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Reviewed By: Mary Lozada	Revision Number : 1
Approved By: Quality Manager	Date: 4/14/14 *

## 1.0 PURPOSE

1.1 Satellite Aerospace, Inc. Quality Requirements to Subtier Sources.

## 2.0 SCOPE

2.1 This document applies to all purchasing and sales personnel responsible for the flow down of Quality Requirements.

## 3.0 PROCEDURE

3.1 Flow Down Requirements: To assure conformance to all Purchase Order requirements, seller shall adhere to requirements and flow down to seller's subtier sources, when such sources are used by seller for procurement of products for conditions that apply to all items shipped to Satellite Aerospace, Inc.

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## QUALITY REQUIREMENTS

### Quality System Approval

The supplier shall, as a minimum, maintain an accredited 3<sup>rd</sup> party registration to AS9100 if a manufacturer and AS9120 if a distributor. If a supplier has less than 50% aerospace business then ISO9001 is acceptable.

### Right of Entry

Satellite Aerospace, Inc., Satellite Aerospace, Inc. customers, government representative or applicable regulatory agencies shall have the right to survey seller's facilities, with suitable notification to review all processes, subcontractors, contracted parts, procedures at any level of the supply chain involved in the order and applicable records.

### Traceability

Seller shall provide a Certificate of Conformance, with Satellite Aerospace, Inc. purchase order clearly noted on it, with each shipment. At a minimum, the certifications provided shall be in English. Seller must ensure that all certifications (certificate of conformance), test reports, process certificates, raw material, etc) for a part is traceable to one another by either a lot number, date code, heat number, job or work order number or material P.O. number. Changes or amendments to any certifications must be clearly identified as such and a signature and date of authorized party.

### Nonconformances

No known nonconformance shall be shipped to Satellite Aerospace, Inc. without written authorization from our Quality. The product shall be held at the supplier pending instruction from Satellite Aerospace, Inc. If nonconforming product is found by the supplier after shipment to Satellite Aerospace, Inc. the supplier shall notify us within 24 hours of the discovery.

UNCONTROLLED IF PRINTED

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### Packaging

Seller must assure that all product shipped is adequately packed and/or packaged to prevent damage, contamination, the introduction of Foreign Object Debris (FOD) and/or deterioration. **Shelf life** items must also be packaged appropriately and identified with the expiration date for protection and MSDS provided when applicable.

### Procurement Specification Document and Certification Requirements

When the procurement specification and this purchase order have differing certification requirements, the higher level requirements takes precedence.

### Record Retention

Seller shall retain quality records for a minimum of 10 years. Fasteners identified as safety critical, or flight safety parts, quality records shall be retained for 40 years. Records shall be made available to Satellite Aerospace, Inc. for review upon request.

### Calibration

Tools and equipment used in the final acceptance of manufactured product shall be calibrated in accordance with ANSI Z540-1 or ISO 10012-1 or TS/ISO 16949.

### Statistical Process Control (SPC)

When applicable the seller 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 must have CPK 1.33 or better.

### Key Characteristics

Key characteristics when applicable shall be identified on Purchase orders with applicable specifications to follow requirements. Supplier must maintain CPK for Key characteristics or (KPC's) and recorded with cpk data, this shall accompany parts and applicable certifications.

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### Foreign Object Debris (FOD)

Seller shall establish, document and maintain a program to control and eliminate Foreign Object Debris (damage) (FOD) and/or contamination during seller's (or seller's sub-tier sources) manufacturing, assembly, test and inspection operations.

### Return Policy

Satellite Aerospace, Inc. reserves the right to return product, within a reasonable time frame, if it does not meet the dimensional and/or structural requirements of the purchase order or drawing.

### Certifications

Country of Origin statement is required on the Manufacturers Certificate of Conformance. If no statement is on the C of C it will be assumed that the product was manufactured and/or assembled in the United States. The following certifications must accompany the product shipped: Manufacturers: Certification of Conformance, Test Reports and Process Certifications. \*Raw Material Suppliers are also required to be "DRC Conflict Free" in accordance with Dodd-Frank Act. Distributors: Certification of Conformance and Third Party Test Reports (as applicable). Applicable specification and part revision level must be present on certifications and test reports.

### DFARS

DFARS 252.225-7016 applies. DFARS compliance statement must be stated on the manufacturer's certificate of conformance per DFARS 252.225-7009 qualifying countries.

### First Article

A documented first article is required. First article shall be required on the first production run per AS9102. All additional revisions due to engineering, design and/or specification change then a Delta AS9102 is required.

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### 100% Inspection Required

Seller shall perform 100% inspection of all characteristics or specified characteristics on all products covered by the purchase order. Records of sellers 100% inspection results, showing actual range of value, shall accompany each delivery of product(s).

### Special Processes Approval

Special processes shall be performed by sources that are accredited by the National Aerospace and Defense Contractors Accreditation Program (Nadcap). This requirement applies whether the process is performed by the seller or by seller's subtier sources. Special processes include but not limited to: NDT, Nonconventional Machining, Heat Treat, Plating/Coating, Welding and Chemical Processing.

### Government Orders

Any purchase order noting a US Government Contract Number and associated Priority Rating shall be executed in accordance with the Defense Priority and Allocation System Program.

### Notifications of Changes

Supplier shall notify Satellite Aerospace, Inc. when changes occur that will affect the Quality System, such as changes of addresses/location, ownership, company name, quality manager, quality management system (QMS), or QMS approvals.

### Assemblies

All individual components within the assembly shall be listed on the Manufacturer's Certificate of Conformance with the traceability to the applicable certification.

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### Date Codes

If product has an age or a date code, parts must be less than 4 years old unless approved by a Satellite Aerospace, Inc. representative. The age or date code must be listed on the Manufacturer's Certificate of Conformance and seller's Certificate of Conformance as applicable. In case of multiple date code, all date code and associated quantity must be listed on the Manufacturer's Certificate of Conformance and seller's Certificate of Conformance as applicable. The supplier may hand-write date code, quantity, or any additional information on the Certificate of Conformance as long as the changes are accompanied by a signature and/or stamp. \* "MSDS" Material Safety Data sheets are to be provided for all materials when applicable.

- Changes to Rev 1 \* 4/14/14 M.L.