

QUALITY CLAUSES

"Buyer" = Conley Manufacturing "Seller" = Supplier, subcontractor, vendor and/or agents/representatives. "Customer" = Conley Manufacturing's customer.

Specific Quality Clauses are identified on the Purchase Order and are listed below in numerical order. Seller is responsible for meeting all requirements of referenced Quality Clauses per the Purchase Order.

Unless otherwise noted, all work must be in accordance with the most recent revision levels of all specification and controlling documents as noted on the engineering drawing or Purchase Order at time of Purchase Order issuance.

1 – PART MARKING/IDENTIFICATION

Suppliers, including outside services, shall identify parts with the part number, job identification number. Means of identification, such as stamping, engraving, paint marking or tagging shall be requested by the CONLEY MANUFACTURING Project Manager. When required, suppliers of outside services will maintain component identification (for fly parts) throughout receipt, processing and delivery.

For raw materials, all individual pieces must be appropriately marked with lot numbers traceable back to the corresponding material certificates and test reports received with the shipment.

2 - PACKING/PACKAGING

Seller must ensure that all items shipped under this Purchase Order are adequately packed and/or packaged to prevent damage, contamination and/or deterioration. Unless otherwise specified on the Purchase Order, Seller must use best commercial practices in packaging to prevent damage, contamination and/or deterioration to all items during transit.

3 – DATA MANAGEMENT AND TRANSMISSION

All data provided to support this order is proprietary and shall not be reproduced in whole or part without the express written consent of Conley Manufacturing. Supplier is responsible to maintain and shall comply with standards such as Boeing D6-51991, Boeing D6-56202, and others as required by Conley Manufacturing and customers.

Where applicable, seller may receive requirements from buyer that is intended for further transmission. This data and/or other buyer's customer requirements, or other applicable requirements, shall be flowed down the supply chain as directed by the buyer.

4 - INSPECTION

Inspection Reports for each part are mandatory on all orders showing documented evidence of inspection and verification of three (3) or four (4) place dimensions only with actual results.

Inspection report should show variance of dimensions measured or results of measurements. When using a Computer Numerical Controlled (CNC) machine, a sampling plan per ANSI Z1.4 is acceptable. The report must show Conley Manufacturing part number, revision, purchase order number, and date. Reports must be submitted electronically (when possible) to the Buyer or be included with the shipment. Reports submitted in Supplier's format is acceptable.

5 - FIRST ARTICLE INSPECTION

A detailed first article inspection (FAI) report must be provided as required. The report must include evidence of conformance to all elements including material and processes. Each drawing characteristic must be complete with the tolerance. The report must show Conley Manufacturing part number, revision and purchase order number. When FAI piece is required, it must be submitted separately.

6 – ROOT CAUSE AND CORRECTIVE ACTION

When requested supplier shall provide proof of root cause determination and corrective action for any deficiencies deemed supplier responsibility.

7 - SPECIAL PROCESSES

Each special process, including, but not limited to: soldering, cleaning / etching or passivation, welding, brazing, plating / coating, heat treating, magnaforming / swaging, electro polishing, acid pickling, impregnating, bonding, glass sealing, shot peening, silkscreening, magnetic particle / penetrant or X-Ray or N-Ray inspections, when required by Conley Manufacturing or other process specifications shall be performed by approved suppliers.

8 – SURFACE TREATMENT AND MASKING

Mask off all machined keyways, slots and plug all machined/drilled/tapped holes. Otherwise surface treat as per drawing requirements.

Apply surface treatment against rust on machined surfaces with wax, oil, anti-rust spray or equivalent while staging. Parts shall be surface treated against rust prior to shipping.

9 - CERTIFICATE OF CONFORMANCE

Seller shall submit with each shipment a Certificate of Conformance stating that the items furnished to Conley Manufacturing are in conformance to the Purchase Order/Drawing requirements applicable to the items delivered. This document clearly identifies that the entire order meets the PO requirements and that appropriate documents are available when requested (such as, inspection reports, first article inspection reports, material certifications – chemical, physical, etc...)

Any recognized aerospace, military and/or industry standard, when imposed by the drawing, specification or Purchase Order must be specifically stated and form a part of the certification. Each supplier certification must contain the following information: (a) Purchase Order Number

(b) Lot Number (c) Quantity Shipped (d) Part Number (e) The date of issue, and (f) Signature and title of the Seller's authorized representative.

10 – RECORD CONTROL

Seller shall have on file, as it applies to the Buyer PO, and retained for ten(10) years after delivery of line item all data, material/chemical and physical test reports, and Certificates of Conformance for processes performed by themselves and their sub-tier suppliers and shall make these data and/or documents available for review by Conley Manufacturing upon request.

11 – SUBCONTRACTING

Subcontracting ANY or ALL of the work procured on this purchase order without written approval of Conley Manufacturing is prohibited. All approved subcontracted operations must meet all provisions of the purchase order and customer's requirements as provided by CONLEY MANUFACTURING. Supplier is responsible for ensuring all sub-tier suppliers are in compliance with all applicable requirements. This includes, but is not limited to, the collection of any certifications, test documents, and objective evidence of conformance to processes passed along through relevant technical data (e.g., specifications, drawings, process requirements, work instructions).

For subcontracted special processes, a list of approved special processors shall be maintained by the Seller and provided upon request to the Buyer. Each shipment must include a report or certification of adequate data as to where the processing was accomplished, including name and address of processing source.

12 - PHYSICAL AND CHEMICAL TEST REPORTS

Material test reports/certifications are to be supplied electronically (when possible) to Buyer or included with the shipment. Seller agrees to maintain physical/chemical test reports and/or certificates traceable to material being ordered per QA Clause 10 above. All material received must be marked per QA1 and traceable to supplied reports.

13 - QUALITY SYSTEM REQUIREMENTS

Seller shall maintain a documented quality system that complies with the requirements of government and/or industry quality system standards.

Seller's quality system is subject to verification and approval at all times by Conley Manufacturing.

14 – FAR, DFAR

In the event that the Conley Manufacturing purchase order is derived from a U.S. Government contract or subcontract, Seller agrees to comply with all FAR and DFAR flow down requirements stated in: FAR and DFARS Flow-Down Clauses

15 – ITAR, EAR, and CGP

Performance of this Order may involve the use of or access to articles, Technical Data or software that is subject to export controls under 22 U.S.C. 2751-2799 (Arms Export Control Act) and 22 C.F.R. 120-130 (ITAR) or 50

U.S.C. 2401-2420 (Export Administration Act of 1979, as amended), 50 U.S.C. 1701-1706 (International Emergency Economic Powers Act, as amended), and 15 C.F.R. 730-774 (EAR) and their successor and supplemental laws and regulations (collectively hereinafter referred to as the “ Export Regulations”). Seller shall comply with any and all Export Regulations, and any license(s) issued there under.

16 – NONCONFORMING MATERIAL CONTROL & LATENT NONCONFORMANCE NOTIFICATION

If nonconformance(s) is detected by seller (prior to or post shipment of product), seller (supplier) shall notify buyer of the nonconforming product. Disposition and any subsequent approval of nonconforming product shall be provided by Conley Manufacturing. The CONLEY MANUFACTURING Supply Chain Management representative, or delegate (Project Manager) shall provide disposition requirements.

17 – CHANGES

Seller shall not make any changes to the process or materials specified under the purchase order. Seller shall notify Conley Manufacturing in writing prior to any proposed changes in product and/or process, suppliers/sub-tiers, manufacturing facility location and/or ownership, and where required, obtain Conley Manufacturing approval.

Notification of such changes shall be directed to CONLEY MANUFACTURING Supply Chain Management or designate (Project Manager).

18 – 100% INSPECTION

Inspection is required with actual recorded results, for all characteristics on all parts to ensure conformance to drawing and specification requirements. A copy of this inspection record is required with the shipment of product.

19 – CONLEY MANUFACTURING SOURCE INSPECTION

Conley Manufacturing source inspection is required. Inspection shall be conducted at the Seller's facility and shall be requested and accomplished prior to shipment. When the items on the Purchase Order are ready for inspection, notify the Buyers purchasing representative so that coverage can be arranged. Drawings, specifications and/or other pertinent data, as required by Purchase Order, shall be made available to the Conley Manufacturing Quality Representative, at the time of material presentation.

20 – SHIPPING INSTRUCTIONS

Conley Manufacturing will specify premium shipping services as required and note same on each purchase order if required. Unless otherwise noted standard ground services such as UPS or USPS, for domestic shipments, is authorized via purchase order.

For any drop shipments directly to an Conley Manufacturing customer, please contact Conley Manufacturing Procurement Department for specific instructions.

Failure to comply with Conley Manufacturing shipping instructions may result in Supplier being charged with any cost differences.

21 – COUNTERFEIT PARTS

Seller shall make every effort to assure safe, reliable product and mitigate the risk of counterfeit parts entering the system. A counterfeit part is any item misrepresented as having been designed and/or produced under an approved system or other acceptable method. Seller shall immediately notify CONLEY MANUFACTURING with the pertinent facts regarding any confirmed or suspected counterfeit parts. If counterfeit parts are furnished under a purchase agreement, such items shall be impounded. The seller (and/or their applicable supply chain) shall promptly replace such items with items acceptable to CONLEY MANUFACTURING. Seller (and/or applicable supply chain) may be liable for all costs relating to impoundment, removal and replacement. CONLEY MANUFACTURING may turn such items over to US Government authorities (Office of Inspector General, Defense Criminal Investigation Service, Federal Bureau of investigations, etc.) for investigation and reserves the right to withhold payment for the suspect parts pending the results of the investigation.

22 – SUBCONTRACTOR OVERSIGHT

Suppliers acknowledges their role in the contribution to product or service conformity, product safety, and the importance in maintaining ethical behavior in the marketplace.

23 – SUPPLIER PERFORMANCE AND MEASUREMENT

Suppliers will be measured with regards to their on-time performance and quality of delivered parts. Suppliers deemed as not performing on a consistent basis may be removed from Sellers Approved Supplier List.

Performance reviews will be given to Suppliers periodically and also may be requested from the Seller at any time.