

1.o)	Intro:
1.1)	For all suppliers & their sub-tier suppliers which furnish goods & services to Morgan Aero Products, the following content provides the requirements that must be met; as applicable to their organization, its products & services.
1.2)	It is essential that the subject employees/representatives of our external providers read & understand the following requirements & flow them down to their supply chain.
1.3)	Doing this will contribute to ensuring that the industry & Morgan Aero Products can provide safe, effective & reliable goods & services to our customers.
1.4)	Note: For the requirements included herein, the term "Seller" shall indicate the supplier or external provider to Morgan Aero Products. The term "buyer" shall indicate Morgan Aero Products.
2.o)	Morgan Aero's General Requirements:
Sellers shall...	
2.1)	Provide two copies of the invoice as required for items shipped to buyer.
2.2)	Enter orders in accordance with the agreed upon prices, terms & delivery method.
2.3)	Provide two copies of certificates of conformance for each line item upon delivery.
2.4)	Make certain that the respective purchase order number(s) appear on all invoices, shipping documents and certificates as to ensure traceability.
2.5)	Respond & do so in a timely manner when buyer requests information related to quality control, products/services or other topics relevant to the arrangements between the two entities.
2.6)	Complete & return buyer's supplier survey when & as requested.
2.7)	Comply to all applicable requirements of the buyer & those flowed down from its customers.
3.o)	Morgan Aero's Quality Requirements:
With regard to the products & services provided, as well as the processes & systems used to furnish them, Sellers shall conform to the following...	
3.1)	Quality Management System: Utilize & maintain a documented quality management system (QMS).
3.2)	Record Requirements: Records related to seller's QMS, its processes, products & services as well as buyer's orders; shall be created & maintained in accordance with the following requirements: a) Traceability: Maintain quality records, that are traceable to the conformance of product/part numbers delivered. b) Availability: Ensure such records are available to authorized individuals of the buyer, its customers & statutory/regulatory authorities within a timely basis & in the English language. c) Retention: 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 d) Notification of Disposal: The Buyer shall be notified before records are to be disposed of. Buyer reserves the right to request delivery of such records. In the event Seller chooses to exercise this right, Seller shall promptly deliver such records at no additional cost, on media agreed to by both parties.
3.3)	Notification of Escapement: When seller has found a nonconforming condition on products that have already shipped, they shall immediately give notification to Buyer. This requirement for notification shall apply to any new, recurring, definitive or potential instances of escape.
3.4)	Notification of Order or Delivery Issues: When Seller has found that an order or shipment cannot be provided when or as specified, they shall Immediately give notification to Buyer.
3.5)	Test & Analysis Data: Seller shall ensure each line item has mechanical test data and/or chemical analysis reports, as applicable to the product provided.
3.6)	Understanding by Personnel: Seller shall ensure that persons doing work under their control are aware of their contribution to product or service conformity, product safety and the importance of ethical behavior.
3.7)	Personnel Qualification: Seller shall ensure that persons doing work under their control have received the necessary training &/or certification to reliably perform the duties of their respective roles.
3.8)	Change Notification: Immediately notify Buyer if any changes to product, process to produce said product, sub-tier suppliers, manufacturing facility locations or company ownership occurs.
3.9)	Conflict Minerals: Ensure the exclusive use of non-conflict minerals in its products sold to Buyer.
3.10)	FOD Prevention Program: Establish & maintain a FOD prevention program compliant to AS9146.
3.11)	Slavery & Trafficking: Seller shall ensure that none of its products, services, materials or sub-tier suppliers involve or contribute to the slavery or trafficking of persons.
3.12)	Statistical Sampling for Product Acceptance: Compliance to AS9138 shall be maintained if Seller utilizes statistical sampling to ensure product, article, or service conformance
3.13)	Operator Self Verification Program: Compliance to AS9162 shall be maintained if seller uses operator self verification.

4.0)	Boeing Flow Down Requirements, General:											
<p>As a mainstay of the Aerospace industry, Boeing has set forth requirements which must be flowed down by Morgan Aero to its suppliers. Who in turn, must flow them to their sub-tier providers. These requirements shall be complied to by all parties, as applicable to their respective organization. Some of these requirements have been enumerated in full herein, others have been referenced to. For those referenced; the seller & their sub-tier providers must access the requirement's content themselves & ensure that their respective organization, its products & services comply to them. Points of access will be explained in the applicable sections.</p>												
5.0)	Boeing Quality Documents: <i>(Can be accessed at boeingsupplier.com/quality.html)</i>											
<table border="1"> <thead> <tr> <th data-bbox="99 405 375 436">Document Number:</th> <th data-bbox="375 405 1521 436">Title:</th> </tr> </thead> <tbody> <tr> <td data-bbox="99 436 375 468">X31764</td> <td data-bbox="375 436 1521 468">Quality Purchasing Data Requirements (BCA/BGS)</td> </tr> <tr> <td data-bbox="99 468 375 499">D1-4426</td> <td data-bbox="375 468 1521 499">Approved Process Sources</td> </tr> <tr> <td data-bbox="99 499 375 531">D6-51991</td> <td data-bbox="375 499 1521 531">Quality Assurance Standard for Digital Product Definition at Boeing Suppliers</td> </tr> <tr> <td data-bbox="99 531 375 573">D6-56202</td> <td data-bbox="375 531 1521 573">Tooling Supplier Quality Operating Requirements</td> </tr> </tbody> </table>			Document Number:	Title:	X31764	Quality Purchasing Data Requirements (BCA/BGS)	D1-4426	Approved Process Sources	D6-51991	Quality Assurance Standard for Digital Product Definition at Boeing Suppliers	D6-56202	Tooling Supplier Quality Operating Requirements
Document Number:	Title:											
X31764	Quality Purchasing Data Requirements (BCA/BGS)											
D1-4426	Approved Process Sources											
D6-51991	Quality Assurance Standard for Digital Product Definition at Boeing Suppliers											
D6-56202	Tooling Supplier Quality Operating Requirements											
6.0)	Boeing Terms & Conditions Documents: <i>(Can be accessed at: https://www.boeingsuppliers.com/terms.html)</i>											
<table border="1"> <thead> <tr> <th data-bbox="99 657 375 688">Document Number:</th> <th data-bbox="375 657 1521 688">Title:</th> </tr> </thead> <tbody> <tr> <td data-bbox="99 688 375 720">GP1</td> <td data-bbox="375 688 1521 720">The Boeing Company General Provisions (Fixed Price Goods Contract - Commercial)</td> </tr> <tr> <td data-bbox="99 720 375 751">GP2</td> <td data-bbox="375 720 1521 751">The Boeing Company General Provisions (Fixed Price Services Contract- Commercial)</td> </tr> <tr> <td data-bbox="99 751 375 783">SP3</td> <td data-bbox="375 751 1521 783">The Boeing Company International Provisions</td> </tr> <tr> <td data-bbox="99 783 375 825">SP4</td> <td data-bbox="375 783 1521 825">The Boeing Company On-Sight, Environment, Health & Safety Supplemental Provisions</td> </tr> </tbody> </table>			Document Number:	Title:	GP1	The Boeing Company General Provisions (Fixed Price Goods Contract - Commercial)	GP2	The Boeing Company General Provisions (Fixed Price Services Contract- Commercial)	SP3	The Boeing Company International Provisions	SP4	The Boeing Company On-Sight, Environment, Health & Safety Supplemental Provisions
Document Number:	Title:											
GP1	The Boeing Company General Provisions (Fixed Price Goods Contract - Commercial)											
GP2	The Boeing Company General Provisions (Fixed Price Services Contract- Commercial)											
SP3	The Boeing Company International Provisions											
SP4	The Boeing Company On-Sight, Environment, Health & Safety Supplemental Provisions											
7.0)	Boeing Requirement Quality Notes:											
<table border="1"> <thead> <tr> <th data-bbox="99 877 375 909">Boeing Ref #</th> <th data-bbox="375 877 1521 909">Quality Note Content:</th> </tr> </thead> <tbody> <tr> <td data-bbox="99 909 375 1791">A17.</td> <td data-bbox="375 909 1521 1791"> <p>In performing the obligations of this agreement, both parties will comply with United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ('items') or services, including without limitation the Export Administration Regulations ('EAR'), International Traffic in Arms Regulations ('ITAR'), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, 'Export Control Laws').</p> <p>A) The party conducting the export shall be responsible for obtaining the required authorizations.</p> <p>B) The party conducting the re-export shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining any necessary licenses or authorizations required to perform its obligations under this agreement.</p> <p>C) The party providing any items under this agreement shall, upon request, notify the other party of the items' Export Control Classification Numbers ('ECCNs') as well as the ECCN of any components or parts thereof if they are different from the ECCN of the item at issue.</p> <p>D) Each party represents that (i) the items, and the parts and components thereof, it is providing under this agreement are not 'defense articles' as that term is defined in 22 C.F.R Sub-Section 120.6 of the ITAR, and (ii) the services it is providing under this agreement are not 'defense services' as that term is defined in 22 C.F.R. Sub-Section 120.9 of the ITAR. The parties acknowledge that this representation means that an official capable of binding the party providing such items knows or has otherwise determined that such items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. Sub-Section 121.1. Each party agrees to reasonably cooperate with the other in providing, upon request of the other party, documentation or other information that supports or confirms this representation.</p> <p>E) To the extent that such items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the party providing such items shall notify the other party of this fact and shall also provide the other party with written confirmation from the United States Department of State that such items, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR.</p> <p>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. For purposes of this note, supply chain shall mean Seller's direct network of Sellers providing material, equipment, information, and services integrated into products and services.</p> </td> </tr> <tr> <td data-bbox="99 1791 375 1915">A18.</td> <td data-bbox="375 1791 1521 1915"> <p>Seller agrees not to make any change in materials, processes or design details of the part after Boeing qualification or approval without written approval from Boeing.</p> </td> </tr> </tbody> </table>			Boeing Ref #	Quality Note Content:	A17.	<p>In performing the obligations of this agreement, both parties will comply with United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ('items') or services, including without limitation the Export Administration Regulations ('EAR'), International Traffic in Arms Regulations ('ITAR'), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, 'Export Control Laws').</p> <p>A) The party conducting the export shall be responsible for obtaining the required authorizations.</p> <p>B) The party conducting the re-export shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining any necessary licenses or authorizations required to perform its obligations under this agreement.</p> <p>C) The party providing any items under this agreement shall, upon request, notify the other party of the items' Export Control Classification Numbers ('ECCNs') as well as the ECCN of any components or parts thereof if they are different from the ECCN of the item at issue.</p> <p>D) Each party represents that (i) the items, and the parts and components thereof, it is providing under this agreement are not 'defense articles' as that term is defined in 22 C.F.R Sub-Section 120.6 of the ITAR, and (ii) the services it is providing under this agreement are not 'defense services' as that term is defined in 22 C.F.R. Sub-Section 120.9 of the ITAR. The parties acknowledge that this representation means that an official capable of binding the party providing such items knows or has otherwise determined that such items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. Sub-Section 121.1. Each party agrees to reasonably cooperate with the other in providing, upon request of the other party, documentation or other information that supports or confirms this representation.</p> <p>E) To the extent that such items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the party providing such items shall notify the other party of this fact and shall also provide the other party with written confirmation from the United States Department of State that such items, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR.</p> <p>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. For purposes of this note, supply chain shall mean Seller's direct network of Sellers providing material, equipment, information, and services integrated into products and services.</p>	A18.	<p>Seller agrees not to make any change in materials, processes or design details of the part after Boeing qualification or approval without written approval from Boeing.</p>				
Boeing Ref #	Quality Note Content:											
A17.	<p>In performing the obligations of this agreement, both parties will comply with United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ('items') or services, including without limitation the Export Administration Regulations ('EAR'), International Traffic in Arms Regulations ('ITAR'), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, 'Export Control Laws').</p> <p>A) The party conducting the export shall be responsible for obtaining the required authorizations.</p> <p>B) The party conducting the re-export shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining any necessary licenses or authorizations required to perform its obligations under this agreement.</p> <p>C) The party providing any items under this agreement shall, upon request, notify the other party of the items' Export Control Classification Numbers ('ECCNs') as well as the ECCN of any components or parts thereof if they are different from the ECCN of the item at issue.</p> <p>D) Each party represents that (i) the items, and the parts and components thereof, it is providing under this agreement are not 'defense articles' as that term is defined in 22 C.F.R Sub-Section 120.6 of the ITAR, and (ii) the services it is providing under this agreement are not 'defense services' as that term is defined in 22 C.F.R. Sub-Section 120.9 of the ITAR. The parties acknowledge that this representation means that an official capable of binding the party providing such items knows or has otherwise determined that such items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. Sub-Section 121.1. Each party agrees to reasonably cooperate with the other in providing, upon request of the other party, documentation or other information that supports or confirms this representation.</p> <p>E) To the extent that such items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the party providing such items shall notify the other party of this fact and shall also provide the other party with written confirmation from the United States Department of State that such items, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR.</p> <p>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. For purposes of this note, supply chain shall mean Seller's direct network of Sellers providing material, equipment, information, and services integrated into products and services.</p>											
A18.	<p>Seller agrees not to make any change in materials, processes or design details of the part after Boeing qualification or approval without written approval from Boeing.</p>											

(A18. Continued)

This shall include changes in materials, processes or design details by subcontractors. In addition to these changes, changes which would affect the part or any component part thereof with regard to (a) part number identification, (b) physical or functional interchangeability, and (c) repair and overhaul procedures and processes and material changes which affect these procedures without prior written approval of Boeing is prohibited.

If such approval is granted, all part numbers and the originals of all drawings or data shall be revised and provided to Boeing accordingly. Seller will ensure subcontracts include the above requirements for Seller part numbered items, whether such equipment is supplied to Seller as an end item or as a component part of an end item.

Ag8.

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.

Q13.

Seller must provide a statement on the packing sheet certifying its quality assurance department has inspected the parts and they adhere to all requirements, applicable drawings/specifications.

OR

When the seller is located outside of the United States and they submit an EASA/JAA/FCAA FORM-1, the following conditions must exist on the form:

1. Block 11 status is identified as 'NEW'

AND

2. Block 12 titled 'REMARKS' contains a statement certifying the seller's quality assurance department has inspected the parts.

AND

3. Block 12 titled 'REMARKS' does not contain certification statements of PMA, Prototype, Not to be installed on certified aircraft, or any statement that does not support PC700 certification.

AND

4. Block 13a 'Certifies that the items identified above were manufactured in conformity to: Approved design data and are in condition for safe operation.'

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

Q31.

This procurement is under Boeing's Federal Aviation Administration (FAA) issued Production Certificate 700 quality system supplier control program. Unless explicit contractual direction is given to the contrary, no articles (or constituent parts thereof) ordered by Boeing Commercial Airplanes 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.

THE SELLER 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".

Boeing requires that the provisions/requirements set forth above, as determined by the Seller to be applicable, be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For purposes of this note, Supply Chain shall mean Seller's complete network of material, equipment, information, and services integrated into products and services. It focuses on direct and all lower-tier suppliers.

S68.

Representatives of Boeing and/or the Federal Aviation Administration (if Non Domestic, Boeing and/or the Federal Aviation Administration and/or equivalent Foreign Civil Aviation Authorities) may inspect and evaluate Seller's facilities' systems, data, equipment, personnel and all completed articles manufactured for installation on Boeing commercial production airplanes. Right of entry/access includes meeting the requirements of the FAA and/or applicable equivalent Foreign Aviation Authorities to perform oversight of the facility.

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

S78.

Parts returned to the supplier under this order for rework/repair will be accompanied by proof of supplier's inspection acceptance when resubmitted to Boeing. When No fault is found by the supplier for Non-Conforming product(s), the order will be accompanied by proof of supplier's test data and inspection acceptance. Resubmitted parts will also be accompanied by a copy of or reference to the applicable Boeing Non-Conformance document(s).

Boeing requires that the provisions/requirements set forth above be included in Sellers direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For purposes of this note, Supply Chain means Seller's direct network of suppliers providing material, equipment, information, and services integrated into products and services.

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 shipping or storage containers of ozone - depleting substance and products that 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 relevant 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. For the purpose of this note Supply Chain shall mean Seller's direct and indirect suppliers performing value-added activity on the products and services. It focuses on direct and lower-tier suppliers.

U40.

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:

(U4o. Continued)

- 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 identified on the Boeing supplier information system or in Form X39312 referenced above.

Once a nonconformance 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.

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 Do12Zo26-01 Document (787 only);
- c. The T8g Purchase Order Note (if applicable, all programs);
- d. The Do12Zo28-01 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:

(U4o. Continued)

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 does 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)

Reference #	Title:
DFARS 252.246-7003	Notification of Potential Safety Issues
DFARS 252.227-7037	Validation of Restrictive Markings on Technical Data.
DFARS 252.227-7015	Technical Data - Commercial Products and Commercial Services
DFARS 252.223-7008	Prohibition of Hexavalent Chromium
DFARS 252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting.
DFARS 252.244-7000	Subcontracts for Commercial Products or Commercial Services
FAR 52.244-6	Subcontracts for Commercial Products and Commercial Services.

**8.o) Boeing Mandated Federal Acquisition Regulation (FAR) & Defense Federal Acquisition Regulation Supplement (DFARS):
(Can be accessed at <https://www.acquisition.gov/content/regulations>)**