



WALDEN'S MACHINE, LLC

**3030 N. ERIE
TULSA, OK 74115**

QUALITY REQUIREMENTS FOR SUPPLIERS

REVISION AA

EFFECTIVE DATE: 2/23/2016

FORM 1.06-2

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Revision History

| Rev. Level | Date | Description |
|------------|------------|---|
| IR | 10/01/04 | Initial Release |
| A | 09-25-05 | Added 'per manufacturer's specification' to 5.1.3. |
| B | 11-03-05 | Added 6.12 "For Lockheed Martin Aeronautical JSF Parts" section |
| C | 02-07-08 | Added Appendix with PO Quality Clauses; Allowed a "supplier equivalent" Form 109 to be used by suppliers in 6.3 |
| D | 05-28-08 | Updated company name; Added supplier rating system; Defined on time delivery; Added conditions to impose Source Inspection; Added DFARS info to 6.2.1; Added 6.13 DPAS Rating; Added material issued to suppliers general scrap allowance 7.0; Clarified part marking requirements 6.1. |
| E | 05-04-09 | Updated Section 4.0-Changed delivery performance requirement from +5/-10 days to +0/-10 days. |
| F | 01-08-2010 | Section 6.3: Defined disposition authority, added Walden's right to debit suppliers for rework resulting from a nonconformance discovered after receipt from supplier. Section 6.11: Increased record retention period from seven to ten years. Section 7.0: Added requirements for Digital Product Definition (DPD). Section 7.0 Facility/Work Environment: Added requirement for foreign object damage. Section 7.0: Authorizes supplier to use internal document in place of Walden's Material Report, Form 109. Section 8.0: Added requirements for supplier delegated source inspection program. |
| G | 7-30-2010 | Section 8.1: added requirement for DSI suppliers to maintain 98% defect free performance level. Added 'override' qualification requirement in Section 8.2: Changed DSQR evidence of acceptance from stamp to stamp or signature requirement. Changed the title of the DSQR Stamp Application Form to DSI Application. |
| H | 9-20-2010 | Section 6.2.1: Added hardness and conductivity test requirements Section 6.11: Added requirement to obtain written approval before destruction of quality records. Appendix: Added Clause 105 and 106. |
| I | 11-15-2010 | Section 6.1: Added requirements for product serialization. Section 6.2.1: Added requirement for suppliers to verify and provide raw material certificate of conformance and material test reports. Section 6.2.3: Added requirement for suppliers to verify and provide process certifications. |
| J | 12-15-2010 | Appendix Clause 100: Redefined requirement to perform FAI. Added Net-Inspect requirement to suppliers and divisions of Primus who have been provided access and instructions to Walden's Net-Inspect. |
| K | 08-01-2011 | All Sections: Restructured the entire manual to the AS9100 standard. Section 2.0: Added contact information for inquiries. Section 4.2: Added controls for engineering documents. Section 5.0, 6.0: Added management and personnel requirements. Section 6.1: Added training requirement. Section 7.1.1: Added classified parts. Section 7.1.3: Added configuration control. Section 7.1.4: Added requirement to comply with Boeing D1-4426. Section 7.2: Added requirement for contract review. Section 7.5.3: Added product identification and traceability. Section 8.1: Added inspection program. Section 8.2.3: Added instructions for process specifications. Section 8.3.2: Redefined method for notification of escape. |
| L | 11-30-2011 | Section 3.2: Changed on-time delivery criteria from 10 days early / 0 days late to: International shipments: 14 calendar days early / 0 day late Domestic shipments: 7 calendar days early / 0 day late |
| M | 01-30-2012 | Cover Sheet: Changed Inc. to LLC, Section 8.2: Changed documentation requirement to "Primus-Walden's COC and Supplier packing slip is required with the delivery of product. No other paperwork is necessary unless FAI is required or quality clause 107 is referenced." Section 9.0: Added Clause 107. |
| N | 9-25-2012 | Section 4.1: For Airbus Products, extended retention period of quality records from 10 years to end of product operational life (LOP) + 6 years. LOP is defined as the time when the last certified aircraft or engine of a type has been withdrawn. Section 7.5.3: Deleted example of part mark Section 8.2: Deleted the paragraph which described information contained in the certificate of conformance. 8.2.1: Added Drop Ship procedure. |

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| | | Section 8.3: Added remediation terms for Suppliers who delivers non-conforming products from another source. Section 9.0: Added Quality Clause 108 |
| O | 02-18-2013 | Section 9.0: Added clause 109 - Weight requirement |
| P | 03-07-2013 | Section 9.0: Added clause 110 – Requirement for Hardness and Conductivity test results |
| Q | 08-07-2013 | Section 1.0: In addition to general requirements described in the documents Primus-Walden’s purchase orders may contain specific quality requirement clauses. Section 8.2.1 Raw Materials: Unless otherwise specified, the supplier shall use the material specification revision level in effect at the time of the release of Walden’s purchase order. Section 8.2.2 Standard Hardware: Unless otherwise specified, the supplier shall use the material specification revision level in effect at the time of the release of Walden’s purchase order. Section 9.0: Added clause 111, 112 and 113 |
| R | 08-15-2013 | Section 9.0: Re-defined clause 111 and 112. |
| S | 08-29-2013 | Section 8.2.1: All Bell Helicopter orders requiring serialization must have a completed 2012-122 form sent to the procurement agent upon shipment. |
| T | 09-06-2013 | Section 8.3.1: Walden’s will charge \$400 for discrepancies deemed satisfactory to submit to MRB for disposition. Discrepancies not deemed satisfactory to submit will not result in a charge to the supplier. Walden’s reserves judgment on whether the discrepancy is to be submitted to MRB. Supplier will include a copy of disposition form with each shipment. |
| U | 9-10-2013 | Added Section 10.0: Engineering Coordination Memo to support clause 113. |
| W | 10-3-2013 | Added Section 8.6: Conformity Requirements for Gulfstream Products |
| X | 11-20-2013 | Added Section 8.2.4 Shipping Paperwork/Requirements |
| Y | 3-4-2015 | -Updated Table of Contents -Section 2.0 revised points of contact -Section 3.3 removed “Certified” classification -Section 7.1.2 removed section for production planning; renumbered remaining sections -Section 7.3 revised to include end customer approved suppliers. Removed Boeing specific requirement. Changed title from “Control of Work Transfers” to “Special Process Control” -Section 8.0 Renumbered Sections -Section 8.2.1 removed email address for inactive dropship email; added the active email address -Section 8.3 added provisions for Walden’s to charge supplier for rework done at Walden’s -Section 8.3.1 removed reference to Walden’s Form 109 -Section 8.3.2 added reference to Section 8.3-Control of Nonconforming Product -Removed Section 8.6 Dropship Procedure for Gulfstream Conformity Parts -Quality Clause 105 removed requirement for inspection stamp and date next to test results -Quality Clause 113 removed reference to ECM No: PCCA000002 Engineering Coordination Memo -Removed Section 10.0 Engineering Coordination Memo |
| Z | 12-4-2015 | -Revised Quality Clause 113 to include requirement for date stamp under the security stamp to signify inspection date. -Revised 7.10 to require the FAI to be accepted prior to supplier shipping the part to Walden’s. -Added Quality Clause 114 |
| AA | 2-23-2016 | Revised section 7.10 to exempt hardware suppliers from submitting AS9102 FAIRs. Also updated logo. |

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1.0 Introduction

Walden's believes that its partnership with our suppliers is key to our success and this document was developed to ensure requirements and expectations are understood.

This document contractually applies when specified by inclusion on purchase orders or contracts issued by Walden's Machine LLC. The supplier will flow down requirements within this document to sub-tier suppliers. Walden's Machine LLC's quality department must approve deviations to requirements included herein. Requests for deviation must be documented by the supplier and submitted to the Walden's buyer or quality department.

The format of the document has been re-structured to the AS9100 standard and all requirements within the AS9100 standard are applicable to Walden's suppliers and sub-tier suppliers, including specific requirements herein.

In addition to general requirements described in the documents Primus-Walden's purchase orders may contain specific quality requirement clauses.

1.1 Scope

This document applies to manufacturers, distributors, processors, inspection service providers, and sub-tier suppliers providing parts, services, or raw materials to Walden's Machine Inc.

1.2 Distribution

It is the responsibility of the supplier to obtain and comply with the latest version of this document which can be viewed or printed from Walden's website at wmitulsa.com under the supplier tab.

2.0 Document Approval

This document is approved by:

[Signature on File](#)

Lesley Fisher

Director of Quality

All inquiries related to this manual shall be addressed to:

Kristen Hager

Supplier Quality Engineer

kmhager@pccaero.com

918-836-6317

3.0 Evaluation, Approval and Performance Monitoring Process

3.1 Initial and Re-evaluation of the Supplier's Quality Management System

For initial evaluation, suppliers must complete and return Walden's self-survey and a copy of applicable quality management system certifications (i.e. AS9100), process certificate (i.e. NADCAP) within the specified time frame identified on the survey. Additional evaluation methods, i.e. on-site assessment may be performed by a Walden's quality representative. Supplier's quality management system is re-evaluated and approval is subject to the status of the supplier's quality management system and/or quality performance history.

3.2 Performance Monitoring

Walden's tracks quality and delivery performance of its suppliers. On time delivery is determined by the due date on the purchase order line item. To be considered on-time, shipments must be delivered:

Domestic shipments: 7 calendar days early / 0 day late

International shipments: 14 calendar days early / 0 day late

Source Inspection can be imposed at the Supplier's expense when quality rating falls below 95% for any one month or undisclosed defect is delivered.

3.3 Rating System

| | |
|--------------------|---|
| Approved | Maintained quality and delivery performance of 95% to 97.99% for 12 consecutive months. |
| Probation | Quality or delivery performance falls below 95% for any 3 months within a 12 month period, or undisclosed defects were delivered, or inadequate/late response to corrective action request. |
| Disapproved | Due to inadequate capability, quality system and procedures, and/or failure to meet Approved status within 6 months after status was changed to disapproved. |

Walden's also reserves the right to disapprove a supplier when there is a change in supplier's manufacturing or processing capability, unsatisfactory audit results or no business activity for an extended period of time.

4.0 Quality Management System Requirements

Supplier shall implement and maintain a quality management system in accordance with the respective standard:

| Supplier Capability | Quality Standard |
|--|---------------------------|
| Manufacturer with Design Authority or Build-to-Print | AS9100 |
| Distributor | AS9120 |
| Processor | NADCAP AC7004 |
| Calibration Laboratory | A2LA, ISO 10012, ISO17025 |

Supplier shall provide a written notification to Walden's quality department of any changes in the supplier's management, ownership, location/address, name, and/or quality system.

4.1 Requirements for Quality Records

Supplier shall maintain an adequate records system for product/service supplied on a purchase order from Walden's. Records must include, but not limited to, manufacturing plans (work orders), inspection and test data, raw material certifications, process certifications, and contract agreements. All records must be kept on file for a minimum of ten (10) years, and is subject to review upon request. At the end of the 10 year retention period, the supplier must contact Walden's quality department and obtain written approval prior to destruction.

For Airbus Products: Retention period of quality records has been extended from 10 years to LOP + 6years. (LOP is defined as 'end of product operational life' or time when the last certified aircraft or engine of a type has been withdrawn.

This requirement shall be flowed down to sub-tier suppliers.

4.2 Engineering Documents (Drawings, Specifications, and other Technical Data)

Supplier shall control engineering documents to ensure documents are approved before use, reviewed and updated as changes are released. When it is deemed necessary to request changes to supplied documents, the request for change is forwarded in writing to Walden's quality department. No implementation of the requested change will be executed until authorized by Walden's.

4.3 Digital Product Definition (DPD) Data

When DPD data is provided, the Supplier shall maintain a documented DPD procedure to ensure the integrity of product engineering and/or tooling, and configuration is maintained throughout the supplier's DPD system from receipt of Walden's supplied data through creation of derivatives to product acceptance and process improvement. Supplier shall include a flow diagram in the documented procedure that graphically depicts the flow of data from receipt to product validation, and in analysis of measurements for process improvements. The flow diagram shall specify all segregated, secure storage locations of authority and derivative media and shall specify all supplier departmental functions responsible for performance of CAD/CAM operations including the delivery of Walden's provided data to sub-tier suppliers. To ensure the Supplier's DPD system is compatible with Walden's, supplier shall maintain and make available to Walden's upon request a list of the current level of hardware configuration, software, software revisions, and other digital system information for computing equipment that receives authority data. The supplier shall notify Walden's within thirty (30) days of any changes to DPD processes, CAD, CAM, CAI software, and measurement equipment. The Supplier shall assure nonconforming digital product definition datasets are identified as discrepant, segregated and reviewed for disposition and a corrective action system includes reporting, tracking and resolving all transmission, hardware, software and dataset problems, and product deficiencies to Walden's.

Supplier is responsible for securing access to digital data provided by Walden's. When developing NC Programs, the Supplier shall maintain traceability from the NC Program to the original dataset and ensure only current authority datasets are available for use in production and inspection. Production acceptance software and tooling shall be validated prior to use and re-validated as changes are made. Data protection (encryption) shall be used when electronically transmitting digital data. Training records, which specially identify DPD training has been administered shall be maintained. The Supplier shall conduct audits on all operations affecting DPD data and related documentation to assure compliance with contractual requirements, software and production part quality standards, and the observance of security restrictions. Walden's reserves the right to evaluate the Supplier's DPD system to determine if the Supplier has adequate documentation, hardware/software, equipment, and inspection capabilities and are in compliance with specified DPD requirements. Supplier shall flow down these requirements to their sub-tier suppliers.

5.0 Management Responsibilities – Right of Access

Supplier's management shall ensure the quality management system is maintained at the required quality standard including requirements stated in Walden's purchase orders and this document. Supplier shall provide Walden's, Walden's customers and regulatory agencies access to their facility for the purpose of verifying activities and quality records involved in Walden's purchase orders.

6.0 Provision of Resources

6.1 Training

The supplier shall ensure personnel performing work affecting conformity to product requirements are competent on the basis of appropriate education, training, skills and experience.

6.2 Facility and Work Environment

Walden's expects all suppliers to maintain a clean and orderly manufacturing environment. Supplier shall maintain a program to control and eliminate Foreign Object Damage (FOD) and/or contamination during the manufacturing, handling, packaging and shipping operations.

7.0 Product Realization

7.1 Classified Parts or Controlled Parts

Classified or Controlled Parts are considered "Primary", "Critical", "Flight Safety", and "Fatigued Controlled". The classification is noted on our purchase order when it applies. The supplier's shall note the classification; i.e. "Critical Part" on each page of the manufacturing or process plan and certificate of conformance. When requested, planning

requiring approval by Walden's customer must be submitted to Walden's. Upon approval of the supplier's plan, the supplier cannot deviate from the approved plan.

7.2 Configuration Management

The supplier shall maintain a configuration management system to ensure technical data is available to validate characteristics of a product, change history, and changes are verified. Comments and questions regarding configuration control should be addressed to Walden's product and engineering support group.

7.3 Special Process Approvals

When placing work at sub-tiers, the end customer (Boeing, Gulfstream, etc.) may specify how special processes, production of raw material and the procurement of selected parts standards are performed in accordance with contractually established engineering specifications, drawings and quality requirements. The supplier shall evaluate end customer approved sources at an interval not to exceed monthly for additions/revisions that affect the seller's statement of work defined within Walden's purchase order. Revisions that impact the seller's ability to provide compliance shall be brought to the attention of the Walden's buyer within 5 working days.

7.4 Machined Parts

Supplier shall not offload or subcontract any work for Walden's. For Walden's Supplied Material, 100% material accountability and traceability to the Walden's Purchase Order is required. Excess or nonconforming material must be properly documented, identified and returned with the end product. All material must be returned to Walden's, regardless of condition (conforming parts, or non-conforming). Failure to properly document, identify and return nonconforming material will cause delivery to be denied until the issue is resolved. Walden's will accept the Supplier's internal document in place of Walden's Material Report (Form 109). Walden's expects the supplier to make every effort to prevent material scrap. Only Walden's furnished drawings/data are to be used in the manufacture of procured parts. Supplier shall perform first piece setup inspections to assure that a conforming part will result from setups, equipment and tools, feeds and speeds, and operator practices. Special processes or nondestructive tests will not be performed by suppliers unless approved by Walden's.

7.5 Contract Review

Supplier shall ensure purchase order requirements are reviewed and differences are resolved by contacting Walden's buyer or Walden's quality department prior to the supplier's commitment to supply the product or service.

7.6 Sub-Tier Control

Supplier is expected to monitor performance (i.e. quality and delivery) of its sub-tiers to determine how sub-tiers are performing to requirements.

7.7 Purchasing Information

Supplier shall flow down requirements stated in Walden's purchase order.

7.8 Verification of Purchased Product

Supplier shall inspect, upon receipt, all subcontracted parts, components, and outside processes used in the fulfillment of Walden's purchase orders. The supplier is responsible for executing verification activities to ensure conformity of any procured materials, products and services used in the fulfillment of a Walden's purchase order. Supplier must provide objective evidence of product conformity. Suppliers must verify purchased product against the latest applicable specification.

7.9 Delegated Source Inspection (DSI)

This section defines the process for approval and use of suppliers who are granted delegated inspection and is used as a training guide for potential DSI suppliers. The qualification criteria for supplier delegated source Inspection includes at minimum, nominated and existing DSI suppliers must:

- Maintain an 98% defect free performance rating
- Maintain AS9100 quality certificate by an accredited third party agency.
- Submit to an onsite audit.
- Read and understand the contents of *Walden's Quality Requirements for Suppliers Manual*.
- Complete and submit an application for delegated source inspection.
- Maintain a copy of the approved application as a quality record.
- Obtain approval from Walden's Quality management when sampling plans are used.

Walden's Director of Quality reserves the right to approve any supplier at discretion and also reserves the right to override performance level indicators in special circumstances. The application and approval process is as follows:

- Supplier nominates an individual to become a delegated source inspector.
- Submit a DSI Application and Approval form. Complete Section 1 and return to Walden's Quality.
- Obtain approval from Walden's Quality.

Walden's Quality management determines which acceptance method (stamp or signature) to use and as identified within the approved DSI application.

The responsibilities of the DSI are functionally collective when more than one DSI serves for a company. The DSI is responsible for the following unless limitations are identified on the DSI application form. The DSI assures:

- Material/Product meets the purchase order requirements prior to release.
- Parts are properly identified.
- Verify special processors are approved by the end customer.
- Packing slip contains the complete part number, quantity of parts and other information required by purchase order.
- DSI signature or authorized stamp impression and date are applied to quality documents, i.e. certificate of conformance, packing slip, etc.
- All nonconformance encountered by a DSI are properly documented and reported to Walden's.
- Notify Walden's of any known or suspect escapes of nonconforming material as soon as it is detected.
- Walden's written approval is obtained prior to shipment of MRB, nonconformance, or product that does not meet purchase order requirements.
- Conduct or witness an annual product audit of product shipped to Walden's to verify process controls and acceptance plans are established to meet design requirements.

When acting on behalf of Walden's for tasks associated with product release, the DSI is considered to be acting in behalf of Walden's.

Walden's Director of Quality reserves the right to disapprove any supplier at their discretion. DSI authority can be reinstated when the supplier meets all requirements defined in the initial qualification, application and approval section of this procedure. Issued DSI stamps must be returned to Walden's upon request. DSI authority may be suspended when a supplier:

- Reaches an unacceptable performance level.
- Unauthorized or improper release of material or product
- Unauthorized use of issued stamp or signature.
- Failure to respond to corrective action request.
- Change in ownership or location.

7.10 First Article Inspection

Supplier will perform first article inspection in accordance with the AS9102 standard. When instructed by Walden's quality department, the First Article Inspection Report (FAIR) shall be submitted using the electronic system "Net-Inspect ". To get access to the tool and get training, contact Net-Inspect at: <http://www.net-inspect.com>. Unless otherwise arranged, the supplier's FAI must be accepted before product is shipped to Walden's.

Hardware suppliers who are producing parts to standard configurations are exempt from submitting AS9102 First Article Inspection Reports but are still responsible for inspecting each lot of material to ensure it complies with engineering requirements. If modifications are made to standard hardware items to create unique configurations (such as P01 configurations), First Article Inspections shall be performed and submitted.

7.11 Tooling

Walden's supplied tooling shall be visually inspected upon receipt for damage, missing or loose parts and notify Walden's of damaged or incomplete tooling. Tooling used as a media of inspection shall be included in the supplier's calibration system to ensure there is no lapse in calibration frequency. The supplier shall perform periodic inspections needed to ensure parts produced from the tooling meet engineering design data. If a Supplier is not capable of performing inspection, Supplier must notify Walden's quality department.

7.12 Product Identification and Traceability – (Build-To-Print Suppliers)

Physical Identification:

Supplier shall correctly identify product per applicable drawings, specifications, and Purchase Order (PO) requirements - Purchase Order takes precedence.

Serialization:

Serial numbers shall be recorded and maintained in Supplier's documents; i.e. manufacturing, purchasing, inspection, certificate of conformance and packing sheet. The supplier shall maintain a system to preclude duplication of serial numbers. Suppliers of assemblies containing serialized detail parts must record and maintain serial number of each detail item for traceability purposes.

Serial numbers must be applied at the earliest possible sequence during operations. When an operation requires the serial number to be transferred to eliminate possible removal during processing, an inspection verification of serial number transfer process is required.

Traceability:

Suppliers will ensure all product (assemblies, subassemblies, raw material, hardware, metals, paints, sealants, and other products used to manufacture of process parts) provided on Walden's purchase orders are traceable to the manufactured lot. Suppliers shall maintain traceable records.

7.13 Packaging

Supplier ensures product conformity when packaging and shipping to prevent damage in transit and in handling and include accurate and legible documentation required by the purchase order and this document.

7.14 Calibration Program

Supplier shall maintain the National Institute of Standards and Technology (NIST) traceable calibration system capable of insuring the accuracy of all measuring equipment utilized in the inspection and acceptance. Traceable calibration certifications for calibration standards must be maintained on file and available for review by the supplier.

8.0 Measurement and Analysis

8.1 Inspection Program

The supplier is responsible for executing verification activities to ensure conformity of products in the fulfillment of a Walden's purchase order. This includes all inspections and tests that are required to substantiate conformity.

This responsibility is executed during in-process and final inspection of production operations. The supplier provides objective evidence of product conformity, regardless of the manufacturing source.

Final inspection or verification of manufactured products shall be conducted prior to delivery. No products may be delivered until all required activities are satisfactorily completed and the products are verified to be compliant to contractual requirements, unless a written authorization has been received from Walden's.

For Lockheed Martin Aeronautical JSF Parts: If work to be accomplished in performance of this purchase order is directly related to a Lockheed Martin Aeronautics company P.O it must be accomplished in accordance with process specifications listed the on purchase order and Lockheed Martin Aeronautics Company Appendix QJ.

Defense Priorities and Allocations Systems (DPAS) Rating: Unless otherwise noted, all DOD procurement shall have a DPAS rating of DOA1.

8.2 Certificate of Conformance and Packing List

A Certificate of Conformance (COFC) and Supplier's packing slip is required with the delivery of product. No other paperwork is necessary unless FAI is required or quality clause 107 is referenced.

The Certificate of Conformance must include a statement of compliance to applicable drawings, specifications revision level) or other specified technical data and their revision level, signature of an authorized agent of the certifying company, and position held.

8.2.1 Raw Materials

The supplier is required to review, verify to requirements, and provide raw material Certificate of Conformance and Material Test Reports with each shipment. The Supplier shall provide certification from the original mill. Unless otherwise specified, the supplier shall use the material specification revision level in effect at the time of the release of Walden's purchase order.

Any departure from required specifications must be submitted and approved by Walden's quality department before shipment to Walden's.

Certification shall be from the original mill and shall contain:

- material specification and applicable revision
- material description
- alloy and condition
- physical properties
- chemical analysis (when applicable)
- heat lot number

When raw material is purchased from a distributor, include the distributor's certificate of conformance along with certification from the original mill. Material Test Reports shall contain actual results of chemical and/or physical analysis, as applicable for each lot or batch number.

Supplier is required to perform hardness and conductivity test on aluminum and hardness test on other hard metals prior to fabrication in order to verify material temper to engineering. Results of such verification shall be maintained on the supplier's manufacturing plan (work order) or other inspection status documentation.

Supplier shall perform additional verification of material when Quality Clause 105 is specified on Walden's purchase orders. See 9.0 for explanation of Clause 105.

Material procured for use in DOD contracts shall adhere to DFARS 252.225-7014 (alternate 1) and DFARS 225.872-1. **Drop Ship Procedure:** When Walden's owned material is received at the supplier's facility the Supplier shall complete the drop ship material inspection form and send an email including the material certification towmidropship@pccaero.com.

All Bell Helicopter orders requiring serialization must have a completed 2012-122 form sent to the procurement agent upon shipment.

8.2.2 Standard Hardware

Certificate of Conformance must identify the original manufacturing source. Unless otherwise specified, the supplier shall use the material specification revision level in effect at the time of the release of Walden's purchase order.

8.2.3 Processors

Processes are defined as Material Test Laboratory, Heat Treat, Shot Peening, Non-Destructive Testing, Chemical Processes, Welding, Coatings, and Non-conventional machining

Unless otherwise specified, the processor shall use the process specification revision level in effect at the time of the release of Walden's purchase order. An index of the latest revision levels are posted on Walden's website. Parts and/or assemblies processed after the purchase order date and/or delivered after the process specification was superseded are acceptable. Cancelled or superseded military specifications shall be processed to the latest specifications.

Supplier is required to review, verify to requirements, and provide process certifications with each shipment. Any departure from required specifications must be approved by Walden's quality department prior to shipment.

8.2.4 Shipping Paperwork/Requirements

Walden's reserves the right to charge \$150 for product delivered that lacks the required documentation/requirements detailed with this document and purchase order quality clauses.

8.3 Control of Nonconforming Product

Supplier shall maintain an effective system for controlling nonconforming materials and products including procedures for identification and segregation, identifying nonconforming items immediately upon discovery.

Primus Walden's may, at its option and at Supplier's expense, return the products for credit or refund, require Supplier to promptly correct or replace the products, repair the defective products and charge the Supplier for all related repairs, and/or obtain replacement products from another source. Return to Supplier of defective or nonconforming products and re-delivery to Walden's of corrected or replaced products shall be at Supplier's expense, and Supplier shall pay for all other resulting damage, loss or claims arising out of defective or nonconforming products. These remedies are in addition to any remedies, Primus Walden's may have at law or equity.

Charges resulting from Walden's option to rework Supplier's nonconformity in house are determined according to the classification of the repair.

Category I: Repair requiring no physical alteration of a part (ex. Part mark, minor paint application, etc.)

Category II: Repair requiring physical alteration to part to bring it within engineering requirements (ex. Debur, paint removal, etc.)

| | Category I | Category II |
|-------------------------|---|-----------------------|
| Cost to Supplier | The lesser of 10% of the part price and \$10 per part | 30% of the part price |

8.3.1 Material Review Board (MRB) Authority

Supplier's disposition authority of nonconformance is limited to rework, return to supplier and scrap unless the supplier has been granted MRB authority. Other dispositions that fall outside of rework, return to supplier and scrap shall be submitted to Walden's as follows:

- Supplier will document discrepancies, other than noted above, on Supplier's nonconformance report. Supplier will include a copy of the dispositioned nonconformance report with each shipment. Walden's will charge \$400 for discrepancies deemed satisfactory to submit to MRB for disposition. Discrepancies not deemed satisfactory to submit will not result in a charge to the supplier. Walden's reserves judgment on whether the discrepancy is to be submitted to MRB. Supplier will include a copy of disposition form with each shipment.
- Supplier's shipping document shall include a note stating "nonconforming parts and MR worksheet included in shipment." A tag, stating "nonconforming part", shall be affixed to each discrepant part.

8.3.2 Notification of Escape

When the supplier identifies or becomes aware of defective product/service that has escaped from the supplier's facility and shipped to Walden's, the supplier shall immediately notify Walden's. Written Notification shall be addressed to Walden's Quality Assurance and shall be received in a timely manner. Walden's may debit suppliers for rework resulting from a nonconformance discovered after receipt from supplier (See Section 8.3-Control of Nonconforming Product).

Written Notification must include:

- Supplier Name
- Part number(s)
- Serial number, heat lot number, batch number
- P.O. number(s)
- Quantities
- Dates delivered
- Description of the defect
- Immediate containment plan
- Long term corrective action plan

8.4 Corrective Action

Supplier shall have an effective program for investigation, corrective action and follow-up for all defects detected during the manufacturing and inspection process. Walden's reserves the right to issue corrective action request for nonconforming product found by Walden's. Suppliers are required to respond, within the due date indicated on Walden's corrective action form.

9.0 Purchase Order Quality Clauses

- 100 First Article Inspection (FAI) shall be performed in accordance with SAE AS9102 Aerospace standard. FAI shall be performed on a new product representative of the first production run. Partial or re-accomplishment of the FAI is required as prescribed by the SAE AS9102 standard. Suppliers and divisions of Primus, who have been provided access to Walden's Net-Inspect, are required to utilize Net-Inspect as instructed. Suppliers and divisions of Primus, who have not been provided access to Walden's Net-Inspect, shall use forms located in the SAE AS9102 or equivalent. Suppliers may obtain copies of AS9102 forms at www.sae.org. FAI report shall include the identification of each characteristic and feature required by design data, allowable tolerances, actual measured results, and a drawing or graphical aid with features numbered to correspond with the

numbered features of the FAI report. FAI records shall contain objective evidence of inspection/acceptance that characteristics, material and processing have been verified to Walden's purchase order requirements.

- 101 A First Piece Inspection must be performed at Primus International Walden's Division, for each manufacturing step, during the initial production run of each line item. Each part submitted for First Piece Inspection must include documentation of the supplier's inspection results.
- 102 The supplier is to perform machining operations only, as defined in the engineering drawing/data set and PO requirements. Omit all special processes.
- 103 Any additional materials provided by Primus International Walden's Division (i.e. tools, computer programs, check sheets, etc.) are considered manufacturing aids and for reference only. Parts must comply with PO requirements.
- 104 Source inspection is required at your facility prior to shipment. Contact Primus International Walden's Division a minimum of 24 hours in advance to schedule.
- 105 The supplier shall ensure hardness and conductivity test of metallic material is performed, verified, recorded on the manufacturing plan after fabrication and before processing; i.e. anodize, coating, etc. The following tests are required:

| | |
|--------------------|---------------------------|
| Aluminum: | Hardness and conductivity |
| Other Hard Metals: | Hardness |

Where test results are provided by an outside processor, it is permissible to accept values reported on the processor's certificate of conformance.

- 106 The supplier shall provide a copy of the manufacturing plan (work order) with each shipment.
- 107 Material, hardware, and processing certifications are required along with Primus-Walden's COC document upon delivery of product.
- 108 For end products to General Electric – Hamble, First Article Inspection is required in accordance with AS9102 as per GEASL Procedure QAP H.01 including a completed copy of Airbus UK Form QD183, Copy of Weight Report Form INSP425 and, when required, for QD206 upon completion of the first article report. Primus-Walden's will contact GEASL Quality to arrange source inspection prior to delivery. If source inspection is subsequently waived; all applicable first article inspection paperwork shall be delivered with the parts to GEASL. General requirements of GRAMS AP2190 shall apply. All applicable raw materials and processes must be procured/performed and traceable back to an A350 approved source in accordance with the Airbus Qualified Parts List, AIMS or relevant ABS specs called out on the drawing. Traceability paperwork is to be provided with each delivery of product. Companies that have GEASL DSI approval are exempt from this requirement. A PDF scanned copy must be sent through GE eDistrib Tool Release in accordance with your Airbus Approval number.
- 109 This part has a weight requirement listed in its engineering. The supplier shall provide a run chart documenting the weight of each part in the order. Failure to adhere to engineered weight may result in a monetary penalty.
- 110 The supplier shall record hardness and conductivity test results of metallic material on each certificate of conformance. The following tests are required:

| | |
|--------------------|---------------------------|
| Aluminum: | Hardness and conductivity |
| Other Hard Metals: | Hardness |

- 111 This part requires FAA conformity be performed at supplier's facility for a set number of parts manufactured. Requirements for the conformity will reside within the Request For Conformity, FAA Form 8120-10. The

conformity will be performed by an FAA approved Gulfstream delegate. Conformity parts will require serialization as well to tie the conformity document to the actual part being conformed. Each article and accompanying documentation shall be marked with a serial number in the format of "S/N 72PXXXXXXXXXXXX GS-01" through GS-0X and a "C" signifying the product has been conformed. The supplier shall establish a documented procedure for the serialization and application of the "C" on all FAA conformed articles.

- 112 This part requires an FAI to be performed on each part manufactured until this clause is removed from the purchase order. Walden's will utilize a FAIR identification number to track each of the seven submittals. The FAIR identification number is the part number followed by GS-01 thru part number GS-0X. The FAIR identification number will be entered in the customer part number box located on Form 1 in Net-Inspect. The FAIR identification number (GS-01 though GS-0X) shall also be marked on the part (as a serial number in the format of "S/N 72PXXXXXXXXXXXX GS-01") as well as "FAI" signifying it is one of a multiple FAI part number.
- 113 The supplier shall mark parts according to the corresponding WCP and also including inspection acceptance stamp, country of origin (if applicable), and serial number (if applicable). Additionally, supplier must place final inspection stamp and date on all parts. If part surface is smaller than 2" by 2" then part should be marked in accordance with the engineering drawing marking requirement.
- 114 Each part is to be assigned a unique serial number.