QR01. PRODUCT OBSOLESCENCE REQUIREMENTS** – As an approved Peregrine supplier, you are required to notify Peregrine if a part listed on this order or any of its material components, are planned for obsolescence by you or your suppliers. All efforts must be made to keep Peregrine informed of the future viability of the item(s) listed on this order.

**QR02. REPORT OF DISCREPANCY** –Discrepancy from drawings, specification, or procurement requirements must be submitted to Peregrine on the Supplier's Nonconforming Material Report Form (or method supplier utilizes to convey discrepant material) for consideration. The disposition must be approved by Peregrine's Quality Organization, Peregrine's customer or designee before shipment, unless otherwise directed by Peregrine.

**QR03. FIRST-ARTICLE INSPECTION** - Peregrine requires all First Articles to be compliant to AS9102 (latest revision). First-Article Inspection (FAI) [Complete inspection of ALL drawing dimensional characteristics and notes] is required to ensure compliance to the applicable engineering drawings and specifications. If FAI is required per the purchase order the supplier's first-article inspection report, must show "actual measurements, tests, and applicable drawing notes". New Parts (the first time a supplier is building a specific part) shall require ALL characteristics and notes. Updated parts (subsequent builds of a specific part by the same supplier) can consist of only a delta first article or verification of changed characteristics and notes unless otherwise noted. The first article samples are to be tagged or otherwise identified. Material certifications for any raw material used and certifications for all outside processes must also be submitted with FAI report.

**QR04. CERTIFICATE OF COMPLIANCE** - Each shipment must be accompanied by one legible copy of a Certificate of Compliance (C of C) including traceability (Peregrine's job/lot number, PO). The purpose is to certify that the supplier's material, processes, and finished parts were controlled and tested in accordance with the applicable specifications

The C of C shall also include a listing of special processes performed. This will include (specification, revision, PSDs, type, class, and/or grade as applicable).

Certified physical and metallurgical test reports are to be provided where required by controlling specification.

All material, components or other goods or services, as applicable, supplied to Peregrine must be traceable to the Original Equipment Manufacturer, as identified on the Purchase Order. The OEM certification must be maintained by the supplier and be made available upon request by Peregrine.

**QR05. FUNCTIONAL TEST REPORTS** - If functional test reports are required per the purchase order, the shipment must be accompanied by a legible and reproducible copy of the actual test results identifiable with the test parameters and products submitted. These reports must contain the signature and title of the

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authorized representative for the agency performing the test and must conform to specific requirements.

QR06. PRODUCT IDENTIFICATION AND TRACEABILITY - The Supplier must maintain documented procedures for identification of product from receipt and during all processes of production and delivery. When traceability is a specified requirement of the PO, the Supplier must establish and maintain documented procedures for unique identification of individual product or batches; this identification shall be recorded.

QR07. RIGHT OF ENTRY – Under this contract, the supplier shall flow down the substance of this clause to all subcontracts awarded.

Peregrine, its authorized representatives, regulatory agencies and customers reserve the right of access to the supplier's premises at any point of manufacturing to determine quality of work and material, review all processes, subcontractors, contracted parts, procedures and records.

This may be done at any reasonable time and will be performed with the knowledge of the supplier.

QR08. CERTIFIED SUPPLIER - Items on this purchase order are subject to the requirements of the Peregrine's Delegated Inspection Supplier Program (DISP). Supply Agreement. Appropriate shipping documents shall show evidence of the shipment being a DISP Shipment. As an approved DISP supplier for Peregrine, you are required to provide to Peregrine, First Article data for all first time deliveries of items produced to applicable drawings. This is also required for any item delivered for the first time against a new drawing or BOM revision, or any manufacturing change that has the potential of affecting fit, form or function. This First Article data can consist of only the delta changes. Peregrine's Receiving Inspection shall be the sole authority for final approval.

QR09. CONTROL OF QUALITY - The supplier will maintain a system that complies with the specifications of AS9100 or the Quality System as approved for Peregrine. Conformance to AS9100 does not relieve the supplier of the responsibility to furnish acceptable product, material, or services.

QR10. IDENTIFICATION OF SHELF LIFE MATERIAL – Supplier must identify each item, package, or container of shelf life material with its cure or manufacture date, expiration date, and any special storage and handling conditions in addition to the standard identification requirements. The supplier must certify that a minimum two thirds of the useable life remains.

Q11. CHEMICAL AND PHYSICAL TEST REPORTS - All purchase orders for chemicals must be accompanied by one legible and reproducible copy of all chemical and physical test reports. The report must contain the signature and title of the authorized representative for the agency performing the test and must conform to specifications. The purchase order number must be included on the report.

QR12. CLEAN AIR ACT - Pursuant to amended section 611 of the Clean Air Act, supplier must accurately label, Per 40 CFR part 82 subpart E, any product containing, container containing, or product manufactured with a controlled substance that is supplied to Peregrine.

QR13. PRESERVATION AND PACKAGING – Unless otherwise specified by the item drawing, specification, or Purchase Order, Packaging must meet the following: The supplier is responsible for assuring that all items are delivered without damage or deterioration and are efficiently and economically packed for the method of transportation and type of handling involved. Identification: Each shipping container and intermediate package shall be identified with:

- Purchase Order number
- Part number

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- Quantity
- Electro Static Discharge (ESD) sensitive warning (when applicable)
- Cautionary Handling Instructions (as applicable)

QR14. RECORD RETENSION – Suppliers must retain all documentation/records related to the provision of products, materials, or services specified in the PO for a minimum of 15 years from contract end and must obtain a written approval from Peregrine Quality prior to destroying quality records. Supplier must allow Peregrine, their customers and regulatory authorities access to these records.

QR15. Suppliers must use only Peregrine approved process supplier for the item specified on this PO.

QR16. SPECIFICATION – Supplier shall comply with specifications stated on the face of the Purchase Order and with applicable engineering drawings, including industry, association, society, regulatory and United States Government specifications and standards, These documents shall be controlled, maintained and issued as the latest version in effect at the time of the Purchase Order unless otherwise stated therein.

QR17. FOREIGN OBJECT DAMAGE CONTROL – Under this contract, the supplier shall flow down the substance of this clause to all subcontracts awarded.  
Supplier shall establish, document and maintain a program to control and eliminate FOD and/or contamination during the Supplier's manufacturing, assembly, test, inspection, packaging and shipping operations in compliance with AS9146. When applicable, the Supplier's FOD control program shall include controls to preclude FOD or contamination at the Supplier's sub-tier sources. The following basic elements shall be included in the Supplier's FOD control program.

- FOD prevention training
- Area designation and visual management systems
- Manufacturing planning consideration for FOD prevention
  - Work sequencing
  - Cleanliness of work area
  - Control of tools, personal items, consumables, hardware, scrap, etc.
  - Protection from FOD during handling, packaging and shipping
  - Periodic (At least annually) evaluation of the FOD control program for effectiveness

QR18. MSDS REQUIREMENT – Supplier shall maintain an effective system for tracking Material Safety Data Sheets (MSDS) for all products supplied to Peregrine. An appropriate MSDS will be provided to Peregrine, prior to first delivery, for all products by 29 CFR 1910 to have a MSDS. The supplier shall provide the MSDS information unless a written waiver has been received from Peregrine.

QR19. FURNISHED MATERIAL – Supplier shall certify that only Peregrine certified material was used in the fabrication of the product. The supplier's certification must list Peregrine job number as applicable to the order and delivery.

QR20. MATERIAL CERTIFICATION – All material certification and test specifications must be to the latest revision of the applicable specification.

QR21. COUNTERFEIT PARTS – Supplier shall have in place a documented program to avoid, detect, mitigate, disposition and disclose counterfeit parts and materials. Suppliers shall also flow down counterfeit

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parts programs requirements to their sub-tiers, especially but not limited to:

- Electronic parts suppliers
- Raw material suppliers
- Distributors

**QR22 NONCONFORMING PRODUCT AND NOTIFICATION OF ESCAPEMENT** – Supplier shall provide written notification to Peregrine within one business day when a nonconformance is determined to exist, or is suspected to exist, on product already delivered to Peregrine under any order. When the following is known, written notification shall include:

- Affected process(es) or part number(s) and name(s)
- Description of the nonconforming condition and the affected engineering requirement (i.e., what it is and what it should be)
- Peregrine’s purchase order/lot number, manufacturer lot number, quantities, and dates shipped to Peregrine.
- Nonconforming parts received from outside services are to be identified/tagged with a description of nonconforming condition.

The supplier shall not use dispositions of use-as-is or repair on nonconforming product.

**QR23 BOEING PROGRAM REQUIREMENTS** – Under this contract, the supplier shall flow down the substance of this clause to all subcontracts awarded.

Boeing requires that the provisions/requirements set forth below be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For the purpose of this note Supply Chain shall mean Seller's direct and indirect suppliers performing value-added activity on the products and services. It focuses on direct and lower-tier suppliers.

**Acceptance Authority Media (AAM)** – Supplier shall comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of the Acceptance Authority Media (AAM) requirements. Supplier shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS). Supplier shall, upon 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. Supplier shall maintain compliance to the AAM requirements by assessing its process and supply chain as part of its internal audit activities. The areas of focus of this assessment shall include but not limited to:

- 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.)

**Approved Process Sources (D1-4426)** – The Supplier is required to maintain compliance with this document as maybe revised from time to time. This document defines the approved sources for special

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processing, composite raw materials, composite products, aircraft bearings, designated fasteners, and metallic raw materials. All manufacturing and inspection processes which are controlled by D1-4426 shall be performed only by the sources specified in the document.

**Approved Standards Sources (D-590)** – The Supplier is required to procure standards from approved manufacturers as listed in Boeing Document D-590 as applicable. Distributors may be used as allowed. Clean Air Act – Ozone-depleting substances as used in this clause, means any substance the Environmental Protection Agency designates in 40 CFR Part 82 as –

(1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or

(2) Class II, including, but not limited to hydro chlorofluorocarbons. Supplier shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as applicable: “Warning Contains \* \_\_\_\_\_, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.” or “Warning Manufactured with \* \_\_\_\_\_, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.”

\* Supplier shall insert the name of the substance(s).

**Configuration Control** – Supplier agrees not to make any change in materials, processes or design details of the product after Boeing qualification or approval without written approval from Boeing. This shall include changes in materials, processes or design details by subcontractors. In addition to these changes, changes which would affect the product or any component part thereof with regard to (a) part number identification, (b) physical or functional interchangeability, or (c) repair and overhaul procedures and processes and material changes which affect these procedures without prior written approval of Boeing is prohibited. If such approval is granted, all part numbers and the originals of all drawings and data shall be revised and provided to Boeing accordingly. Supplier will place the above clause in all its subcontracts supporting this Agreement.

**Digital Product Definition** – Suppliers utilizing AMT supplied Digital Product Definition (DPD) for the purposes of manufacturing and/or inspection of Boeing product must hold written approval from AMT for compliance to Boeing D6-51991.

**FAA-Parts Manufacturer Approval (PMA)** - Unless explicit direction is given to the contrary, no articles (or constituent parts thereof) ordered in support of Boeing programs shall contain any FAAPMA markings. The articles shall not be certified under an FAA-PMA approval and the accompanying paperwork (i.e. shippers, etc) shall not contain any FAA-PMA markings.

**Metallic Raw Material Procurement** - Metallic raw materials used for product must be procured from Boeing or a Boeing designated service provider (TMX) unless otherwise approved in writing by AMT. Commodities include: Aluminum sheet, plate, extrusion and coil as well as all wrought and unwrought titanium mill products. This requirement excludes stainless steel materials.

**Production Certificate** - The Supplier is required to place the following statement on all shipping documents:

“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.”

The preferred location for the statement is on the shipping document next to or following the Certificate of Conformance (C of C). The statement may be printed, stamped or attached as a label or sticker to the shipping documentation. It is allowable to replace “Seller” with the company name or “We”.

**Tooling** – Suppliers utilizing Boeing owned tooling are required to comply with D33200, Boeing Suppliers’

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Tooling Document.

**Validation of Raw Material Test Reports** – When the supplier utilizes test reports to accept supplier purchased raw material, the following requirements apply:

- Test reports shall be checked 100% against supplier's requirements and applicable specifications.
- Supplier shall periodically validate test reports for raw material accepted on the basis of test reports. That validation shall be accomplished by supplier or other independent party through periodic, scheduled tests of raw material samples. Schedules for frequency of tests will be established by supplier based on historical performance of the raw material supplier.
- Supplier shall retain test reports provided by the raw material supplier, as well as supplier's validation test results as quality records traceable to the conformance of product supplied.