



SUPPLIER QUALITY REQUIREMENTS

PURPOSE: This document defines the requirements for the control of externally provided raw materials to ensure conformity with applicable specifications, contractual requirements, and AS9100 requirements. Controls are risk-based and proportional to the criticality of the raw material to product performance, safety, and regulatory compliance.

SCOPE: These requirements apply to all suppliers and sub-tier suppliers providing raw materials, including but not limited to fibers, prepregs, resins, metals, adhesives, coatings, chemicals, and other material inputs that may affect product conformity or quality.

These requirements do not apply to finished components, assemblies, or services unless explicitly stated by contract or purchase order.

QUALITY SYSTEM: The supplier shall maintain a Quality Assurance Program in accordance with ISO 9001 (latest revision) or equivalent, e.g. AS 9100, ISO 9001, NADCAP

FLOWDOWN REQUIREMENTS: This clause mandates that all applicable requirements that are invoked or applied to the customer's purchasing document, including this clause, shall be flowed down to the organization's sub-tier suppliers.

CHANGE AUTHORITY: The Supplier shall provide, in writing, advance notification to AG Advanced Technologies of any change(s) to tooling, facilities, materials or processes at the supplier or the supplier sub-tier that could affect AG Advanced Technologies' contracted product. This includes, but is not limited to, fabrication, assembly, handling, testing, facility, materials or processes.

NONCONFORMANCE REPORTING: Under this clause, Customer grants no MRB authority to the Organization or its sub-tier suppliers. Repair is not allowed under this clause.

Definitions:

Nonconformance: A condition of any article, material or service in which one or more characteristics do not conform to requirements specified in the contract, drawings, specifications, or other approved product description. Includes failures, discrepancies, defects, anomalies, and malfunctions.

Rework: Used when an article can be made to conform to drawing requirements. Detailed instructions must be included or referenced.

Repair: Used when the nonconforming article, material or service can be corrected to a usable condition, although its condition will not be identical with drawing / specification requirements.

Non-conformances shall be reported to AG Advanced Technologies within 5 working days after the nonconformance is discovered. The organization shall ensure that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery.

Report Requirements:

1. A detailed description of the nonconformance; location (by drawing reference point, hardware reference point, clock location, etc.); and exact callout of the violation by drawing or specification requirement (including, sub-paragraph or illustration number). Dimensional violations shall include "should be" and "is" dimensions.

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2. It shall list what type of inspection revealed the discrepant condition.
3. What, if any, subsequent actions were taken prior to disclosure., and tool(s) calibration traceability numbers.
4. If the nonconformance is minor and can be re-worked to a condition that completely conforms to the drawing or specification requirements.

MATERIAL IDENTIFICATION, DAMAGE AND COUNT: Each article delivered under this Purchase Order will require positive identification with the part number ordered. All purchased materials and services are subject to inspection for compliance to this purchase order and all applicable quality clauses. No material or process substitutions, quantity variations or splits from the purchase order may be made without prior written authorization from the Customer.

SAMPLING AND TEST REQUIREMENTS FOR RAW MATERIALS: Sampling of raw materials is permitted unless otherwise restricted by contract, customer, or regulatory requirements. When sampling is used by the supplier:

1. Sampling shall be performed on a defined batch, lot, or heat basis.
2. Samples shall be representative of the production batch or lot.
3. Sampling and test methods shall be based on recognized industry standards (e.g., ASTM, AMS, ISO) or controlled supplier procedures.

All raw material shipped shall originate from the tested batch, lot, or heat and shall be fully covered by the associated test results. Certificates of Conformance and/or test reports shall clearly indicate when acceptance is based on representative sampling. Discovery of nonconformance in sampled raw material may result in rejection of the entire affected batch, lot, or heat. Sampling plans, test methods, and acceptance criteria shall be made available to the organization upon request.

CERTIFICATE OF CONFORMANCE: Organization shall provide a certification with each shipment to attest that the material, parts or assemblies conform to the Order requirements. When applicable, the true manufacturers, lot, heat, batch, date code, and/or serial number must appear on the certification. Certification must contain the following:

- *Customer's Order number
- * Part number
- * Name and address of manufacturing or processing location
- * Manufacturer's lot, heat, batch, date code, and/or serial number (if applicable)
- * Quantity and unit of measurement (each, box, case, gallons, etc.)
- * Be signed and dated by an official of the company.

The applicable material test results, process certifications and inspection records shall be presented upon Customer's request. The organization shall perform inspection, as necessary, to determine the acceptability of all articles under this Order.

10 YEAR RECORD RETENTION: Organization and Organization's Subcontractors shall maintain verifiable objective evidence of all inspections and tests performed, results obtained and dispositions of non-conforming articles. These records shall be identified to associated articles, including heat and lot number of materials, unit or lot serialization and made available to Customer and/or Government Representatives upon request and shall be retained in a safe, accessible location for a period of ten (10) years after date of delivery as defined in the contract. Organization's records associated with the manufacture of serialized or lot controlled articles will provide for continued traceability of serial numbers or lot number identification through all phases of manufacture, commencing with the raw material and continuing through final acceptance of the end item. Records held for the required retention period (ten years) shall not be destroyed without Customer's written concurrence.



RIGHT OF ACCESS: Work under this purchase order/contract is subject to AG Composites LLC dba AG Advanced Technologies, and our customer or government surveillance/inspection at organization's plant or sub-tier supplier's facility. The organization will be notified if a surveillance/inspection is to be conducted.

MATERIAL CHANGES / OBSOLESCENCES: The Supplier shall provide, in advance, written notification to AG Advanced Technologies Buyer of any change(s) to materials including material manufacturer, availability or formulation. Notification shall include: Change Type (Manufacturer, Availability or Formulation), Current Availability and last Buy Date.

PREVENTION OF COUNTERFEIT PARTS: Suppliers shall ensure through their processes and/or a formal program against the receipt of counterfeit materials into their inventory, against their use in manufacturing, and against their being sold to other suppliers. Supplier shall not deliver counterfeit work or suspect counterfeit work to AG Advanced Technologies. All parts and materials shall be procured only through Original Equipment Manufacturers (OEMs)/Original Component Manufacturers (OCMs) or their franchised dealer or distributors unless pre-approval has been granted by AG Advanced Technologies. Knowingly supplying material deemed or suspected as counterfeit will be considered unethical business practice and would result in a supplier investigation, reporting and possible removal from AG Advanced Technologies Approved Supplier list.

CODE OF CONDUCT: Organization will ensure that persons employed and performing work under its control are aware of their contribution to products and/or service conformity, their contribution to product safety, and the importance of ethical behavior.

AS APPLICABLE:

STATISTICAL TECHNIQUES PROCESS CONTROL: The supplier shall identify the statistical techniques in establishing, controlling and verifying process capability and product characteristics. Documented procedures shall be established and maintained to implement and control the application of these statistical techniques. Records of SPC are to be maintained and available upon request for a minimum of 10 years

DESIGN & DEVELOPMENT CONTROL / TEST SPECIMENS FOR DESIGN APPROVAL: The supplier shall identify the requirements for design, test, inspection verification (including production process verification), the use of statistical techniques for product acceptance, and as applicable, critical items including key characteristics to sub-tier suppliers. AG Advanced Technologies reserves the right to designate requirements for test specimens in design approval, inspection/verification, investigation or auditing.