



SEACAST PURCHASE ORDER CODES:

Note: Quality codes 1, 7, 10, 11, 12 apply to all purchase orders. Additional codes will be listed on the PO.

1. QUALITY SYSTEM REQUIREMENTS:

Supplier's quality system shall be approved by SeaCast and is subject to review. The Supplier must ensure that all supplier employees are aware of their contribution to product or service conformity, product safety, the importance of ethical behavior and the need to prevent the use of counterfeit parts.

SeaCast will conduct a semi-annual review of approved external providers including on-time delivery and quality performance. SeaCast will determine eligibility of suppliers to maintain approval status on the Approved External Providers list at that time.

2. TEST REPORTS:

Supplier is to furnish, with each shipment, a copy of the test report as required by the applicable specification or drawing identifiable to the material by heat and/or lot number. Each test report is to certify that test reports were performed in accordance with specification requirements by an approved testing agency.

3. MATERIAL TRACEABILITY:

Parts fabricated by the Supplier shall be traceable to the lot/heat number and their records of acceptance. If Supplier is performing an outside service to parts that have traceability established (lot control, heat number, serialization, etc.) the traceability of the parts must be maintained.

4. CERTIFICATE OF CONFORMANCE:

Supplier shall certify that parts or material supplied are in compliance with the applicable drawing and/or specification requirements and maintain objective evidence of conformance on file. One signed copy of this certification shall be included with each shipment.

5. SPECIAL PROCESS CERTIFICATION:

All manufacturing, inspection, or testing which is required to be performed by "Approved Sources" shall be performed only by sources specifically approved to perform the processes per the applicable specification and/or drawing (i.e. D1-4226 for Boeing, Rolls-Royce Data Card, GEAE special process approval etc.). Certifications or test reports from approved processors are required with each shipment. The certification shall include the special process performed, the process specification, and the name of the agency performing the process, if other than the seller.

6. SUPPLIER FIRST ARTICLE INSPECTION:

Supplier shall perform a first article inspection in accordance with AS9102. This report will be provided to SeaCast with the first shipment of parts.

7. RIGHT OF ENTRY:

SeaCast, SeaCast's Customer and Regulatory Authorities shall have the right of access to the applicable areas of the facilities and to documented information, at any level of the supply chain, at any time prior to or subsequent to shipment of hardware suspected or found to be discrepant.

8. NONCONFORMING PARTS OR MATERIAL:

When applicable, parts or material not conforming to drawings, specification, or other requirements shall be identified as nonconforming and separated from conforming hardware.

9. SOFTWARE CONTROL:

When applicable, Suppliers shall establish and implement a software quality assurance program plan for non-deliverable software used in the automated manufacturing of deliverable hardware or in the qualification or acceptance of deliverable hardware. Objective evidence that the software performs its required functions shall exist prior to use of the software. The software shall be placed under internal configuration control which includes library backup prior to its use. Access shall be made available for review at Supplier's facility to determine compliance with contract requirements.

10. RECORD RETENTION:

All quality records must be maintained for a minimum of 11 years from the date of shipment. The Supplier must notify SeaCast of any change in business status that would affect the Supplier ability to maintain these records. After required retention time has passed, written permission must be obtained from SeaCast prior to destruction.

11. PROCESS CHANGES:

Supplier must notify the SeaCast buyer stated on the purchase order 90 days prior to changes in the product or process used in the manufacture of products for SeaCast. SeaCast reserves the right to review products for acceptance, certain changes may require SeaCast approval depending upon the change. Changes requiring supplier notification include, but are not limited to:

- Manufacturing facility location changes (including additional facilities).
- Product and/or process changes affecting FAI requirements
- Changes in ownership, name changes, or senior company management.
- Changes of external providers used to manufacture SeaCast product.
- Quality leadership, system or controlled process certification including suspensions or disapprovals.

12. Flow Down to External Providers:

SeaCast's suppliers shall ensure flow down to, and compliance with, all applicable purchase order requirements to their sub-tier suppliers, including approved special process sources.

Specific Boeing End-Use PO Notes

B1 The Supplier must compile and maintain a single source of documented information and refer to it as a Quality Manual. The Quality Manual must include a description of the quality management system and contain or make reference to the documented information and associated aviation, space, and defense industry requirements contained within AQMS.

B2. The Supplier must retain documented information that provides evidence of monitoring and measurement equipment calibration. The retained documented information must include the required calibration register elements defined within the AQMS standard and the results of calibration..

B3. Operator Self Verification Program: If the Supplier uses an Operator Self-Verification (OSV) program, the Supplier must comply with the requirements set forth in AS/EN/SJAC 9162, "Aerospace Operator Self Verification Programs", as may be amended from time to time. Buyer reserves the right to conduct surveillance at Supplier facility to determine that Supplier is compliant to the requirements of AS/EN/SJAC 9162.

B4. Supplier must maintain, and have available on a timely basis, quality records traceable to the conformance of product/part numbers delivered to Boeing. Supplier must make records available to regulatory authorities and Boeing's authorized representatives. Supplier must retain such records for calendar year + 10 years from the date of shipment under each applicable order for all product/part numbers unless otherwise specified on the order. At the expiration of such period set forth above and prior to any disposal of records, Supplier will notify Boeing of records to be disposed of and Boeing reserves the right to request delivery of such records. In the event Boeing chooses to exercise this right,

Supplier must promptly deliver such records to Boeing at no additional cost on media agreed to by both parties. Boeing requires that the provisions/requirements set forth above be included in Supplier direct supply contracts related to the Products/Part Numbers.

B5. Supplier must ensure that all of the control activities listed within the AQMS standard are applicable and addressed within the Supplier's processes for control of documented information.

B6. 'Work-Transfer' is defined as movement or re-location of work to be performed, either by Seller or Seller's Supply Chain, from one facility to another, from Seller to a supplier in Seller's Supply Chain, from a supplier in Seller's Supply Chain to Seller, or from one supplier in Seller's Supply Chain to another supplier in Seller's Supply Chain (including to any affiliate of Seller). Seller will not and will ensure supply chain will not, Initiate a Work Transfer without Boeing's prior written approval. Seller will complete and submit Boeing form X35781 "Supplier Initiated Work Transfer Notification" (including required implementation plans). Seller acknowledges the Work-Transfer approval process. May take 120 M-days, depending on: (i) complexity of the Work-Transfer; (ii) Seller's, including Seller's Supply Chain, as applicable, cooperation and timeliness in the process; (iii) completeness of plan(s) and/or submittals; and (iv) regulatory notifications and approvals, if any. Seller agrees the Work-Transfer process may not occur according to Seller's schedule. Boeing reserves the right to deny a Work-Transfer

B7. When directed by Boeing, supplier will comply with and flow down to its Supply Chain the requirements of Boeing Form X38656, "Advanced Product Quality Planning (APQP) & Production Part Approval Process (PPAP)"

B8. The Supplier must ensure their internal processes address the use of Customer/Engineering authorized manufacturers and/or designated sources (e.g.; Qualified Product List {QPL}) and they must ensure retained documented information is validated prior to the release of products and the documented information includes traceability to the designated source.

B8. Material Substitution Requests: Material Substitutions are a change to Type Design Data and require an EO/SEO to the applicable drawing, or inclusion in the Approved Material Substitution List (AMSL) or Part Specific Approved Material Substitution List (PSAMSL) as applicable. Sellers shall submit material substitution requests on an Engineering Liaison Request (ELR) to the Boeing Procurement Agent. Material substitutions listed in the AMSL or PSAMSL do not require additional Boeing authority. Seller is authorized to utilize the listed substitutions within the guidelines and requirements of the AMSL/PSAMSL.

B9. When specifically requested by Boeing, Supplier must make specified quality data and/or approved design data available in the English language.

B10. Regulatory Approvals: For aircraft regulated by Civil Aviation Authorities, regulatory approval may be required for Seller to make direct sales (does not include "direct ship" sale through Boeing) of modification or replacement parts to owners/operators of type certificated aircraft. Regulatory approval, such as FAA Parts Manufacturer Approval (PMA), is granted by Civil Aviation Authorities. Seller agrees not to engage in any such direct sales of Products or Services under this Agreement without appropriate regulatory approval. For Seller proprietary parts, Seller agrees to notify Boeing of application for regulatory approval and the subsequent approval or denial of same. Upon receipt of proof of applicable regulatory approval, Boeing may list Seller in the illustrated parts catalog as seller of that part. Unless explicit contractual direction is given to the contrary, no articles (or constituent parts thereof) ordered by Boeing Commercial Airplane Co. purchased under this agreement shall contain any Federal Aviation Administration- Parts Manufacturer Approval (FAA-PMA) markings and the accompanying paperwork (e.g., packages, shippers, etc.) shall not contain any FAA PMA markings.

B11. Boeing Design Digital Product Definition (DPD) approval is required per Document D6-51991.

B12. Where Boeing specifications and/or processes are listed within the detail design, specification control, or envelope drawing, incorporated by this purchase document, Seller shall adhere to the latest revision of the Boeing specification and/or process, unless otherwise specified in the purchase document.

B13. The supplier Acceptance Test Procedure (ATP) is intended to provide reasonable assurance that a NEW part/component meets the minimum requirements for fit, form and function for its intended use. The ATP is insufficient as a standalone investigation tool for a specific documented nonconformance, unless a step within the ATP specifically accounts for/tests for the identified nonconformance. Supplier investigation of documented

NON CONFORMING product(s) must lead the supplier to "eliminate the cause(s) of the nonconformity, in order that it does not recur or occur elsewhere" (QMS AS/EN/JISQ 9100) or produce evidence that the supplier is not at fault.

B13. When Supplier utilizes test reports to accept raw material from External Providers, the following requirements apply:

- a) Test reports must be checked 100% against Supplier's requirements and applicable specifications.
- b) Validation test requirement: Supplier must periodically validate test reports for raw material accepted on the basis of test reports. That validation must 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 provider/manufacturer.
- c) Supplier must retain test reports provided by the raw material provider/manufacturer, as well as Supplier's validation test report results as quality records traceable to the conformance of Goods, as specified elsewhere in this contract.

B14. THE SUPPLIER WILL PLACE THE FOLLOWING STATEMENT ON THE SHIPPING DOCUMENTATION OF ALL SHIPMENTS TO BOEING: "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 and no articles (or constituent parts thereof) or the accompanying paperwork (e.g., packages, shippers, etc.) contain any Federal Aviation Administration- Parts Manufacturer Approval (FAA-PMA) markings." **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".**

B15. THE SUPPLIER WILL PLACE THE FOLLOWING STATEMENT ON ALL SHIPPING DOCUMENTS: It is hereby certified that (A) The parts and/or materials reflected herein were produced under Federal Aviation Administration approved manufacturing and quality control systems/methods as set forth in FAA Production Certificate NO. 700 issued to The Boeing Company and (B) Such parts and/or materials are new and in an airworthy condition. (SIGNED) SUPPLIER QUALITY ASSURANCE (TITLE) IF SUPPLIER HAS BEEN DELEGATED INSPECTION AUTHORITY PLACE FOLLOWING STATEMENT ON PACKSLIP: "Delegated Boeing inspection authority has been granted for this supplier"

B16. For Boeing source acceptance the Boeing Quality representative will sign the statement. Supplier is granted direct ship authorization by Boeing for parts shipped on this order only. **THE SUPPLIER WILL PLACE THE FOLLOWING STATEMENT ON ALL SHIPPING DOCUMENTS:** It is hereby certified that (A) The parts and/or materials reflected herein were conformed in accordance to Federal Aviation Administration approved manufacturing and quality control systems/methods as set forth in FAA Production Certificate NO. 700 issued to The Boeing Company. AND (B) Such parts and/or material are new and in an airworthy condition.

SIGNED:

TITLE:

B17. Seller must inspect or otherwise verify that all products, articles, or services, including those components procured from or furnished by subcontractors, suppliers, or Boeing, conform to Boeing's requirements, prior to shipment to Boeing or Customer. Seller shall be responsible for all tests, inspections, and other controls of the Product during receiving, manufacture and through Seller's certification of conformance. Seller agrees to furnish copies of test, inspection, and/or other control data upon request from Boeing's Procurement Representative

B18. Seller shall comply with requirements of document AS9138 "Aerospace Series – Quality Management Systems Statistical Product Acceptance Requirements", as may be amended from time to time, whenever applying statistical sampling methods as a means to ensure product, article, or service conformance. Seller's statistical sampling procedure/plan must include the following to be compliant:

- Minimum protection levels as defined within AS9138 Table A1
 - C=0 criteria as defined within AS9138 Section 3.11 • Sampling restrictions as contained within AS9138, Section 4.3 Safety/Critical Characteristics, and
 - Sampling requirements and/or prohibitions contained within the approved part/product Design
- Buyer reserves the right to disallow a supplier's statistical methods for product acceptance for specific sites/programs, parts or characteristics, and to conduct surveillance at Seller's facility to assess compliance to the requirements of

AS9138 and/or part/product Design Data sampling requirements. Aerospace standards such as AS9138 can be obtained from SAE International at: <http://standards.sae.org> sampling requirements.

B19. Supplier is required to establish and maintain a FOD prevention program compliance with AS/EN/JAC 9146 Foreign Object Damage (FOD) Prevention Program – Requirements for Aviation, Space, and Defense Organizations.

B20. Supplier must comply with Boeing document D1-4426 "Approved Process Sources" (<http://active.boeing.com/doingbiz/d14426/index.cfm>). This document, subject to revision from time to time, defines the approved sources for special processing, composite raw materials, composite products, aircraft bearings, designated fasteners, and metallic raw materials. The Supplier's purchasing information must conform to the purchasing data requirements of Boeing document D1- 4426 Appendix D. These purchasing data requirements can be found at: <http://active.boeing.com/doingbiz/d14426/Appendix-D.pdf>

B21. Supplier must perform First Article Inspections (FAI) in accordance with AS/EN/SJAC 9102, Aerospace First Article Inspection Requirement. Boeing reserves the right to conduct surveillance of the supplier's FAI, referred to as Boeing First Article Inspection (BFAI).

Supplier shall utilize, document completion and submit FAI within the Boeing licensed Net-Inspect software. Furthermore, where Supplier is required to document FAIs in the Net-Inspect software, FAIs of the Supplier's supply chain shall also be documented in Net-Inspect.

Supplier and Supplier's supply chain are not permitted to ship product to customer until all applicable FAI requirements have been fulfilled.

B22.

- a) Supplier must comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of the Acceptance Authority Media (AAM) requirements.
- b) Supplier must, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS).
- c) Supplier must, 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.
- d) Supplier must 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 must 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 (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.).

B23. Supplier must provide a statement on their Shipping document certifying its quality assurance department has inspected the parts and they adhere to all requirements, applicable drawings/specifications

B24. Supplier must control all inventory of Boeing proprietary product that is in excess of contract quantity in order to prevent product from being sold or provided to any third party without prior written authorization from Boeing. Additionally, Supplier must not provide Product from excess inventory that was previously rejected or returned by Boeing without prior written authorization from Boeing. When Supplier fulfills an order in support of this SBP with Product from excess inventory, for which Supplier was the original manufacturer, Supplier must be able to demonstrate traceability to the original Boeing purchase document that authorized manufacture of the Product when requested by Boeing.

B25. When Supplier delegates product verification, Supplier must conform to the requirements of AS/EN/SJAC 9117, "Delegated Product Release Verification"

B26. BOEING ESCAPEMENT NOTIFICATION FOR NONCONFORMANCE (Section 1) AND NONCOMPLIANCE (Section 2).

SECTION 1 NONCONFORMANCE: NOTIFICATION OF ESCAPEMENT (NOE) PROCESS

Note: **Do not use the NOE process to notify Boeing engineering of escapements related to design errors (i.e., certification, product design, and/or business agreement noncompliance). Notify Boeing of escapements related to design errors using the Design Escapement Notification (DEN) process as applicable in Section 2 of this note. A notification to Boeing of a known or suspect nonconformance is not appropriate for a component if the nonconformance is not associated to a product characteristic.**

Note: The steps shown herein are to be used for new or completed investigations when additional data is discovered. Please see the additional scope guidelines located at the bottom of section one.

For Product(s) which have been delivered to or on behalf of Boeing and Seller knows or suspects that such Product(s) are or may be nonconforming, Seller shall, within 3 business days after the day of discovery of a potential escape, the notification from sub-tier supplier, and/or the entry of the issue into the quality process, notify Boeing in writing as set forth herein to allow Boeing to conduct a preliminary safety risk assessment. The minimum information required at this stage of the notice of investigation are:

- a. Affected process(es) or Product(s) part number(s) and name(s);**
- b. Description of the nonconforming condition and the affected engineering requirement (i.e., what it is, what it should be and per what requirement). If the condition is a possible safety of flight issue, submit all available information immediately. This applies to new or initial instances of an escape or potential escape, escapes or potential escapes that were previously identified and isolated by Boeing but Seller identifies additional units or a nonconformance cannot be inspected for the same nonconformance condition. This notification requirement is applicable to all Sellers, including Sellers with D-13709-4 Appendix C Escaped Product Disposition authority.**

Seller shall conduct an investigation to confirm and identify if a nonconformance exist or is suspected to exist.

Seller shall notify Boeing through the Boeing supplier information system or the Preliminary Investigation Notification (Form X39312) may be used with Boeing approval or in case of system outage or unavailability.

Such notification shall include the information set forth below along with any information that may be on the Boeing supplier information system or in Form X39312 referenced above.

Once a nonconformance has been verified as from the supplier quality management system, all information listed in a and b above (including revisions and updates) as well as c and d listed below shall be submitted to Boeing through the Boeing supplier information system within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.

- c. Quantities, shipping dates, purchase orders and destinations of delivered shipments;**
- d. Suspect/affected serial number(s) or date codes, lot numbers, or other part identifiers and airplane line units when applicable.**

For Sellers with D-13709-4 Appendix C Escaped Product Disposition authority, instead of submittal to Boeing, Seller must provide notification to the Seller's delegated material review engineers for technical review within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.

Additional Scope: This process is to be used by the seller for investigation which have been previously disposition and new information has been introduced that identifies additional scope of the original investigation. Seller shall start at the beginning of this process and submit the information as new investigation noting the earlier documentation in a manner that correlates the prior processing but clearly articulates the updated data.

If the nonconformance condition has been previously identified by Boeing using a nonconformance record and a Boeing corrective action notification included Immediate Correction (IC) or Immediate Action (IA) and Root Cause Corrective Action (RCCA) has been received, Seller shall notify the Boeing investigator identified on the notification that additional parts are affected (same part number(s)/same condition).

Flow down The requirements set forth above shall be flowed down by Seller to Seller's supply chain, with the modification that all supply chain notification shall pass through Seller (and not made directly from the supply chain to Boeing). Seller shall notify Boeing of all sub-tier parts which have left the Seller's production system with escaped nonconformances in accordance with the respective communication process set forth herein. For purpose of this note, supply chain shall mean Seller's complete network of material, equipment, information and services integrated into the Products and Services.

References Seller shall reference the following documents for additional NOE instructions and requirements:

- a. The D6-84111 Document**
- b. The D012Z026-01 Document (787 only);**
- c. The T89 Purchase Order Note (if applicable, all programs);**
- d. The D012Z028-01 Document (if applicable, 787 only)**

SECTION 2 NONCOMPLIANCE: DESIGN ESCAPEMENT NOTIFICATION (DEN)

Note: **Do not use the DEN process to notify Boeing of Product nonconformance escapements. Notify Boeing of nonconformance escapements using the NOE process in Section 1 of this note.**

For the purposes of this writing noncompliance applies as follows:

A DEN can only be used for a noncompliance or suspect noncompliance to a design (i.e., certification, product design, and/or business agreement noncompliance) or customer requirement as defined in documented information which includes but not limited to, digital product definition data, drawings, parts lists, materials, process specifications, and verification documents.

Note: The steps shown herein are to be used for new or completed investigations when additional data is discovered. Please see the additional scope guidelines located at the bottom of section two.

For Product(s) delivered which have been suspected or determined to contain engineering errors, (Product not comply with certification, Product design, and/or business agreement related airplane design requirements), Seller shall provide written notification to Boeing within 3 business days.

The Boeing notification shall include:

- a. Affected process(es) or Product(s) part number(s) and name(s);
- b. Description of the nonconforming condition and the affected engineering requirement (i.e., what it is and what it should be) Once a noncompliance or suspect noncompliance to a design or customer requirement has been verified as escaped from the supplier quality management system, all information listed in a and b above (including revisions and updates) as well as c and d listed below shall be submitted to Boeing through the Boeing supplier information system within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.
- c. Quantities, shipping dates, purchase orders and destinations of delivered shipments;
- d. Suspect/affected serial number(s) or date codes, lot numbers, or other part identifiers and airplane line units when applicable.

Notification shall be made in the Boeing Customer and Supplier Data Transmittal (CSDT) system by submitting a Design Escapement Notification (DEN):

- The Boeing procurement representative will be notified by the submittal in CSDT; - The Seller shall notify the Boeing SQR that has oversight of the Seller's facility

Additional Scope: This process is to be used by the seller for investigation which have been previously disposition and new information has been introduced that identifies additional scope of the original investigation. Seller shall start at the beginning of this process and submit the information as new investigation noting the earlier documentation in a manner that correlates the prior processing but clearly articulates the updated data.

Flow down

The requirements set forth above shall be flowed down by Seller to Seller's supply chain, with the modification that all supply chain notification shall pass through Seller (and not made directly from the supply chain to Boeing). Seller shall notify Boeing of all sub-tier parts which have left the Seller's production system with design errors in accordance with the respective communication process set forth herein. For purpose of this note, supply chain shall mean Seller's complete network of material, equipment, information and services integrated into the Products and Services.

Seller shall complete the DEN submittal in accordance with these requirements:

- a. D950-11041-1 Supplier CSDT User Guide
- b. Contact the Boeing Procurement Agent for access to the CSDT system
- c. D6-82240 Supplier change notification process requirements
- d. X Form X39672 (non-CSDT suppliers)

Specific Nuclear End-Use Requirements

N1. Fraud and Falsification Statement

CoC and test reports must contain the following statement, "The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a felony under Federal Statute."