



The following are Caliber Aero's terms and conditions for all purchase orders. This document takes precedence over all other documents, unless specified in writing by Caliber Aero management. By accepting and processing this order, you are agreeing to all the terms and conditions stated in this document.

Q-1. Flow Down Requirements

The seller will flow down the clauses associated with this purchase order, including customer requirements, to all sub-tier suppliers.

Q-2. Notification of Nonconformance

Seller must notify the buyer of any nonconforming products verbally and in writing as soon as nonconformance is detected.

Q-3. Product Disposition

Seller must follow purchase order requirements for the release of products and/or services. If not specified on the purchase order, release of products and/or services shall be based upon the applicable specification requirements. Seller must obtain buyers written approval for nonconforming product disposition.

Q-4. Notification of Process Changes

Seller must notify buyer in writing of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain buyer written approval.

Q-5. Seller Corrective Action

In response to Buyer-initiated corrective action requests, Seller shall advise Buyer of root cause determination, corrective action taken to prevent recurrence of reported problems and/or discrepancies, and effectively dates of the planned corrective action(s). Seller shall maintain a corrective action system that determines the effectiveness of such corrective actions, and that prevents shipment of nonconforming articles without prior approval from Buyer.

Q-6. Certificate of Conformance

The Seller shall furnish a Certificate of Conformance with each delivery attesting that each item of hardware and/or software conforms to all requirements of the Buyer's specification and purchase order and that all required test and inspections have been performed.

Q-7. Quality System

The Seller shall have a Quality System acceptable to the Buyer. The Buyer reserves the right to verify said system.

Q-8. Calibration



The Seller's Calibration System shall conform to ANSI/NCSS Z540-1 or ISO 10012-1. Third party registration by an accredited registrar will be accepted as proof of compliance. The seller's signed certification of Calibration must state traceability to National Standards, tool, gage or equipment number and Order number.

Q-9. First Article Inspection

The Seller shall perform a First Article Inspection (FAI) of one item from the first production lot, or as required by the Buyer. The FAI shall consist of recorded actual drawing, specification values, and/or requirements (dimensional, test data, processes, drawing notes, etc.) and may be documented on the drawing or on a separate report form. The first article item shall be clearly identified by a tag attached to the item or a label applied to the bag, and a copy of the FAI shall accompany the First Article part. The Buyer reserves the right to verify any or all of the characteristics documented on the FAI report at the seller's facility.

Q-11. Buyer Review

During the performance of this Order, the Buyer reserves the right to review; verify and/or analyze the Supplier's Quality and/or Inspection System and Manufacturing processes at the Supplier's facilities. The Buyer's representative shall notify the Supplier forty-eight (48) hours in advance of the intended review start date and duration. Buyer's inspection/acceptance of product prior to shipment is not required unless otherwise specified in this Order.

Q-12. Special Processes

The Seller and any of its subcontractors performing special processes, such as welding, non-destructive testing, heat treating, plating, anodizing, soldering, etc. shall submit a certification listing the specification designation/number and that the special process was performed in accordance with such specification. Heat treating/oven cure charts will be provided as required.

Q-13. Traceability Requirements

The Seller shall provide means of end item traceability. The Seller may use the original manufacture Lot/Date Code/Serial number or their own method for identifying the end item product as required for proper traceability. Multiple Lot/Dated coded material cannot be combined on a single shipper and must be packaged separately. Each Lot/Date coded batch must have a corresponding shipper. Duplication of Lot/Date Code/Serial numbers is prohibited. If lot traceability is not maintained, Seller is responsible for any and all damages.

Q-14. Packaging & Shipping

The Seller shall clean, preserve and use special packaging as required on this order, or when not specified, seller may use specially designed shipping containers and/or good commercial practices as deemed necessary to prevent shipping damage. The seller shall be responsible for packaging product to prevent damage during shipping and for any damage to products during shipping.



Q-15. Certification of Material(s) and Process(es)

The Seller shall submit certifications for raw material (chemical and physical characteristics) and/or processes (stating specification) used in the manufacturing of the item(s). If outside processing is performed; a certification from subcontractor is to be provided. Note: Raw material must have the appropriate heat lot identified on each piece for heat lot traceability.

Q-16. Requirements for Conformance

Neither surveillance, inspection and/or tests made by the Buyer or his representatives at either the Seller's or Buyer's facility, nor the Seller's compliance with all applicable product assurance requirements shall relieve the Seller of the responsibility to furnish items which conform to the requirements of the purchase order.

Q-17. Qualification of Personnel

The Seller shall employ competent personnel to ensure Buyers requirements are meet for approval of product, processes, procedures, and equipment.

Q-18. Identification and Revision Status

The Seller shall maintain the identification and revision status of the Buyer's specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data. When not specified on the purchase order, the latest revision shall be used.

Q-19. Product Acceptance

The Seller shall follow all requirements stated on the purchase order, drawing, data specifications, process instructions, special requirements, critical items, and/or key characteristics to ensure product conformity, documentation and records are obtained. Seller shall ensure proper and applicable testing, inspection, and verification processes are used when determining product acceptance.

If any requirements are not met, Buyer reserves the right to return the product to the Seller at any time after receiving products for rework at no additional charge. Buyer reserves the right to not return nonconforming product for rework, and shall be fully compensated by Seller for any losses due to Seller's processes and/or handling. Seller shall be fully financially and legally responsible for any damages and/or nonconformities that occurred during their possession for the full life of the product.

Q-20. Requirements for Test Specimens

Where the Seller utilizes sample inspection plans or other statistical techniques, these shall be statistically valid and submitted to Buyer for approval prior to use. If the sample contains rejected items, the Seller must, for the rejected feature or parameter, use a documented method, such as 100% screening to assure the buyer that zero rejects are present.

When requested by Buyer, Seller shall provide test specimens for design approval, inspection/verification, investigation, and/or auditing.



Q-21. Record Retention

The Seller shall maintain records regarding Buyer's purchase order, specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data. Records shall be maintained by the Seller for a minimum of ten years. Seller shall comply with Buyer's disposition requirements of all documented information.

Q-22. Access to Facilities

The Seller shall permit access to the Sellers facility and any sub-tier sellers for surveying/auditing. The survey/audits may include personnel from the Buyers, Buyer's customer representative and/or regulatory authorities, and shall include access to all records applicable to Buyers product or orders.

Q-23. Guarantee of Materiel Source(s)

The seller shall ensure that only new and authentic materials are used in materiel delivered to Caliber Aero. The seller may only purchase material directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers. Use of materiel that was not provided by these sources is not authorized unless first approved in writing by Caliber Aero. The seller must present compelling support for its request (e.g., original manufacturer documentation that authenticates traceability of the materiel to the original manufacturer), and include in its request all actions to ensure that materiel thus procured is authentic and conforming.

Q-24. Conformity to Boeing clauses A98, T88

A98- In addition to the provision set forth in the Code of Basic Working Conditions and Human Rights in the contract, Seller further commits that any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Contract/ Agreement may be considered a material breach of this Contract/Agreement for which Boeing may elect to cancel any open Orders between Boeing and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or exercise any other right of Boeing

for an Event of Default under this Contract/Agreement. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for work under this Contract/Agreement.

T88- Definition. "Ozone-depleting substance," as used in this clause, means any substance the Environmental Protection Agency designates in 40 CFR Part 82 as--

(1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or

(2) Class II, including, but not limited to hydrochlorofluorocarbons.

Seller shall label products which contain or are manufactured with ozone-depleting substances in the manner

and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as applicable:

Warning



Contains * _____, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

Warning

Manufactured with * _____, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

* Seller shall insert the name of the substance(s).

Boeing requires that the provisions/requirements set forth above be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain.

Q-25. Control and Monitoring of External Providers

Buyer controls and monitors all external providers by monitoring incoming jobs and performing annual supplier evaluations. Upon request, Seller shall answer any corrective action requests in a timely manner, in order to maintain approved supplier status.

Seller shall have a process in place to monitor and control all external providers that is acceptable to Buyer.

Q-26. Design and Development Control

When applicable, Seller shall have a procedure in place to control design and development of products being provided to Buyer.

Q-27. Customer Approved Providers

When requested on the purchase order or applicable specification, Seller shall use customer-designated or approved external providers, including process sources.

Q-28. Prevention of Counterfeit Parts and Material

Seller shall plan, implement, and control processes to prevent the purchase and use of counterfeit or suspect counterfeit parts and material. Seller shall ensure that employees are trained in the awareness and prevention of counterfeit parts, controls are in place for acquiring externally provided product from approved suppliers, traceability of parts and/or materials is maintained from the original manufacturer, verification and test methodologies are in place to detect counterfeit parts, and maintain a process for the quarantine and reporting of suspect or detected counterfeit parts.

Q-29. External Provider Awareness

Seller shall ensure that all employees and external providers are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

Q-30. Boeing Flow Downs

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)