

SUPPLIER FLOW DOWN CLAUSES

The standard instructions noted below may be included with the purchase order as needed to facilitate the flow down of requirements to the supplier.

- **Right of Entry**: The supplier shall grant the right of access to Dynamic Aviation staff or Dynamic Aviation's customers to the supplier's facility to perform source inspection.
- **Traceability by Lot**: The supplier shall maintain traceability of all raw materials, adhesives, brazing/welding materials, coatings or finishes and added components for each lot of products produced.
- **Traceability by Serialization**: The supplier shall maintain traceability of all raw materials, adhesives, brazing/welding materials, coatings or finishes and added components for each individual part produced by unique serialization and identification of each part with the lot.
- **Raw Material Data**: The supplier shall maintain records of raw material, adhesives, brazing/welding materials, coatings or finishes and added components, Certificate of Conformance, inspection reports or any other material acceptance data. This data shall be provided with each lot/batch of parts.
- **Supplier Records**: The supplier shall maintain records of all in process and final acceptance test reports, inspection reports and/or Certificate of Conformance generated by the supplier to verify product conformance. This data shall be provided with each lot/batch of parts.
- **Qualified Parts List**: The supplier shall only use drawing or specification defined components, adhesives, finishes, brazing/welding materials. These materials are to be purchased only from qualified suppliers that are identified from drawing or specification as approved suppliers. All deviations must be approved in writing from Dynamic Aviation procurement personnel.
- **Current Specifications**: It is the supplier's responsibility to verify all necessary product and material specifications in use at the supplier facility are the most current release. This shall include industry standard specifications and Dynamic Aviation provided drawing, process and data set information.
- **Qualified Special Processors**: The supplier may only use qualified suppliers to perform special processes such as heat treat, welding, brazing, finishing, or bonding. These special process suppliers may be identified in Dynamic Aviation supplied drawings, specifications, quality plan, purchase order and/or be approved by Dynamic Aviation staff prior to use.
- **Special Processing Records**: The supplier shall maintain record of special processing test and acceptance and shall provide these records to Dynamic Aviation personnel.
- **Quality Plan**: A part specific quality plan is a requirement of this order. All test and inspection noted in this plan must be complied with and records provided indicating compliance to the plan.
- **Source Inspection**: If an On-site source inspection by Dynamic Aviation personnel is a requirement of this order. Five day notification must be provided to Dynamic Aviation when the order is complete to schedule the inspection.
- **Customer Source Inspection**: End item customer source inspection is a requirement of this order. Five day notification must be provided to Dynamic Aviation when the order is complete to schedule the inspection.
- **Document Review**: The supplier shall submit to Dynamic Aviation all relevant and required inspection and test data for the products and services ordered prior to shipment. Authorization to ship product must be received from Dynamic Aviation personnel.
- **Supplier Non-conformance**: Supplier shall report any non-conformances in either the part configuration or deviation from any special processes. Production shall be suspended until Dynamic Aviation provides written instruction as to the disposition of the product. The supplier shall not perform any material review activities on this order. Any and all rework or repair must be authorized. All communications regarding the disposition of products at the supplier shall be in writing and submitted through Dynamic Aviation procurement staff.
- **Supplier Performance**: Dynamic Aviation maintains a list of approved Manufacturers and approved Distributors (Suppliers). Suppliers are monitored by purchase order performance and are subject to continuing performance measurements based on both conformance to requirements and delivery performance. Late shipments or the shipment of discrepant (nonconforming) material will affect a Supplier's approval rating and may cause corrective action and re-assessment of approval status.
- **Proprietary Process or Product**: The supplier shall report to Dynamic Aviation procurement personnel any changes in the supplier's process or product definition that could affect the performance of the deliverable service or product.

- **Requirements Flow Down:** Should any portion of Dynamic Aviation's purchase order requirements be subcontracted to other suppliers; all applicable requirements of the Dynamic Aviation purchase order shall be imposed on the sub-tier supplier.
- **Records:** Quality records shall be retained for a minimum of seven (7) years after completion of purchase order, or as directed by Dynamic Aviation or customer's quality requirements. Records shall be identified and stored in a manner that allows them to be easily retrieved and adequately protected. Seller shall also be responsible for providing a Certificate of Conformance, chemical/material test data, etc. with the product as evidence of conformance, if applicable.
- **Technical Requirements**
 - 1) Chemical and Physical Test Reports - Each shipment is accompanied by one legible and reproducible copy of all chemical and physical test reports. The report contains the signature and title of the authorized representative of the agency performing the test and must conform to specification requirements. The report shows the purchase order number.
 - 2) Process and Material Certification - Each shipment is accompanied by one legible and reproducible copy of a Certificate of Compliance for each process or material used. Such processes as heat treating, welding, soldering, magnetic particle inspection, penetrant inspection, ultrasonic inspection, surface preparation and treatment and chemical processing are included. The certificate identifies the process or material, the purchase order number, the specification to which they conform and the name of the agency that performed them (if other than the seller). In addition, the signature and title of the authorized representative approving the information is included.
 - 3) Traceability - Items under this purchase order must be traceable to heat lot/lot numbers of the original manufacturer, if applicable. Copies of all traceability and inspection records are submitted with raw materials, parts, or assemblies to which they apply. Raw materials used are identified by lot number as well as material type, specification and heat number and must be traceable to records of acceptance (e.g., packing slip, bill of lading, etc.). Parts fabricated are identified with the lot or raw material used.
- **Qualified Outside/Special Processors**
- Supplier shall only use qualified suppliers/personnel to perform special processes. These special processors may be identified by Dynamic Aviation and listed on the Approved Vendor List (AVL) prior to use.
- **Qualified Materials:** Supplier shall use/provide defined raw materials as specified by the purchase order. These materials are to be purchased from qualified suppliers that are identified by Dynamic Aviation and listed on the Approved Vendor list prior to use.
- **Change Notification:** Supplier shall report to Dynamic Aviation purchasing personnel ANY changes/substitutions in the supplier's process or product definition that could/would affect the quality, conformance and/or performance of the deliverable services, process and/or product. Any deviation in process or product definition by the supplier requires Dynamic Aviation approval prior to shipment of product.
- **FOD Prevention:** Any items that could/would classify as FOD (Foreign Object Debris/Damage) shall not be used in the preparation or packaging of product, or parts delivered to Dynamic Aviation (i.e., staples, paperclips, etc.).
- **Calibration:** Providers of calibration services must meet the latest requirements of ANSI/NCSL, Z540-1, ISO 17025 or ISO 10012-1 and standards used must be NIST traceable. Unless stated otherwise, calibration will be per manufacturer's instructions.
- **Right of Inspection & Rejection:** No parts received from processor by Dynamic Aviation shall be deemed accepted until Dynamic Aviation has had a reasonable time to inspect such items and determine the actual quantity received for any packaged parts. Such inspection and physical count shall be performed at Dynamic Aviation facility. Any items which have been discovered to be defective or which fail to conform to the specifications may be rejected upon initial inspection or a later time if the defects contained in the items are not reasonably ascertainable upon initial inspection. Processor shall be liable for any parts lost or damaged by processor and shall reimburse Dynamic Aviation for the actual cost to remake damaged, defective or lost parts including shipping and handling costs.
- **Current Specifications 1**
- It is the supplier's responsibility to verify all product and material specifications utilized at supplier's facility are at current revision levels, including but not limited to, Industry Standards, Government Specifications, and Dynamic Aviation provided drawings and/or data.
- **Current Specifications 2**

- Work to be accomplished in performance of this purchase order must be accomplished in accordance with CURRENT AND LATEST REVISION of the process specification stated/requested on purchase order unless otherwise directed.
- **Counterfeit Parts/Materials Prevention and Control:** Suppliers shall ensure through their processes and/or a formal program against the receipt of counterfeit parts/materials into their inventory, against their use in manufacturing, and against their being sold to other suppliers. Suppliers processes and/or formal program shall be similar to, and meet the intent of SAE AS6174, Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material and/or AS5553, Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition.
- Counterfeit work - (a) For the purposes of this clause WORK consists of those parts delivered under this purchase order that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). “Counterfeit Work” means Work 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 Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable. (b) Supplier shall not deliver Counterfeit Work under this purchase order. (c) Supplier shall only purchase products to be delivered or incorporated as Work directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing. (d) Supplier shall immediately notify Dynamic Aviation with the pertinent facts if supplier becomes aware of suspects that it has furnished Counterfeit Work. When requested, supplier shall provide OCM/ OEM documentation that authenticates traceability of the affected items to the applicable OCM/ OEM. (e) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this purchase order addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails. (f) Supplier shall include paragraphs (a) through (e) and this paragraph (f) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as work to Dynamic Aviation.
- Knowingly supplying material deemed or suspected as counterfeit will be considered unethical business practice and would result in a supplier investigation, reporting and possible removal from Numerical Precision Inc.’s approval vendor listing.
- **Additional Needs For External Providers:** The need to implement a quality management system Ensure that all personnel are aware of their contribution to product or service conformity; their contribution to product safety; the importance of ethical behavior.