

Attachment A (TWI 001, Revision A)

TITLE: Procurement and Program Quality Clauses

SCOPE: This instruction applies to Telford Aviation Inc., procured and program services from: Sub-Contractors, Suppliers, Vendors, and etc.

RESPONSIBILITY:

The following quality clauses apply to the business scope of any procured goods or program services: (if applicable to Telford's customer contract requirements)

DISTRIBUTORS:

Q01, Q02, Q03, Q04, Q06, Q07, Q08, Q11, Q12, Q13, Q15, Q16, Q17, Q18, Q19, Q20, Q24, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

MANUFACTURERS:

Q01, Q02, Q03, Q04, Q05, Q06, Q07, Q08, Q11, Q12, Q13, Q14, Q15, Q16, Q17, Q18, Q19, Q20, Q21, Q22, Q23, Q24, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

SPECIAL PROCESSORS:

Q01, Q02, Q03, Q04, Q05, Q06, Q07, Q08, Q11, Q12, Q13, Q14, Q15, Q16, Q17, Q18, Q19, Q20, Q21, Q22, Q23, Q24, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

SUPPLIERS:

Q01, Q02, Q03, Q04, Q05, Q06, Q07, Q08, Q11, Q12, Q13, Q14, Q15, Q16, Q17, Q18, Q19, Q20, Q21, Q22, Q23, Q24, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

VENDORS:

Q01, Q02, Q03, Q04, Q05, Q06, Q07, Q08, Q11, Q12, Q13, Q14, Q15, Q16, Q17, Q18, Q19, Q20, Q21, Q22, Q23, Q24, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

SUB-CONTRACTORS:

Q01, Q02, Q03, Q04, Q05, Q06, Q07, Q08, Q11, Q12, Q13, Q14, Q15, Q16, Q17, Q18, Q19, Q20, Q21, Q22, Q23, Q24, Q25, Q26. (Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification.)

NOTE:

Telford reserves the right to invoke the clauses Q09 and Q010 at any time upon written notification. Any clauses which do not apply to any company can notify the Quality Manager or delegate to revoke such clause.

Q01. INSPECTION SYSTEM REQUIREMENTS: The Sub-Contractor, Supplier, or Vendor will maintain an inspection system conforming to ISO 9001, AS 9100, 9110, 9120 (latest revision) or the nationally recognized equivalent, to the degree necessary to assure compliance with contractual requirements. The Sub-Contractor, Supplier, or Vendor will flow down applicable Purchase Order

requirements to sub-tier Supplier or Vendors.

Q02. CERTIFICATION OF CONFORMANCE (C of C) AND/OR CERTIFICATE OF ANALYSIS (C of A): The Sub-Contractor, Supplier or Vendor will include with each shipment, or as otherwise agreed upon, legible copy of a certification that attest to the Supplier or Vendor's compliance with all of the requirements of the Purchase Order. As a minimum, the Certification document will include or reference the following information:

- a. Purchase Order Number;
- b. Material Description;
- c. Supplier or Vendor's lot/Batch Number;
- d. Quantity;
- e. Information as required by Telford and/or Purchase Order;
- f. Date of Manufacturing; (DOM)
- g. Shelf life or expiration date; (when applicable)
- h. Name of manufacture if different from the seller.

Q03. MATERIAL MANUFACTURE: The Sub-Contractor, Supplier, or Vendor shall make no significant changes* to the products process, or manufacturing location without prior written notification to the Telford Purchasing and Quality Department.

Note:

No significant changes example - Not likely to have influence or effects on the use of the product including safety performance, fit, form, function, producibility, service life, or specific key characteristics. 10CFR21 Title 10 of the Code of Federal Regulations states: Part 21 (10CFR21) Reporting of Non-Conforming Material and/or Service are applicable to this order.

Q04 CONTROL OF SHELF LIFE: Reference our Telford specification for allowable shelf life. If the seller is not able to meet the shelf life noted on the Telford specification, the Purchasing department must be notified before the product is shipped to Telford. Written approval is needed before product is shipped.

Q05. RECORD: The Sub-Contractor, Supplier, or Vendor must keep a physical or digital copy of all quality related paperwork to assure that goods or services conform to the contractual and technical requirements of the purchase order for a minimum period of 10 years unless specific request dictate otherwise. The records should be available for review by an authorized Telford or Telford customer's upon request.

Q06. CORRECTIVE ACTION: When a quality problem is encountered Telford may request a written Corrective Action Requests. The Sub-Contractor, Supplier, or Vendor will advise Telford of the action taken to correct the discrepancy on a Sub-Contractor, Supplier, or Vendor Corrective Action Request (CAR) form furnished by Telford. Such requests require a timely response and must include the following information:

- a) Analysis of the cause of the problem; (e.g. 5Why's, 8D's, Fourier-Transform Infrared Spectroscopy [FTIR], or etc.)
- b) Statement of action taken to preclude its occurrence;
- c) Effectivity of such action.

Note:

Extensions may be granted, upon formal request and justification. Failure to respond may result with the removal of the Sub-Contractor, Supplier, or Vendor as an approved source along with possible chargebacks.

Q07. HAZARDOUS MATERIALS:

- a) Supplier or Vendor will supply a Safety Data Sheet (SDS) with the initial delivery and when the SDS has been revised for all hazardous materials and chemical substances as required in 29 CFR 1910.1200, OSHA Hazard Communication Standard. All hazardous materials and chemical substances delivered shall be labeled in accordance with 29 CFR 1910.1200.
- b) Sub-contractors will retain Safety Data Sheet (SDS) with the initial delivery and when the SDS has been revised for all hazardous materials and chemical substances as required in 29 CFR 1910.1200, OSHA Hazard Communication Standard. All hazardous materials and chemical substances delivered shall be labeled in accordance with 29 CFR 1910.1200.

Q08. MATERIAL REVIEW BOARD AUTHORITY (MRB): Telford does not confer MRB authority to its Sub-Contractor, Supplier, or Vendors. The Sub-Contractor, Supplier, or Vendor shall not ship product that do not conform to the Purchase Order without written authorization from Telford. To obtain Telford authorization, the Sub-Contractor, Supplier, or Vendor shall submit any test data applicable to the nonconforming shipment to Telford Quality Manager for review. Telford reserves the right to invoke the following clauses at any time upon written notification to the Sub-Contractor, Supplier, or Vendor. (Q09, Q10, Q11, Q12 and Q13)

Q09. TELFORD SOURCE INSPECTION: Telford Source Inspection (Telford personnel or designated independent auditor) is required prior to shipment from Sub-Contractor, Supplier, or Vendor's facility. Upon receipt of notification invoking this clause, the Sub-Contractor, Supplier, or Vendor is to promptly notify Telford Quality Manager. Such notification must be written and submitted a minimum of five (5) working days in advance. The subject product must be inspected and approved by Telford Source Inspection prior to shipment from Sub-Contractor, Supplier, or Vendor's facility.

Q10. TELFORD CUSTOMER RIGHT OF ACCESS: Telford, our customers and statutory/regulatory agencies reserve the right to conduct inspection and/or surveillance of the Sub-Contractor, Supplier, or Vendor's facilities, systems, procedures, products and records that pertain to this order.

Q11. QUALITY SYSTEM REQUIREMENTS:

- a) Sub-Contractors, Suppliers, or Vendors providing product or services that come into contact with or form a part of product furnished by Telford shall have a quality system that is approved by an independent organization, or working towards certification.
 - a. Sub-Contractors, Suppliers, or Vendors working towards certification will recertify every 2 years and fill out Supplier or Vendor Survey (F710) in its entirety and supply objective evidence of continual improvements to a QMS.
 - b. Sub-Contractors, Suppliers, or Vendors with certification only fill out the necessary section of survey every 3 years (F710).
- b) The Telford Quality Manager shall ensure that the organization having responsibility for approving Sub-Contractor, Supplier, or Vendor quality systems has the authority to disapprove the use of sources that do not have a satisfactory quality system or product history.
- c) Sub-Contractor, Supplier, or Vendors that have their Quality System disapproved by the approving organization could be disapproved from supplying goods and services to Telford.

Q12. COUNTERFEIT & UNAPPROVED PARTS PROTECTION:

- a) For purposes of this clause, PRODUCT consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Product" means product that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved product that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- b) "Unapproved Product" means a part that does not meet the requirements of an "approved part" This term also includes parts improperly returned to service and/or parts that may fall under one or more of the following categories:

- a. Parts shipped directly to the user by a manufacturer, Supplier or Vendor, or distributor, where the parts were not produced under the authority of (and in accordance with) an FAA production approval for the part, such as production overruns where the parts did not pass through an approved quality system.
- b. New parts that have passed through a PAH's quality system which are found not to conform to the approved design/data.

NOTE:

Do not report as a SUP, parts damaged due to shipping or warranty issues.

- c. (3) Parts that have been maintained, rebuilt, altered, overhauled, or approved for return to service by persons or facilities not authorized to perform such services under parts 43 and/or 145.
 - d. (4) Parts that have been maintained, rebuilt, altered, overhauled, or approved for return to service which are subsequently found not to conform to approved data.
- c) SELLER agrees and shall ensure that Counterfeit/Unapproved Product is not delivered to Telford,
 - d) SELLER shall only purchase products to be delivered or incorporated as Products to Telford directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Product shall not be acquired from independent distributors or brokers unless approved in advance in writing by (i.e., Purchase Order).
 - e) SELLER shall immediately notify Telford, with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit/Unapproved Product. When requested by Telford, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
 - f) In the event that Product delivered under this Contract constitutes or includes Counterfeit/Unapproved Product, SELLER shall, at its expense, promptly replace such Counterfeit /Unapproved Product with genuine Product conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, SELLER shall be liable for all costs relating to the removal and replacement of Counterfeit/Unapproved Product, including without limitation TELFORD's costs of removing Counterfeit/Unapproved Product, of reinserting replacement Product and of any testing necessitated by the reinstallation of Product after Counterfeit/Unapproved Product has been exchanged. The remedies contained in this paragraph are in addition to any remedies TELFORD may have at law, equity or under other provisions of this Contract.
 - g) This clause applies in addition to any quality provision, specification, statement of product or other provision included in this Contract addressing the authenticity of Product. To the extent such provisions conflict with this clause, this clause prevails.
 - h) SELLER shall include paragraphs (a) through (d) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as Product to Telford
- Q13. Model Base Design:** Sub-Contractor, Supplier, or Vendor is required to maintain compliance with applicable documents/ Engineering.
- Q14. REVISION CONTROL:** Unless otherwise specified, the latest revision applies on all listed specifications, drawings or models, process requirements, inspection/verification instructions and other relevant technical data listed on the P.O.
- Q15. Competence:** Sub-Contractor, Supplier, or Vendor is required to maintain compliance with training requirements and have on file their qualifications.
- Q16. Flow Down of Quality Requirements:** Sub-Contractor, Supplier, or Vendor will flow down AS9110, ISO 9001, or specified customer requirements to their Supplier or Vendors.
- Q17. Ethical Behavior:** Sub-Contractor, Supplier, or Vendor shall maintain ethical business practices

and ensure employees are aware of the importance of ethical behavior.

- Q18. Product Safety:** Sub-Contractor, Supplier, or Vendor shall contribute to product safety and ensure employees are aware of their contribution to product safety.
- Q19. Shipping Requirements:**
- a) Supplier or Vendor shall add a pack list to each shipment and package in a manner to prevent damage, deterioration and/or contamination.
 - b) Sub-Contractor shall ensure a pack list is received with each shipment and packaged in a manner to prevent damage, deterioration and/or contamination to the customer.
- Q20. Nonconforming Product:** Sub-Contractor, Supplier, or Vendor must notify Telford of any non-conformance(s) within 24hours (1 business day) and make arrangements for Telford's approval/rejection of the nonconformance(s). They must also ensure that their employees are aware of their contribution to product or service conformity.
- Q21. First Article Inspection(s):** If the item being produced has not been produced for and delivered to Telford within 24 months, the first article(s) produced shall be submitted to and accepted by Telford prior to acceptance. Items produced by the Sub-Contractor, Supplier, or Vendor prior to Telford's approval of First Article is at Sub-Contractor, Supplier, or Vendor's risk.
- Q22. Special Process:** Engineering drawing(s) or certification's for all special processes like: Designated Engineering Representatives and nondestructive inspections/tests performed on deliverable product shall accompany each shipment to Telford and/or Sub-Contractor. The Sub-Contractor, Supplier, or Vendor shall provide, identify, or create the engineering or process used and the controlling spec/rev, the results of engineering, testing, or measurements when required (e.g. width, height, length, depth, and thickness). The report shall also include the standard title block, part number, revision letter or number, serial numbers affected, and who approved the engineering. The engineering should include: grid references and notes.
- Sub-Contractors, Suppliers, or Vendors who perform special process such as: Heat Treat, Welding, and Non-Destructive Testing should maintain a NADCAP accreditation for those processes.
- Q23. Control of Measure and Test Equipment:** A documented program shall be established and maintained to ensure that tools, gages, instruments, and other measuring and testing devices, which are used during inspection, are controlled, calibrated and adjusted at a stated frequency to maintain accuracy within specified limits.
- The Measuring and test equipment shall be maintained in accordance with ISO 10012-1, "Quality Assurance Requirements for Measuring Equipment," or equivalent.
- Measuring and test equipment used by the supplier shall have current calibrations that are traceable to the National Institute of Standards and Technology (NIST) or equivalent national standard.
- Q24. Human Factors:** Sub-Contractor, Supplier, or Vendor is required to maintain compliance with ensuring that they take Human Factors into account.
- Q25. Customer Property:** Sub-Contractor is required to maintain compliance with ensuring that they take control of customer property to ensure that it is inventoried, maintained, and returned in the manner it was accepted upon receipt. (Example: tool control list and/or calibration list)
- Q26: ITAR/EAR:** Sub-Contractor, Supplier, or Vendor is required to maintain compliance with International Traffic and Arms Regulations (ITAR) and/or Export Administration Regulations into account when shipping goods.

NOTES:

These defined clauses are to be used by the Telford Purchasing Department to show

required Quality System compliance requirements.

Reference to: Sub-Contractor, Supplier, or Vendor denotes Sub-Contractor, Supplier, Vendor and/or manufacturer.

Revision History

Revision	Rev. Date	Changes	Name
---	07/18/2018	Original	G. Buoniconti
A	10/22/2018	Added subcontractor flow down to procedure and include more roles and responsibilities. See change bars.	G. Buoniconti