



1304 Farmville Road  
Memphis TN 38122  
(901) 323-5926  
Fax: 323-5948



AS 9100

# PURCHASING QUALITY REQUIREMENTS

**Conrad QMS**

AS9100 REFERENCE

SECTION 8.4



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#### I. SCOPE:

The scope of this document extends to all suppliers accepting CONRAD Purchase Orders.

#### II. DEFINITIONS:

- a) Quality Records: All records created to verify and substantiate product conformance. These shall include planning documents, Purchase Orders, material and process certifications, testing, First-Article Inspection, in-process, final inspection, and other pertinent records to verify conformance to the established requirements.
- b) Standard Catalog Hardware: A part or material that conforms to an established industry or national authority published specification, having all characteristics identified by text description, National/Military Standard Drawing, or catalog item.
- c) Boeing, Douglas, Lockheed standards are considered as industry standards.

#### III. PERFORMANCE:

- a) Suppliers/Processors must be aware that on-time performance and delivery of quality product/services that meet the full requirements of the purchase order are paramount to meeting and satisfying the requirements of Conrad's customers.
- b) The delivery of products that fully meet the requirements ensure compliance to all product key characteristics and product safety.

#### IV. REFERENCES:

AS9100 Element 8.4

## **PURCHASING CLAUSES**

#### P1 RESPONSIBILITY:

It is the responsibility of the Supplier to maintain ethical behavior and to ensure all appropriate requirements are adequately fulfilled, in accordance with the Purchase Order (contract) requirements and this document.

#### P2 SUBCONTRACTING:

The supplier agrees to obtain Conrad's written approval before subcontracting this Order or any substantial portion thereof.

#### P3 SCHEDULE

Supplier shall strictly adhere to the shipment or delivery schedule(s) specified in this Order. In the event of any anticipated or actual delays, including but not limited to delays attributed to Labor disputes, Supplier shall promptly notify Conrad in writing of the reasons for the delay and actions being taken to recover and/or minimize the delay including a revised written recovery schedule.



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#### P4 PACKAGING AND SHIPPING

It is Supplier's responsibility to pack the "Goods" to prevent damage and deterioration. Shipping to be per instructions provided in the "Order".

#### P5 ACCEPTANCE AND REJECTION

- a. Conrad shall accept the Goods or give Supplier notice of rejection or revocation or acceptance, notwithstanding any payment, prior test, inspection or passage of title. No inspection, test, delay or failure to inspect or test or failure to discover any defect of other nonconformance shall relieve Supplier of any obligations under this Order or impair any rights or remedies of Conrad.
- b. If Supplier delivers nonconforming Goods, Conrad may, at its option and at Supplier's expense, (i) return Goods for credit/refund, (ii) require Supplier to promptly correct or replace the Goods, (iii) correct the Goods, or (iv) obtain replacement Goods from another source.
- c. Supplier shall NOT redeliver corrected or rejected Goods without disclosing the former rejection or requirement for correction. Supplier shall disclose any corrective action taken. Redelivery shall be completed within the original delivery schedule or such later time as Conrad's Buyer may reasonably direct.
- d. All costs and expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Supplier by equitable price reduction or credit against any amounts that may be owed to Supplier under this Order or otherwise.

#### P6 WARRANTY

- a. Supplier warrants that all Goods furnished under this Order shall conform to all specifications/drawings and requirements of this Order and shall be free from defects in materials and workmanship.
- b. Supplier further warrants that is shall not furnish "Counterfeit Goods" under this Order. "Substitutes" may only be used or provided with the written consent of Conrad.

#### P7 TAXES

Unless this Order specified otherwise, the price of this Order includes, and Supplier is liable for and shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Order except for applicable sales and use taxes that are separately stated on Supplier's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Conrad has furnished a valid exemption certificate or other evidence or exemption.

#### P8 INVOICES AND PAYMENT

Supplier shall issue a separate original invoice for each delivery of Goods that shall include Conrad's PO number and line item number. Supplier shall forward the invoice(s) to the address specified elsewhere in the Order. Payment due date shall be calculated based from the later delivery of Goods date or date of receipt of corrected invoice (if



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applicable). Payment shall be deemed made on the date Conrad's check is mailed or payment is otherwise tendered.

#### P9 FORCE MAJEURE

Supplier shall not be liable for any re-procurement costs due to "Cancellation for Default" of this Order, incurred by Conrad, because of any failure to perform this Order under its terms when the causes are beyond reasonable control and without fault or negligence of the Supplier. Examples include, but are not limited to; acts of God or of the public enemy, acts of government, fires, floods, unusually severe weather. In each case, the failure to perform must be beyond the reasonable control and without fault or negligence of the Supplier. Supplier shall notify Conrad in writing within 10 days after the beginning of any such cause.

#### P10 CANCELLATION FOR DEFAULT

- a. Conrad may, by providing written notification to Supplier, cancel any or all of this Order if (i) Supplier fails to deliver the Goods within the time specified in the PO; (ii) Supplier fails to perform any other provision of the Order and fails to make process so as to endanger the performance of this Order and does not provide Conrad with written plans to recover within 10 days of notification by Conrad; or (iii) in the event of Supplier's suspension of business, insolvency, appointment of a receiver, or any assignment/reorganization/arrangement by Supplier for the benefit of its creditors.
- b. Supplier shall continue to work on all parts of the Order not canceled. If Conrad cancels all or part of this Order, Supplier shall be liable for Conrad's excess re-procurement costs.
- c. Conrad may require Supplier to provide any finished or partially finished "Goods" as directed in writing. Upon direction from Conrad, Supplier shall also protect and preserve property in its possession that Conrad or its Customer may have an interest in.
- d. Conrad shall pay the agreed price per the PO for Goods accepted.
- e. If, after cancellation, it is found that Supplier was not in default, the rights and remedies of the Parties shall be as if the Order had been terminated according to "Termination for Convenience" below.

#### P11A TERMINATION FOR CONVENIENCE

Conrad shall have the right to terminate all or part of the Order effective as of the date specified by Conrad in writing, in accordance with the provision of Federal Acquisition Regulation (FAR) 52.249-2 (May 2004), "Termination for Convenience of the Government (Fixed Price)", which provisions, except for subparagraphs (d) and (j), are incorporated herein by reference. The terms "Government" and "Contracting Officer" shall mean "Conrad", and "Contractor" shall mean "Supplier". The phrase "1 year" shall be deleted in each place it occurs and "6 months" is substituted in its place. The time requesting an equitable adjustment under subpar. (L) is reduced to 45 days.



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#### P11B CONRAD'S PROPERTY

Supplier shall clearly mark, maintain an inventory of, and keep segregated or identifiable all Conrad property and/or property to which Conrad acquires an interest by virtue of this Order. Supplier assumes all risk of loss, destruction or damage of such property while in Suppliers possession, custody and control, including any transfer to Supplier's subcontractors. Supplier shall not use such property other than in performance of this Order without Conrad's prior written consent. Supplier shall notify Conrad's Procurement Representative if Conrad's property is lost, damaged or destroyed. As directed by Conrad, Supplier shall deliver such property to Conrad in good condition (subject to normal wear and tear) upon completion, termination or cancellation of this Order.

#### P12 RIGHTS OF CONRAD, CONRAD'S CUSTOMERS AND REGULATORS

- a. Conrad's rights to perform inspections, surveillance and test and to review procedures, practices, processes and related documents related to Quality Assurance, Quality Control, Flight Safety, and configuration control shall be extended to customers of Conrad and to Government regulators. Supplier shall comply and cooperate with any and all activities as stated above without additional cost to Conrad.
- b. Supplier shall comply with all requests for access to Supplier's premises, in relation to this Order, from Conrad, Conrad's customers and/or Government Regulators.

#### P13 GOVERNING LAWS

This Order and any disputes arising our of, or relating to, this Order shall be governed by the laws of the State of Tennessee.

#### P14 GOVERNMENT CLAUSES

Government clauses applicable to this contract are incorporated herein either by attachment to this document of by some other means of reference.

#### P15 ENTIRE AGREEMENT

This Order, together with all purchase orders, attachments, exhibits, supplements and other terms specifically referenced in this Order, contains the entire agreement of the Parties and supersedes any and all prior agreements, understandings and communications between Conrad and Supplier relate to the subject matter of this Order. No amendment or modifications of this Order shall bind either Party unless it is in writing and is signed by Conrad's Procurement Representative and an authorized representative of Supplier.

#### P16 CONFIDENTIAL/PROPRIETARY INFORMATION AND MATERIALS

Conrad and Supplier shall each keep confidential and protect from unauthorized use and disclosure all confidential, proprietary data/drawings as well as tangible items, software and tooling. Conrad and Supplier shall each use Proprietary Information and Materials of the other only in the performance of and for the purpose of this Order and/or any other agreement referencing this Order. Conrad, however, shall have the right to use, disclose and reproduce Supplier's Proprietary Information and Materials, and make derivative



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works thereof, to fulfill Conrad's obligations under this Order and for the purposes of testing, certification, use, sale or support of any Goods delivered under this Order or any other agreement referencing this Order. When Conrad uses Supplier Proprietary Information in any way, it will include, whenever appropriate, a restrictive legend suitable for the particular circumstance. Supplier, at Conrad's request, shall return all Conrad proprietary information/materials, or follow instructions if otherwise instructed for disposition of said information/materials. Supplier shall not, without the prior written authorization of Conrad, sell or otherwise dispose of (as scrap or otherwise) any parts of other materials containing, conveying, embodying or made in accordance with or by reference to any Proprietary Information and Materials of Conrad. Supplier may disclose Conrad Proprietary Information/Material to its subcontractors as required for the performance of this Order, provided that each such subcontractor first agrees in writing to the same obligations imposed upon Supplier under this clause. Conrad shall have the right to Audit Supplier in regards to compliance with this Clause.

#### P17 PREFERENCE FOR DOMESTIC COMMODITIES

- a. This Order is subject to the requirements of DFAR 252.225-7009/-7014 – Preference for Domestic Specialty Metals & Alternatel (one) found at: <http://www.acq.osd.mil/dpap/dars/dfars/html/current/tochtml.htm>
- b. This Order is subject to the requirements of DFAR 252.225-7012 – Preference for Domestic Commodities found at: <http://www.acq.osd.mil/dpap/dars/dfars/html/current/tochtml.htm>

#### P18 BUY AMERICAN ACT

This order is subject to the "Buy American Act" as implemented by FAR 52.225-3 and DFAR 252.225-7001.

#### P19 FRAUDELENT/COUNTERFEIT PARTS

- The supplier must have a counterfeit parts program to prevent counterfeit and/or suspected counterfeit parts from being delivered to Conrad.
- a. Product Traceability – the seller must be capable of providing (upon request) full traceability for the parts being purchased back to the OEM.
  - b. Financial Responsibility – the seller will be held liable for remedial costs associated with provision of fraudulent/counterfeit product. Conrad is not under obligation to return suspect or confirmed fraudulent/counterfeit product. Conrad may request proof of financial responsibility, such as a product liability certificate of insurance, and or professional liability and/or product recall insurance.
  - c. Penalties – seller will be notified of potential Federal penalties associated with fraud/falsification in regards to fraudulent/counterfeit parts.



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## QUALITY CLAUSES

### Q1 QUALITY SYSTEM REQUIREMENTS:

- a) The Supplier shall maintain a documented Quality System, or Quality System accepted by Conrad and/or it's customers.
- b) CONRAD shall periodically (minimum of every 2 years) review the Quality System established by the supplier with an on-site visit, and/or Quality System Survey (with historical performance review). Conrad does not stipulate a specific Quality System. Conrad's approach is to review the actual system in place, and ensure the supplier is maintaining their specifically identified system.
- c) Acceptable Quality Systems:
  - ISO 9001, ISO 9003, or ISO 9004 Compliant or Registered.
  - AS9000, AS9100, AS9110, and/or AS9120 Compliant or Registered.
  - Other approved Quality System of "Original Equipment Manufacturer (OEM)"
  - NADCAP Registration
  - Other Quality Systems:

NOTE: Systems not meeting the above "Acceptable Quality Systems" may still be approved provided they meet CONRAD's Quality System Requirements". A "Limited Approval" may be granted to a supplier for a specific part number based upon historical performance, the supplier maintaining tooling, or accomplishes manufacturing and/or special process approved by the OEM.

### Q2 CALIBRATION

- a. (Applicable if the supplier is using measuring tools and equipment to determine product conformance):
- b. Supplier shall maintain a documented calibration system for the calibration and maintenance of tools, jigs, inspection and test equipment. Supplier shall have and maintain a calibration system that is compliant to industry requirements in accordance with ISO 17025, ISO 10012-1, or ANSI Z540.

### Q3 FIRST ARTICLE INSPECTION

- a. First Article Inspection (FAI) shall be completed by Supplier in accordance with AS9102. Supplier may use forms contained in AS9102 or their equivalent, so long as the forms contain all the information required by AS9102. All Material Certs and the reference QA/QC drawings must accompany FAI forms.
- b. Supplier shall notify Conrad within 48 hours of receipt of the Order to coordinate and plan for the Conrad FAI to be conducted, as determined appropriate, by Conrad's Quality Representative. This planning may include either on-site verification at Supplier's facility, or submittal of FAI unit and FAI paperwork to Conrad for approval prior to entering into full production.



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#### Q4 SPECIAL PROCESSES

- a. Special processes for this order shall be performed by Suppliers/Processors specifically approved by Conrad's Prime Customer. If a Supplier/Processor is not specifically specified on the Purchase Order, notify Conrad's Buyer for a listing of approved Suppliers/Processors. (Additional QA/QC requirements may apply – check PO for specifics)
- b. Special processes for this order shall be performed by Suppliers/Processors specifically approved by Conrad. If a Supplier/Processor is not specifically noted on the Purchase Order, notify Conrad's Buyer for a listing of approved Suppliers/Processors.
- c. NADCAP certification is required whenever performing or sub-contracting Special Processes if noted on the PO.
- d. Suppliers/Processors are required to notify Conrad of any changes to processes, products or services.

NOTE: Where subsequent monitoring or measurements cannot be obtained due to processing and/or assembly, the supplier shall maintain inspection records to verify characteristic conformity. These records shall be made available upon request.

#### Q5 SHELF LIFE REQUIREMENTS

All shelf life sensitive materials must have a minimum of 75% remaining at the time of receipt at CONRAD.

#### Q6 RECORDS RETENTION

Supplier and/or Supplier's subcontractors shall retain all inspection records, chemical/physical characteristic certs/reports, process certifications, mechanical test data, lot data, as applicable, on file and available for Conrad and/or Conrad's Customers review pertaining to items shipped against this Order for a period of:

- a. Ten (10) years
- b. OTHER – as specified on the PO

#### Q7 CERTIFICATE OF CONFORMANCE (C of C)

- a. Supplier shall provide a C of C asserting that all items contained within the shipment are in total compliance with the requirements of the Order (PO). Items (Goods) provided must meet all applicable requirements (standards, specifications, PO Requirements, FAR25.853 test reports, etc.) as identified in the PO line item description and/or notes. A copy of the C of C shall be included with Supplier's product shipper.
- b. Supplier's C of C shall include the following: *(As Applicable)*
  1. Title and specification number (including revision letter) of the process
  2. Name and address of the process or NDT facility
  3. Conrad's assigned processor number
  4. Date C of C was issued
  5. Conrad Purchase Order (PO) number
  6. Part Number
  7. Revision Number





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8. Quantity of parts/material/Goods (to include quantity accepted/rejected)
9. Signature and Title of authorized quality agent of Supplier
10. Lot number
11. Serial numbers (when required)
12. Shelf Life, when applicable
13. **Statement of Traceability (if not providing all trace/material certs with shipment): Supplier to state on C of C that they have and will maintain all supporting trace/material/raw stock paperwork on file and make available to Conrad, it's customers and/or regulatory agencies upon request.**
14. For Metal Raw Stock – Source and trace ID of original ingot supplier, all thermo-mechanical processing (forging, rolling, drawing, etc.), heat treatment, chemical processing, and inspections.

#### Q8 MATERIAL CERTS

Material certs/Test Reports are to be provided for all raw materials, textiles, metals (sheet, extrusions, tubes, etc.), shelf-life materials, composites (pre-pregs, resins, etc.), coatings, and as required by the applicable material specification requirements and/or Conrad's PO.

- a. METALS – (Full Pedigree from Melt to Final Product) – Material Certs shall show clear traceability to the manufacturer(s) of the ingot source, all thermo-mechanical processing (i.e. forging, rolling, drawing, etc.), heat treatment, chemical processing, and inspections.
- b. TEXTILES – Material and Test Reports showing provided materials/Goods meets ALL requirements of the applicable specification (per Conrad PO).
- c. SHELF-LIFE MATERIALS – Material and Test Reports showing compliance with ALL requirements of the applicable specification (per Conrad PO) as well as providing manufacture date and date of expiration.
- d. COMPOSITES/COATINGS - Material and Test Reports showing compliance with ALL requirements of the applicable specification (per Conrad PO) as well as providing manufacture date and date of expiration.

NOTE: All Test Reports must include the authorized signature and title of the representative of the agency performing the test.

#### Q9 NON-CONFORMING PRODUCT

- a. The supplier shall ensure that nonconforming product is identified and controlled to prevent its unintended use or delivery. If nonconforming product is identified the Supplier shall investigate to ensure that the same nonconformity has not affected any other product delivered or undelivered.
- b. If non-conforming product is identified after delivery to Conrad, the supplier must notify Conrad immediately and disclose the nonconformance. At a minimum, a description of the nonconformance, the part number, lot number, PO number, and the date shipped shall be provided to Conrad.



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- c. If non-conforming product is identified prior to delivery, the Conrad Buyer must be immediately notified and a written recovery plan provided by the Supplier. If the Supplier and Conrad agree that the nonconformity will not affect form/fit/function, the Supplier will obtain written authorization, prior to delivering to Conrad.

#### Q10 CORRECTIVE & PREVENTIVE ACTION

Supplier shall, on request, on forms designated or provided by Conrad, provide root cause analysis and corrective action on nonconformities or failures of Suppliers goods or services. Corrective action statements, at Conrad's option, may require approval signature by Conrad and customer quality representatives. All rejected articles resubmitted by Supplier to Conrad shall bear adequate identification, including reference to Conrad's rejection document.

#### Q11 SUB-TIER SUPPLIERS

- a. The Supplier shall flow-down to sub-tier suppliers the requirements in the purchasing documents, including key characteristics where required.
- b. Supplier/Processor is required to notify Conrad of any changes to their external providers or location of manufacture and obtain Conrad's approval to use.

#### Q12 SOURCE INSPECTION

- a. Conrad's In-Process and/or Final Source Inspection required prior to shipment of products from Supplier's facility and/or Supplier's Subcontractors facility. Supplier shall notify Conrad seven (7) days in advance of date parts will be ready for inspection.
- b. Government Source Inspection (GSI) is required prior to shipment from Supplier facility. If noted on the Conrad PO, Supplier is to notify the Government representative (DCMA) who normally services its facility so that appropriate planning for GSI can be accomplished.

#### Q13 PRODUCT/PROCESS CHANGES

The Supplier shall notify Conrad of changes in product and/or process definition and, where required, obtain Conrad approval.

#### Q14 F.O.D.

The Supplier shall develop and maintain a Foreign Object Debris/Damage (FOD) prevention program including the processes and controls at manufacturing areas to prevent introduction of foreign objects into any item delivered under this Order.



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#### Q15 FRAUDULENT/COUNTERFEIT PARTS

If suspect/counterfeit parts are furnished under this Order and are found by Conrad, such parts shall be quarantined. The Supplier shall promptly replace such items with items acceptable to Conrad and the Supplier shall be liable for all costs relating to Quarantine, removal and replacement. Conrad may turn such items over to the U.S. Office of Inspector General for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation.

#### Q16 SAMPLING

Supplier shall have the right to use sampling inspection plans, provided the sampling plans are in accordance with ANSI/ASQ Z1.4 (latest revision).

#### Q17 TOOLING

All tooling to be used in this ORDER (provided by or owned by Conrad) is to be visually inspected prior to use for any damage, wear, contamination, serviceability to meet drawing requirements for part, completeness (are all required parts of the tool available). Results of the visual inspection are to be recorded along with the tool asset number, revision number, date of inspection, Conrad PO number, and supplier work/job order number. Recorded results of this inspection are to be validated by QA/QC (ie; stamp, signature) and forwarded to Conrad prior to starting production. (Ref: Boeing Special Tooling Requirements #D950-11059-1, latest revision)

### GENERAL REQUIREMENTS

#### G1 CHANGE OF ADDRESS

Suppliers are required to provide written notification to Conrad should the supplier relocate its manufacturing operations.

#### G2 ASSIGNMENT, DELEGATION AND SUBCONTRACTING

Supplier shall not assign any of its rights of interest in this Order, or all/substantially all of its performance of this Order, without the written consent of Conrad. Supplier shall not delegate any of its duties or obligations under this contract. No assignment, delegation or subcontracting by Supplier, with or without Conrad's consent, shall relieve Supplier of any of its obligations under this Order or prejudice any of Conrad's rights against Supplier whether arising before or after the date of any assignment. This clause does not limit Supplier's ability to purchase standard commercial supplies or raw materials.

#### G3 LANGUAGE

When requested by Conrad, Supplier shall provide all records, reports, specifications, drawings, inspection, test results and other documentation in English.



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**DOCUMENTATION OF REVIEW/REVISION**

DATE	REVIEWER	ATTENDEES	COMMENTS
Dec 17, 2008	B. Zapata	H. Valk, E. Buchanan	Initial release, approved to be published on-line.
4/28/11	J. Flatten	See MGMT Review 2010 MTG Minutes & E. Buchanan	Revised to comply with new customer records retention requirements (See Boeing SUPNOT2011-03)
9/8/11	J. Flatten	See MGMT Review 2010 MTG Minutes and E. Buchanan	See DCR 210
8/10/12	Mgmt	See Title Page	DCR 215/Goodrich Procurement Clauses
6/10/13	Mgmt	See Title Page	Compliance with Customer Sourcing Requirements
9/9/13	Mgmt	See Title Page	To clarify C of C requirements
3/19/15	Mgmt	See Title Page	To clarify C of C requirements
2/1/17	MGMT	See Title Page	DCR 226
6/1/18	MGMT	See Title Page	DCR 230
3/4/19	MGMT	See Title Page	To clarify C of C requirements