

# Supplier Flowdown Requirements

## PO Requirements:

1. Seller shall comply with all flowdown requirements by applicable contractual agreement. Ran Tech flowdown requirements are supplemental terms and conditions that consist of both quality and non-quality assurance terms and conditions.
2. Ran Tech may revise the PO Notes from time to time. Seller should regularly visit the requirements on the Ran Tech Website to ensure they are at the current revision.

### A

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 Ran-Tech may elect to cancel any open Orders between Ran-Tech and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or exercise any other right of Ran-Tech 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.

### B

SELLER SHALL MAINTAIN, AND HAVE AVAILABLE ON A TIMELY BASIS, QUALITY RECORDS TRACEABLE TO THE CONFORMANCE OF PRODUCT/PART NUMBERS DELIVERED TO RAN-TECH. SELLER SHALL MAKE SUCH RECORDS AVAILABLE TO REGULATORY AUTHORITIES AND RAN-TECH'S AUTHORIZED REPRESENTATIVES. SELLER SHALL 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, Seller will notify Ran-Tech of records to be disposed of and Ran-Tech reserves the right to request delivery of such records. In the event Ran-Tech chooses to exercise this right, Seller shall promptly deliver such records to Ran-Tech at no additional cost on media agreed to by both parties.

Ran-Tech requires that the provisions/requirements set forth above be included in Sellers direct supply contracts related to the Products/Part Numbers. Supply Chain shall mean network of material, equipment, information, and services integrated into products and services for the ultimate customer.

### C

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"

# Supplier Flowdown Requirements

Ran-Tech 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.

D

Seller shall perform First Article Inspections (FAIs) in accordance with AS/EN/SJAC 9102 and unless otherwise specifically authorized in writing by Ran-Tech.

Ran-Tech requires that the FAI provisions and requirements set forth related to the compliance with AS/EN/SJAC 9102 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 shall mean Seller's direct network of suppliers providing material, equipment, information, and services integrated into products and services. Furthermore where Seller is required to document FAIs in the Net-Inspect software, FAIs of the Seller's supply chain shall also be documented in Net-Inspect.

E

REPRESENTATIVES OF RAN-TECH, RAN-TECH AND/OR THE FEDERAL AVIATION ADMINISTRATION (IF NON DOMESTIC), RAN-TECH 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 COMMERCIAL PRODUCTION AIRPLANES. RIGHT OF ENTRY/ACCESS INCLUDES MEETING THE REQUIREMENTS OF THE FAA AND/OR APPLICABLE EQUIVALENT FOREIGN CIVIL AVIATION AUTHORITIES TO PERFORM OVERSIGHT OF THE FACILITY.

Ran-Tech 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.

F

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).

Ran-Tech 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

G

NOTIFICATION OF ESCAPEMENT (NoE) PROCESS:

SELLER SHALL PROVIDE WRITTEN NOTIFICATION TO RAN-TECH WHEN A NONCONFORMANCE IS DETERMINED TO EXIST, OR IS SUSPECTED TO EXIST, ON PRODUCT ALREADY DELIVERED TO RAN-TECH. WRITTEN NOTIFICATION SHALL INCLUDE:

# Supplier Flowdown Requirements

A - AFFECTED PROCESS(ES) OR PRODUCT 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)  
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 MUST OCCUR WITHIN THREE (3) BUSINESS DAYS OF KNOWING ALL THE ABOVE INFORMATION. HOWEVER, IF THE CONDITION IS POSSIBLE SAFETY OF FLIGHT, SUBMIT ALL AVAILABLE INFORMATION IMMEDIATELY.

SELLER SHALL NOTIFY THE FOLLOWING:

- THE RAN-TECH PROCUREMENT MANAGER
- THE RAN-TECH QUALITY MANAGER

IF THE NONCONFORMING CONDITION HAS BEEN PREVIOUSLY IDENTIFIED BY RAN-TECH USING A NONCONFORMANCE RECORD AND A CORRECTIVE ACTION HAS BEEN REQUESTED, THE SELLER SHALL NOTIFY THE RAN-TECH INVESTIGATOR IDENTIFIED ON THE NOTIFICATION THAT ADDITIONAL PARTS ARE AFFECTED(SAME PART NUMBER(S)/SAME CONDITION). NOTE: ADDITIONAL PART NUMBERS OR NEW NONCONFORMING CONDITIONS ARE IN SCOPE FOR THE NOE PROCESS.

WHEN THE FOLLOWING IS KNOWN, WRITTEN NOTIFICATION SHALL INCLUDE:

- AFFECTED PROCESS OR PRODUCT NUMBER AND NAME
- DESCRIPTION OF THE PROBLEM (I.E., WHAT IT IS AND WHAT IT SHOULD BE)
- QUANTITY, DATES, PURCHASE ORDERS AND DESTINATION OF SHIPMENT DELIVERED
- SUSPECT/AFFECTED SERIAL NUMBER(S) OR DATE CODES, WHEN APPLICABLE.

WRITTEN NOTIFICATION BY THE SELLER SHALL BE TO:

- THE RAN-TECH PROCUREMENT MANAGER
- THE RAN-TECH QUALITY MANAGER

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 DIRECT FROM SUPPLY CHAIN TO RAN-TECH). SELLER SHALL NOTIFY RAN-TECH OF ALL SUB-TIER ESCAPES AND DESIGN ERRORS IN ACCORDANCE WITH 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 PRODUCTS AND SERVICES.

## H

Seller shall comply with Boeing Form X31764, AS/EN/JISQ 9100 flow-down requirements and PO Note management requirements set forth below.

A. [Boeing Form X31764](#) (Link to current document on the Ran Tech website)

1. Seller shall comply with the requirements of Form X31764 "Boeing Quality Purchasing Data Requirements"
2. For purposes of this note, "Supply Chain" means Seller's complete network of material, equipment, information, and services integrated into deliverable products and services provided to Seller by Seller's direct first tier supply contracts and Seller's sub-tier or lower tier supply contracts.

# Supplier Flowdown Requirements

**I****Application of Acceptance Authority Media (AAM):**

Seller shall comply with the AS9100 requirements regarding the application of the Acceptance Authority Media (AAM) requirements. Seller shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS). Seller shall, 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. Seller shall 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 shall 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.), and Authority Media Application Training Deficiencies (i.e. Ethics, Culture awareness, Proper Use of authority media, etc.).

**J****Export Control:**

A. 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").

B. The Party conducting the export shall be responsible for obtaining the required authorizations. 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.

C. 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.

D. 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.