



## **MD-8.4.3-B Additional Purchase Order Notes and Flow-Down Requirements:**

**The requirements listed below are in addition to those set forth in any other contractual document. The provisions indicated herein are an integral part of the Purchase Order.**

**Compliance with these requirements does not reduce Seller responsibility for furnishing materials and services that fully comply with all Drawing(s) and Specification(s) Requirements, nor does it guarantee acceptance of materials or services by Chenega. In the event that materials or services are found to be defective and cannot be demonstrated by the Seller to be in conformance with the Purchase Order Requirements, Chenega will have the right to reject them.**

**All Purchase order requirements shall be flowed down to your suppliers as required.**

- 1. If nonconformity is detected after delivery of product to the company, the supplier agrees to notify the designated buyer immediately upon determination of the nonconformity shipment.**
- 2. The supplier agrees to notify the company in the event of form, fit or function to the product or in the event of any anomalies detected.**
- 3. Applicable requirements will be flowed down to the entire supply chain.**
- 4. The supplier will not send known nonconforming product to the company without first securing written approval to do so.**
- 5. Quality management system records will be maintained in readable condition for at least 7 years.**
- 6. When services are outsourced, the supplier will maintain responsibility for the outsourced services, including technical leadership.**
- 7. All purchased products or materials used in the product will conform to applicable statutory and regulatory requirements.**
- 8. All goods shall be packaged by the seller in accordance with good commercial practice in a manner sufficient to insure arrival in a condition free of damage or deterioration unless referenced otherwise in the purchase order or any documents that may be referenced.**
- 9. Cancellation-buyer reserves the right at any time to cancel all or any part of the undelivered portion of this order by notice to seller. In the event of such cancellation, buyer shall not be liable to seller for loss of anticipatory profits. The provisions of this paragraph shall not limit or affect buyer's right to terminate this purchase order for default of seller.**



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- 10. If any material being supplied to Chenega is restricted, toxic or contains hazardous substances, the supplier is to provide a warrant or certificate that the materials comply with governmental and safety regulations with regard to packaging, labeling, storage and handling instructions, first aid instructions, etc. Additionally, a Safety Data Sheet must be provided.**
- 11. By acceptance and performance of this purchase order the seller certifies that the line items and quantities provided were produced in accordance with all, notes, flow downs, quality requirements, drawings and/or specifications and contain no counterfeit parts.**
- 12. Competent and qualified personnel shall be in place to do the work performed. Personnel shall be skilled, trained, assessed, evaluated and reevaluated as required. Records shall be kept for training, levels of qualification and evaluations.**
- 13. Interactions with our organization and /or your supplier shall be communicated by phone, email, fax or mail. These interactions should include but not limited to any information that would conflict with any requirement flowed down on the purchase order. This can be accomplished by reviews, meetings and exchange of documented information, notices, directives or feedback.**
- 14. Chenega has an internal vendor control and monitoring process and flows down the requirement that you the supplier have a process in place.**
- 15. Chenega and/or our Customer may perform a sight visit to verify or validate work being performed. This may include but not limited to source inspection, oversight, witness, sampling, surveillance, process monitoring, audits and functional/performance testing.**
- 16. The supplier shall have a design and development control process in place as required.**
- 17. Purchase orders will document any special requirements, critical items and any key characteristics and should be flowed down to all suppliers.**
- 18. Quality Receiving Inspection and statistical techniques are used for purchase order acceptance and related instructions. This may include sampling activity, process monitoring and statistical process control (SPC).**
- 19. This flow down encourages the need for the supplier to:**
  - a. implement a Quality Management System (QMS)**
  - b. use customer designated or approved external providers, including process sources (e.g., special processes)**
  - c. notify Chenega of nonconforming processes, products, or services and obtain approval for disposition**
  - d. prevent the use of counterfeit parts**
  - e. Notify Chenega of changes to processes, products, or services, including changes of your location of manufacture, and obtain the organization's approval**



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- f. flow down to your external providers applicable requirements including customer requirements**
- g. provide test specimens for design approval, inspection/verification, investigation, or auditing**
- h. retain documented information, including retention periods and disposition requirements**

**20. The supplier will allow right of access by the company, the customer and regulatory authorities to applicable areas of the supplier's facility and applicable records and to flow down these requirements to any level of the supply chain involved in the order.**

**21. Employees should be made aware of:**

- a. Their contribution to product or service conformity to include individual accountability, understanding requirements, compliance to processes, the need to control changes and reporting of nonconformance.**
- b. Their contribution to product safety to include individual accountability, compliance to processes, attention to detail, knowledge of product end usage and potential impact relation to product issues.**
- c. The importance of ethical behavior in the workplace, code of conduct, management/employee working relationship, fair treatment, and employee work recognition, confidential reporting mechanisms, no blame culture.**