

# SEKISUI AEROSPACE – ORANGE CITY OPERATIONS DBA QUATRO COMPOSITES, LLC. SUPPLIER REQUIREMENTS/FLOWDOWNS

## SUPPLIER REQUIREMENTS:

### GENERAL

It will be required that your organization agrees to the requirements on this page to be considered as a supplier, any discrepancies or concerns must be communicated to the appropriate Purchasing agent at Quatro.

Purchase orders will include all pertinent information or reference documentation required for your company to meet the expectations of the order. Any missing information must be communicated to Quatro prior to acknowledgment of the order.

### QUALITY

Quatro must be notified of non-conforming product prior to delivery. A Quatro SDNR (Supplier Discrepancy Notice Request) may be submitted to Quatro for approval. If a Discrepancy is discovered after shipping, Quatro must be notified as soon as Discrepancy is discovered.

Quatro will inspect product upon receipt at our facilities. Product must pass inspection prior to acceptance. Quatro will inspect 100% or follow a recognized inspection standard for incoming product.

Quatro may also accept product based on Supplier supplied inspection data as an option.

The goal for supplier quality performance is zero (0) unacceptable parts unless otherwise agreed and documented, for each item delivered, between Quatro and Supplier. The Supplier will accept returns of material with proper approval (if required), for which they are the original source. Quatro will document the reason for the return, which will physically accompany the shipment. Direct deductions for returns will be taken against open invoices for the amount of the rejected part, plus the freight cost. All returned items will be shipped on the Supplier's shipper number, and will be at no cost to Quatro. If no open invoices exist, a refund check may be requested. The Supplier will respond to written requests from Quatro by providing documented plans and/or procedures for rework, repair and testing of defective returns. The Supplier will respond to written requests from Quatro by providing documented corrective action plans to prevent future deviations from specification.

Quatro may perform verification at the supplier's premises that subcontracted product meets requirements. These arrangements will be specifically detailed with the Purchase Order. Allowance of verification by the customer shall not be used by the organization as evidence of effective control of quality by the supplier and shall not absolve the organization of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by the customer. Right of Access by Quatro, our customers, and regulatory authorities to all facilities involved in the order and to all applicable [documented information](#) shall be granted.

Quatro requires a Certificate of Conformance for dimensional and cosmetic requirements, and Certificate of Compliance Certificates for Special Processes that have Accepted Standards with each shipment. Objective evidence of results must be supplied to Quatro upon request within 48 hours.

### DELIVERY REQUIREMENTS

The goal for delivery performance on all Products is 100% on time. A shipment is on time if it arrives at its destination up to five (5) days prior to and zero (0) days after the promised Supplier delivery date. No shipment is considered on time unless it is complete as specified on the purchase order. In the event of late deliveries, the Supplier will notify Quatro and if required provide a documented corrective action plan to assure future on time deliveries. On shipments that are beyond the Suppliers promised ship date, Quatro reserves the right to request special freight for these shipments, with the Supplier only billing for normal regular freight charges.

### ENGINEERING SPECIFICATIONS

The Supplier is responsible to assure that delivered items meet the requirements of the revisions and/or versions specified on the applicable purchase order. A complete specification on items designed by Quatro is available upon request. The Supplier is responsible to resolve discrepancies between specifications and the documentation in their possession before

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items are manufactured.

Quatro may require that an approved special process provider be used. This will be specifically referred to on the Purchase Order.

It is the supplier's responsibility to manage and control all levels of their sub-tiers. All applicable requirements, including key characteristics, must be included in the purchasing documents to the sub-tier contractor.

## **PACKAGING/SHIPPING**

The Supplier shall provide packaging and shipping methods so as to prevent mechanical and electrical damage to the end product. Packing list needs to show Purchase Order number, Part number, total number of articles shipped and shipment date and must be affixed to the outside of the container. Unless disclosed and agreed to prior to submitting an order, no added packaging and handling charges will be paid by Quatro.

## **CHANGE NOTIFICATION**

Quatro must be notified prior to any changes being made to your [Management Team](#), raw material, components, specifications, production processes, manufacturing equipment, manufacturing location, sub-tiers, etc. which may affect the properties, quality, functionality or delivery of the product or material supplied to Quatro. At a minimum, the change notice must include Supplier's affected part number, date of implementation, serial number effectivity of the assembly that is changed, reason for the change and specific details of the change. This change notice must be sent to Quatro a minimum of thirty (30) calendar days in advance of the proposed implementation date. Quatro then has fifteen (15) days to respond to Supplier with approval of the change, disapproval of the change or a request for samples for evaluation (Delta FAI). A change cannot be implemented until Quatro submits a written authorization to the Supplier.

## **COMPLIANCE**

Where applicable, Supplier will maintain compliance to industry standards and product listings such as UL, CSA, IEC, etc. for all Products delivered to Quatro. Additionally, Supplier will maintain compliance with government regulations including reporting, documented information keeping, and production testing applicable to the manufacture of products delivered to Quatro.

Supplier will send a Safety Data Sheet (SDS) with first shipment of the material to Quatro and will send new SDS to Quatro when there are updates.

Quatro may audit or use a 3<sup>rd</sup> party auditor to audit the Supplier's quality system upon written advance notification.

Quatro, our customers, and regulatory authorities may have access to all applicable documented information and to all facilities involved in the fulfillment of the purchase order.

## **DOCUMENTED INFORMATION RETENTION**

Supplier shall maintain clear, accurate documented information of acceptance activities for each product delivered to Quatro. The documented information shall include the test/inspection criteria, revision level of documents/equipment/software used, activities performed (planning, routing or traveler sheets), dates of test/inspection, results and identification of the individual(s) conducting the activities. Where applicable this documented information should include a list of the equipment used for test/inspection, along with serial number identification if applicable. The Supplier shall store all documented information retained for the Product, for a period of time equivalent to the design and expected life of the Product. In no case should this be less than 10 years from the date of release for commercial distribution by the Supplier.

## **LIMITED DISTRIBUTION**

A receiving party will limit access to Proprietary Information (i.e. technical drawings) it receives to its employees who have a "need to know" the Proprietary Information for the purposes of the Program. A receiving party will copy Proprietary Information only as reasonably necessary for it to complete the purposes of this Agreement. In the event that a receiving party uses contract labor personnel in the operation of its business and the receiving needs to disclose the Proprietary Information on such contract labor personnel to prepare and submit a bid as permitted by this Agreement, the receiving party may disclose Proprietary Information to contract labor personnel, provided that the contract labor personnel are under an obligation to hold such information in confidence under terms and conditions at least as restrictive as the terms and

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conditions of this agreement.

**PAYMENT TERMS**

All payment terms are to be negotiated and agreed to prior to acceptance of any Quatro orders. Unless otherwise agreed to, all prices are assumed to be USD currency. Should a Supplier accept a Quatro purchase order without first agreeing to terms, Net 30 payment will be the assumed terms.

**SUPPLIER FLOWDOWN REQUIREMENTS:**

**1. REVIEW**

- 1.1. Seller hereby grants, and shall cause any of its subcontractors or suppliers to grant, to the right to visit the facility of Seller or any of its subcontractors or suppliers during operating hours to review progress and performance with respect to production, schedule, cost, quality and protection of Quatro proprietary rights under any Order. Any Quatro representative shall be allowed access to all areas used for the performance of the Agreement. Such access shall be subject to the regulations of any governmental agency regarding admissibility and movement of personnel on the premises of Seller or any of its subcontractors or suppliers.
- 1.2. Seller hereby grants, and shall cause any of its subcontractors or suppliers to grant, to the right of access by our organization, our customers and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable documented information.
- 1.3. Quatro shall notify Seller prior to any visit. Such notice shall contain the names, citizenship and positions of the visiting personnel and the duration and purpose of such visit.
- 1.4. If the supplier maintains a QMS Manual and first level QMS procedures in their native language (not English) including other documents required to conform to customer requirements, the English language equivalent must be maintained and takes precedence.
- 1.5. The supplier must understand the importance of ethical behavior and implement ethical behavior in all their activities.

**2. SELLER'S DISCLOSURE**

- 2.1. Seller shall provide written notification to Quatro within one (1) day when a nonconformance is determined to exist, or is suspected to exist, on Product already delivered to Quatro under any Order. When the following is known, written notification shall include:
  - 2.2. Affected process or Product number and name.
  - 2.3. Description of the problem (i.e., what it is and what it should be).

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- 2.4. Quantity, dates and destination of shipment delivered.
- 2.5. Suspect/affected serial number(s) or date codes, when applicable.
- 2.6. The Seller shall notify the Quatro Procurement Representative and the Quatro Supplier Quality Field Representative for the Quatro location where the Product was delivered.
- 2.7. If the nonconforming condition has been previously identified by Quatro, using Nonconformance Documented Information or other equivalent means and requesting a corrective action response, the Seller shall notify the Quatro investigator identified on the corrective action request that additional Product is affected.
- 2.8. Must meet Added to section 4d. -Counterfeit must be flowed down to supply base.  
-SAE AS5553 Counterfeit Electrical Avoidance Detection  
-SAE AS6174 Counterfeit Material Assuring Acquisition of Authentic and Conforming  
-DFARS 252.246-7007 Contractor Counterfeit Electronic Part Detection
- 2.9. If supplier realizes they have provided counterfeit goods to Quatro, we must be notified within 24 hours.

**3. SELLER'S ACCEPTANCE**

- 3.1. Seller shall provide with all shipments the following evidence of acceptance by its quality assurance department: (a) certified physical and metallurgical or mechanical test reports where required by controlling specifications, or (b) a signed, dated statement on the packing sheet certifying that its quality assurance department has inspected the Products or Services and they adhere to all applicable drawings and/or specifications.

**4. RIGHTS OF QUATRO COMPOSITES CUSTOMERS AND REGULATORS TO PERFORM INSPECTIONS, SURVEILLANCE, AND TESTING**

- 4.1. Quatro rights to perform inspections, surveillance and tests and to review procedures, practices, processes and related documents related to quality assurance, quality control, flight safety, and configuration control shall extend to the Customers of Quatro that are departments, agencies or instrumentalities of the United States Government and to the FAA and any successor agency or instrumentality of the United States Government. Quatro may also, at Quatro option, by prior written notice from Quatro Procurement Representative, extend such rights to other Customers of Quatro and to agencies or instrumentalities of other government's equivalent in purpose to the FAA. Seller shall cooperate with any such United States Government or Quatro directed inspection, surveillance, test or review without additional charge to Quatro. Nothing in this Agreement shall

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be interpreted to limit United States Government access to Seller's facilities pursuant to law or regulation.

- 4.2. Where Seller is located in or subcontracts with a supplier or subcontractor located in a country which does not have a bilateral airworthiness agreement with the United States, Seller will obtain and maintain on file and require its affected supplier(s) or subcontractor(s) to obtain and maintain on file, subject to review by Quatro, or copies provided to Quatro upon request, a letter from the applicable government where the Product or subcontracted element is to be manufactured stating that Quatro and the FAA will be granted access to perform inspections, surveillance and tests and to review procedures, practices, processes and related documents related to quality assurance, quality control, flight safety, and configuration control.

**5. RETENTION OF DOCUMENTED INFORMATION**

- 5.1. For Orders supporting Quatro, Seller shall maintain, on file at Seller's facility, Quality documented information traceable to the conformance of product/part numbers delivered to Quatro. Seller shall make such documented information available to regulatory authorities and Quatro authorized representatives. Seller shall retain such documented information for a period of not less than (10) ten years from the date of shipment under each applicable Order for all product/part numbers unless otherwise specified on the Order. Seller shall maintain all documented information related to the current first article inspection (FAI) for (10) ten years past final delivery of the last Product covered by the FAI.
- 5.2. At the expiration of such period set forth above and prior to any disposal of documented information, Seller will notify Quatro of documented information to be disposed of and Quatro reserves the right to request delivery of such documented information. In the event Quatro chooses to exercise this right, Seller shall promptly deliver such documented information to Quatro at no additional cost on media agreed to by both parties.

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**6. REGULATORY APPROVALS**

6.1. For aircraft regulated by the FAA or non-U.S. equivalent agency, regulatory approval may be required for Seller to make direct sales (does not include “direct ship” sale through Quatro) of modification or replacement parts to owners/operators of type-certificated aircraft. Unless explicit direction is given to the contrary, no articles (or constituent parts thereof) ordered by Quatro shall contain any FAA-PMA markings and shall not be certified under an FAA PMA approval. Regulatory approval, such as Parts Manufacturer Approval (PMA), is granted by the FAA or appropriate non-U.S. equivalent regulatory agency. Seller agrees not to engage in any such direct sales of Products or Services under this Agreement without regulatory approval. Any breach of this provision will be deemed a material breach of this Agreement. For Seller proprietary parts, Seller agrees to notify Quatro of application for PMA or other applicable regulatory approval and subsequent approval or denial of same. Upon receipt of proof of PMA or other applicable regulatory approval, Quatro may list Seller in the illustrated parts catalog as seller of that part.

**7. IMPORT/EXPORT**

7.1. In performing the obligations of this Agreement, both Parties will comply with all applicable export, import and sanctions laws, regulations, orders, and authorizations, as they may be amended from time to time, applicable to the export (including re-export) or import 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/Import Laws”).

7.2. The Party conducting the export or import shall obtain all export or import authorizations which are required under the Export/Import Laws for said party to execute their obligations under this Agreement. Each Party shall reasonably cooperate and exercise reasonable efforts at its own expense to support the other Party in obtaining any necessary licenses or authorizations required to perform its obligations under this Agreement. Reasonable cooperation shall include providing reasonably necessary documentation, including import, end-user and retransfer certificates.

7.3. The Party providing Items or services under this Agreement shall, upon request, notify the other Party of the Items or services’ export classification (e.g. the Export Control Classification Numbers or U.S. Munitions List (USML) category and subcategory) as well as the export classification of any components or parts thereof if they are different from the export classification of the Item at issue. The Parties acknowledge that this representation means that an official capable of binding the Party providing such Items or services knows or has otherwise determined the proper export classification. 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.

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**8. RESPONSIBILITY FOR PROPERTY**

8.1. Seller shall clearly mark, maintain an inventory of, and keep segregated or identifiable all of Quatro and Customer's supplied property and all property to which Quatro has acquired an interest. Seller assumes all risk of loss, deterioration, destruction or damage of such property and lost paperwork, e.g. 8130, etc. while in Seller's or its subcontractors' or suppliers' possession, custody or control. Deterioration does not include items deteriorated due to the lapse of shelf-life or other inherent deterioration. Upon request, Seller shall provide Quatro with adequate proof of insurance against such risk of loss. Seller shall not use such property other than in performance of an Order without prior written consent from Quatro. Seller shall promptly notify Quatro Procurement Representative if Quatro property is lost, damaged or destroyed. As directed by Quatro, upon completion, termination or cancellation of the Agreement or all or a portion of any Order, Seller shall deliver such property, to the extent not incorporated in delivered end products, to Quatro in good condition subject to ordinary wear and tear and normal manufacturing losses. Nothing in this GTA Section 8 limits Seller's use, in its direct contracts with the government, of property in which the government has an interest.

**9. PROPRIETARY INFORMATION AND ITEMS**

9.1. Quatro and Seller shall each keep confidential and protect from disclosure all (a) confidential, proprietary, and/or trade secret information; (b) tangible items containing, conveying, or embodying such information; and (c) tooling obtained from and/or belonging to the other in connection with this Agreement or any Order (collectively referred to as "Proprietary Information and Materials"). Quatro and Seller shall each use Proprietary Information and Materials of the other only in the performance of and for the purpose of this Agreement and/or any Order. Provided, however, that despite any other obligations or restrictions imposed by this agreement, GTA Section 9, Quatro shall have the right to use, disclose and copy Seller's Proprietary Information and Materials for the purposes of testing, certification, use, sale, or support of any item delivered under this Agreement, an Order, or any airplane including such an item; and any such disclosure by Quatro shall, whenever appropriate, include a restrictive legend suitable to the particular circumstances. The restrictions on disclosure or use of Proprietary Information and Materials by Seller shall apply to all materials derived by Seller or others from Quatro Proprietary Information and Materials.

9.2. Upon Quatro request at any time, and in any event upon the completion, termination or cancellation of this Agreement, Seller shall return all of Quatro Proprietary Information and Materials, and all materials derived from Quatro Proprietary Information and Materials to Quatro unless specifically directed otherwise in writing by Quatro. Seller shall not, without the prior written authorization of Quatro, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying, or made in accordance with or by reference to any Proprietary Information and Materials of Quatro. Prior

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to disposing of such parts or materials as scrap, Seller shall render them unusable. Quatro shall have the right to audit Seller's compliance with this agreement, GTA Section 9. Seller may disclose Proprietary Information and Materials of Quatro to its subcontractors or suppliers as required for the performance of an Order, provided that each such subcontractor first assumes, by written agreement, the same obligations imposed upon Seller under this agreement GTA Section 9 relating to Proprietary Information and Materials; and Seller shall be liable to Quatro for any breach of such obligation by such subcontractor or supplier. The provisions of this agreement GTA Section 9 are effective in lieu of, and will apply notwithstanding the absence of, any restrictive legends or notices applied to Proprietary Information and Materials; and the provisions of this agreement GTA Section 9 shall survive the performance, completion, termination or cancellation of this Agreement or any Order. This agreement GTA Section 9 supersedes and replaces any and all other prior agreements or understandings between the parties to the extent that such agreements or understandings relate to Quatro obligations relative to confidential, proprietary, and/or trade secret information, or tangible items containing, conveying, or embodying such information, obtained from Seller and related to any Product, regardless of whether disclosed to the receiving party before or after the effective date of this Agreement.

**10. COMPLIANCE WITH LAWS**

- 10.1. Seller shall be responsible for complying with all legal requirements, including, but not limited to the provisions of any statute, ordinance, rule, regulation, judgment, decree, order, permit, approval, license or registration applicable to its performance under this Agreement. Seller shall notify Quatro of any aspect of Seller's performance that is prohibited under any legal requirements, at the earliest opportunity, but in all events sufficiently in advance of Seller's performance of such obligation, so as to identify and implement alternative methods of performance. Seller shall notify Quatro in writing at the earliest possible opportunity of any aspect of its performance, which becomes subject to any additional legal requirement after the date of execution of this Agreement or which Seller reasonably believes will become subject to additional regulation during the term of this Agreement. Seller agrees to indemnify and to hold harmless Quatro from any failure by Seller to comply with any legal requirement.
- 10.2. In addition, Seller shall (i) comply with all applicable country laws relating to anti-corruption or anti-bribery, including but not limited to legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (the "OECD Convention") or other anti-corruption/anti-bribery convention; (ii) comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, *et. seq.*), regardless of whether Seller is within the jurisdiction of the United States; and (iii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Quatro to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.

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**11. GOVERNMENT REQUIREMENTS**

11.1. If any of the work to be performed under this Agreement is performed in the United States, Seller shall, via invoice or other form satisfactory to Quatro, certify that the Products or Services covered by the Order were produced in compliance with Sections 6, 7, and 12 of the Fair Labor Standards Act (29 U.S.C. 201-291), as amended, and the regulations and orders of the U.S. Department of Labor issued there under. In addition, the following FARs are incorporated herein by this reference except "Contractor" shall mean "Seller": Other Government clauses, if any, are incorporated herein either by attachment to this document or by some other means of reference.

- 11.1.1.1.1. FAR 52.222-26 "Equal Opportunity"
- 11.1.1.1.2. FAR 52.222-35 "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era"
- 11.1.1.1.3. FAR 52.222-36 "Affirmative Action for Workers with Disabilities"
- 11.1.1.1.4. FAR 52.247-64 "Preference for Privately Owned U.S.-Flagged Commercial Vessels"
- 11.1.1.1.5. FAR 52.222-39 "Notification of Employee Rights Concerning Payment of Union Dues or Fees"
- 11.1.1.1.6. FAR 52.222-50 "Combating Trafficking in Persons"

**12. CODE OF BASIC WORKING CONDITIONS AND HUMAN RIGHTS**

12.1. Quatro is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its worldwide operations. In furtherance of this commitment, Quatro has adopted a Code of Basic Working Conditions and Human Rights setting out in detail the measures it takes to ensure this commitment is fulfilled. The Boeing Code maybe downloaded at <http://www.boeing.com/employment/culture/code.html>. Quatro strongly encourages Seller to adopt and enforce concepts similar to those embodied in the Boeing Code, including conducting Seller's operations in a manner that is fully compliant with all applicable laws and regulations pertaining to fair wages and treatment, freedom of association, personal privacy, collective bargaining, workplace safety and environmental protection. Seller will promptly cooperate with and assist Quatro in implementation of and adherence to the Boeing Code.

12.2. Further, any material violation of law by Seller relating to basic working conditions and human rights in the performance of work under this Agreement may be considered a material breach of this Agreement for which Quatro may elect to cancel any open Orders between Quatro and the Seller, for cause, in accordance with the provisions of this Agreement, or exercise any other right of Quatro for an Event of Default under this Agreement.

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**13. PUBLICITY**

13.1. Without Quatro prior written approval, Seller shall not, and shall require that its subcontractors or suppliers shall not, release any publicity, advertisement, news release or denial or confirmation of the same, regarding any Order or Products or Services, or the program to which they may pertain. Seller shall be liable to Quatro for any breach of such obligation by any subcontractor or supplier.

**14. INSURANCE**

14.1. Seller shall obtain and maintain continuously in effect a property insurance policy covering loss or destruction of or damage to all property in which Quatro does or could have an insurable interest pursuant to this Agreement, including but not limited to Tooling, Quatro-furnished property, raw materials, parts, work-in-process, incomplete or completed assemblies and all other Products or Services or parts thereof, and all drawings, specifications, data and other materials relating to any of the foregoing in each case to the extent in the possession or under the effective care, custody or control of Seller or any agent, employee, affiliate, subcontractor or supplier of Seller, in the amount of full replacement value thereof providing protection against all perils normally covered in an "all risk" property insurance policy (including without limitation fire, windstorm, explosion, riot, civil commotion, aircraft, earthquake, flood or other acts of God). Any such policy shall be with insurers reasonably acceptable to Quatro and shall (a) provide for payment of loss thereunder to Quatro, as loss payee, as its interests may appear and (b) contain a waiver of any rights of subrogation against Quatro, its subsidiaries, and their respective directors, officers, employees and agents.

**15. CERTIFICATE OF INSURANCE**

15.1. Upon written request from Quatro, Seller shall provide to Quatro Procurement Representative certificates of insurance reflecting full compliance with the requirements set forth in the agreement GTA Section 14.1. Such certificates shall be kept current and in compliance throughout the period of this Agreement and shall provide for thirty (30) days advanced written notice to Quatro Procurement Representative in the event of cancellation, non-renewal or material change adversely affecting the interests of Quatro.

**16. NOTICE OF DAMAGE OR LOSS**

16.1. Seller shall give prompt written notice to Quatro Procurement Representative of the occurrence of any damage or loss to any property required to be insured herein. If any such property shall be damaged or destroyed, in whole or in part, by an insured peril or otherwise, and if no Event of Default shall have occurred and be continuing, then Seller may, upon written notice to Quatro, settle, adjust, or compromise any and all such loss or damage not in excess of Two Hundred Fifty Thousand Dollars (\$250,000) in any one occurrence and Five Hundred Thousand Dollars (\$500,000) in the aggregate. Seller may settle, adjust or compromise any

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other claim by Seller only after Quatro has given written approval, which approval shall not be unreasonably withheld.

**17. SUBCONTRACTING**

17.1. Seller shall maintain complete and accurate documented information regarding all subcontracted items and/or processes. Seller's use of subcontractors or suppliers shall comply with Seller's quality assurance system approval for said subcontractors or suppliers. Unless Quatro prior written authorization or approval is obtained, Seller may not purchase completed or substantially completed Products or Services. For purposes of this agreement GTA Section and this GTA Section only, completed or substantially completed Products or Services shall not include components of assemblies or subassemblies. No subcontracting by Seller shall relieve Seller of its obligation under the applicable Order. Utilization of a Quatro -approved source does not constitute a waiver of Seller's responsibility to meet all specification requirements.

17.2. Seller shall include as part of its subcontracts those elements of the Agreement that protect Quatro rights including but not limited to right of entry provisions, proprietary information and rights provisions and quality control provisions. In addition, Seller shall provide to its subcontractor's sufficient information to document clearly that the work being performed by Seller's subcontractor is to facilitate performance under this *Agreement* or any Order. Sufficient information may include but is not limited to Order number, GTA number or the name of Quatro Procurement Representative.

**18. LICENSING**

18.1. Seller agrees that the use of Quatro Proprietary Information and Materials as defined in GTA Section 9 beyond that authorized by this Agreement shall be subject to a license agreement or other written instrument as determined by the Quatro Commercial Airplane Intellectual Property Management organization (BCA IPM) of Quatro.

**19. PREVENTION OF COUNTERFEIT GOODS**

- 19.1. The Seller shall flow down all requirements to all supplier provided goods, not just electric or EEE parts.
- 19.2. Seller and distributors shall review and retain copies of the Manufacturer Certificate of Conformance.
- 19.3. COC shall include:
- 19.3.1. Manufacturer name and address
  - 19.3.2. Manufacturer part number
  - 19.3.3. Batch identification such as date codes, lot codes, serializations, or other batch identifications

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- 19.3.4. Signature or stamp with title of seller's authorized personnel signing the certificate
- 19.3.5. Certification to testing specification and revision level that parts are certified to
- 19.4. Per S-1000, all materials and parts for GE-A parts must define GE-A as the end user.

**20. HUMAN TRAFFICKING**

- 20.1 Quatro is committed to comply with the Federal Government's zero tolerance policy on human trafficking. Actions that will be taken against employees or agents for violations of this policy up to and including termination of employment.

Human trafficking is defined as the act of recruiting, harboring, transporting, providing, or obtaining a person for labor services or commercial sex acts through force, fraud, or coercion, for the purpose of exploitation, involuntary servitude, peonage, debt bondage, or slavery. It includes any commercial sex involving a minor.

- 20.2 Contractors of Quatro shall—

- 20.2.1 Notify its employees and agents of—

- (i) The United States Government's policy prohibiting trafficking in persons, and
    - (ii) The actions that will be taken against employees or agents for violations of this policy. Such actions for employees may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and

- 20.2.2 Take appropriate action, up to and including termination, against employees, agents, or subcontractors that violate the policy

**Section SBP**

**1. INVENTORY AT CONTRACT COMPLETION**

- 1.1. Subsequent to Seller's last delivery of Product(s), Products which contain, convey, embody or were manufactured in accordance with or by reference to Quatro Proprietary Information and Materials including but not limited to finished goods, work-in-process and detail components (hereafter "Inventory") which are in excess of Order quantity shall be made available to Quatro for purchase. In the event Quatro, in its sole discretion, elects not to purchase the Inventory, Seller may scrap the Inventory. Prior to scrapping the Inventory, Seller shall mutilate or render it unusable. Seller shall maintain, pursuant to their quality assurance system, [documented information](#) certifying destruction of the applicable Inventory. Said certification shall state the method and

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date of mutilation and destruction of the subject Inventory. Quatro or applicable regulatory agencies shall have the right to review and inspect this documented information at any time it deems necessary. In the event Seller elects to maintain the Inventory, Seller shall maintain accountability for the Inventory and Seller shall not sell or provide the Inventory to any third party without prior specific written authorization from Quatro. Failure to comply with these requirements shall be a material breach and grounds for default pursuant to GTA Section 13.0. Nothing in this agreement SBP Section 8 prohibits Seller from making legal sales directly to the United States of America Government.

**2. INFRINGEMENT**

2.1. Seller will indemnify, defend, and hold harmless Quatro and its Customers from all claims, suits, actions, awards (including, but not limited to, awards based on intentional infringement of patents known at the time of such infringement, exceeding actual damages, and/or including attorneys' fees and/or costs), liabilities, damages, costs and attorneys' fees related to the actual or alleged infringement of any United States or foreign intellectual property right (including, but not limited to, any right in a patent, copyright, industrial design or semiconductor mask work, or based on misappropriation or wrongful use of information or documents) and arising out of the manufacture, sale or use of Products by either Quatro or its Customers. Quatro and/or its Customers will duly notify Seller of any such claim, suit or action; and Seller will, at its own expense, fully defend such claim, suit or action on behalf of Quatro and/or its Customers. Seller shall have no obligation under this SBP Section 2 with regard to any infringement arising from: (i) Seller's compliance with formal specifications, other than specifications which reflect one or more industry standards in which event this exception (i) shall not apply, issued by Quatro where infringement could not be avoided in complying with such specifications or (ii) use or sale of Products for other than their intended application. For purposes of this SBP Section 2 only, the term Customer shall not include the United States Government; and the term Quatro shall include Quatro and all Quatro subsidiaries and all officers, agents, and employees of Quatro or any Quatro subsidiary.

**3. DIGITIZATION OF PROPRIETARY INFORMATION AND MATERIALS**

3.1. Seller grants to Quatro, a license under Seller's copyrights for the purpose of converting Seller Proprietary Information and Materials to a digital format ("Digital Materials") and make such Digital Materials available to its employees for company internal use through a computer data base system. Except as otherwise specifically agreed to in writing by the Parties, said license set forth hereunder shall survive termination or cancellation of this agreement SBP relative to Digital Materials included in Quatro computer data base system prior to receipt of such notice of termination or cancellation.

**4. Indemnification Negligence of Seller or subcontractor**

4.1. If Seller or any subcontractor thereof will be performing work on Quatro premises, Seller shall indemnify and hold harmless The Quatro, its subsidiaries, and their directors, officers, employees, and agents from and against all actions, causes of action, liabilities, claims, suits, judgments, liens, awards, and damages, of any kind and nature

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whatsoever for property damage, personal injury, or death (including without limitation injury to or death of employees of Seller or any subcontractor thereof) and expenses, costs of litigation and counsel fees related thereto or incident to establishing the right to indemnification, arising out of or in any way related to the Agreement, the performance thereof by Seller or any supplier or subcontractor thereof or other third parties, including without limitation the provision of services, personnel, facilities, equipment, support, supervision, or review. The foregoing indemnity shall apply only to the extent of the negligence of Seller, any supplier or subcontractor thereof, or their respective employees. In no event shall Seller's obligations hereunder be limited to the extent of any insurance available to or provided by the Seller or any supplier or subcontractor thereof. Seller expressly waives any immunity under industrial insurance, whether arising out of statute or source, to the extent of the indemnity set forth in this paragraph.

**5. Commercial General Liability**

5.1. If Seller or any subcontractor or supplier thereof will be performing work on Quatro premises, Seller shall carry and maintain, and ensure that all subcontractors or suppliers thereof carry and maintain, throughout the period when work is performed and until final acceptance by Quatro, Commercial General Liability insurance with available limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage combined.

**6. Automobile Liability**

6.1. If licensed vehicles will be used in connection with the performance of the work, Seller shall carry and maintain, and ensure that any subcontractor or supplier thereof who uses a licensed vehicle in connection with the performance of the work carries and maintains, throughout the period when work is performed and until final acceptance by Quatro, Business Automobile Liability insurance covering all vehicles, whether owned, hired, rented, borrowed, or otherwise, with available limits of not less than One Million Dollars (\$1,000,000) per occurrence combined single limit for bodily injury and property damage.

**7. Workers' Compensation**

7.1. Throughout the period when work is performed and until final acceptance by Quatro, Seller shall, and ensure that any subcontractor thereof shall, cover or maintain insurance in accordance with the applicable laws relating to Workers' Compensation with respect to all of their respective employees working on or about Quatro premises. If Quatro is required by any applicable law to pay any Workers' Compensation premiums with respect to an employee of Seller or any subcontractor or supplier, Seller shall reimburse Quatro for such payment.

**8. Certificates of Insurance**

8.1. Prior to commencement of the work Seller shall provide for Quatro review and approval Certificates of Insurance reflecting full compliance with the requirements set forth in SBP Section 5 "Commercial General Liability", SBP Section 6 "Automobile Liability" and, SBP Section 7 "Workers' Compensation". Such certificates shall be kept current and in compliance throughout the period when work is being performed and until final acceptance by Quatro, and shall provide for thirty (30) days advance written notice to

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Quatro in the event of cancellation. Failure of Seller or any subcontractor or supplier thereof to furnish Certificates of Insurance, or to procure and maintain the insurance required herein or failure of Quatro to request such certificates, endorsements or other proof of coverage shall not constitute a waiver of the respective Seller's or subcontractor's or supplier's obligations hereunder.

**9. Self-Assumption**

9.1. Any self-insured retention, deductibles, and exclusions in coverage in the policies required under this Section 29.0 shall be assumed by, for the account of, and at the sole risk of Seller or the subcontractor or supplier, which provides the insurance, and to the extent applicable shall be paid by such Seller or subcontractor or supplier. In no event shall the liability of Seller or any subcontractor or supplier thereof be limited to the extent of any of the minimum limits of insurance required herein.

**10. Protection of Property**

10.1. Seller assumes, and shall ensure that all subcontractors or suppliers thereof and their respective employees assume, the risk of loss or destruction of or damage to any property of such parties whether owned, hired, rented, borrowed, or otherwise. Seller waives, and shall ensure that any subcontractor or supplier thereof and their respective employees waive, all rights of recovery against Quatro, its subsidiaries, and their respective directors, officers, employees, and agents for any such loss or destruction of or damage to any property of Seller, any subcontractor or supplier, or their respective employees.

10.2. At all times Seller shall, and ensure that any subcontractor or supplier thereof shall, use suitable precautions to prevent damage to Quatro property. If any such property is damaged by the fault or negligence of Seller or any subcontractor or supplier thereof, Seller shall, at no cost to Quatro, promptly and equitably reimburse Quatro for such damage, or repair or otherwise make good such property to Quatro satisfaction. If Seller fails to do so, Quatro may do so and recover from Seller the cost thereof.

**11. Compliance with Quatro On-Site Requirements**

11.1. In the event Seller or Seller's subcontractor(s) or supplier(s) perform any aspect of Seller's work under this Agreement involving activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, on property owned, operated, leased, or controlled by Quatro (hereinafter "On-Site Work"), Seller shall comply with Attachment 13 "Safety Health and Environmental Terms and Conditions Supplement for Work At or Within the Vicinity of a Quatro Facility," with respect to that work. This requirement shall not apply to work performed on property owned or leased by Quatro and leased or subleased by Quatro to Seller or a subcontractor or supplier of Seller, except to the extent that Quatro employees are, or are expected to be, regularly or repeatedly involved in conjunction with employees of Seller, its subcontractor(s) or supplier(s) in activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, at such leased property. Seller shall include these requirements in each of its subcontractor and

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supplier contracts in support of the performance of Seller's obligations under this Agreement, as well as the requirements of GTA Section 10 (Compliance with Laws).

- 11.2. In the event that Seller or Seller's Subcontractor(s) or supplier(s) perform any aspect of Seller's work under this Agreement involving activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, within 20 miles of any property owned, operated, leased, or controlled by Quatro, Seller shall comply with the provisions of section 4 (Compliance and Cooperation Regarding Orders, Permits and Approvals and Applicable Laws) of Attachment 13 "Safety, Health and Environmental Terms and Conditions Supplement for Work At or Within the Vicinity of a Quatro Composites Facility," with respect to that work.

**12. Aerospace Quality Management System (AQMS) Certification**

- 12.1. Quatro recognition of Seller's AQMS certification/registration does not affect the right of Quatro to conduct audits and issue findings at the Seller's facility. Quatro reserves the right to provide Quatro-identified quality system findings, associated quality system data, and quality performance data to the Seller's Certification /Registration Body (CRB).
- 12.2. Seller shall ensure the following relative to AQMS certification:

**13. Accreditation of Certification/Registration Body**

- 13.1. The certification/registration body (CRB) is accredited to perform aerospace quality management system (AQMS) assessments. The CRB must use approved auditors and operate in accordance with the corresponding International Aerospace Quality Group (IAQG) certification/registration scheme.
- 13.2. IAQG sanctioned certification/registration schemes include but are not limited to AS/EN/SJAC 9104. Reference IAQG website for listing of accredited CRBs: [http://www.iaqg.sae.org/servlets/index?PORTAL\\_CODE=IAQG](http://www.iaqg.sae.org/servlets/index?PORTAL_CODE=IAQG).

**14. Documented Information of Certification/Registration**

- 14.1. The seller maintains objective evidence of CRB certification/registration on file at Seller's facility. Objective evidence shall include:
- 14.2. The accredited AQMS certificate(s) of registration;
- 14.3. The audit report(s), including all information pertaining to the audit results in accordance with the applicable certification/registration scheme;
- 14.4. Copies of all CRB finding(s), objective evidence of acceptance of corrective action(s), and closure of the finding(s).

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- 14.5. NOTE: Certification documented information shall be maintained in accordance with Quatro specified contractual quality documented information retention requirements.

**15. Right of Access to CRB**

- 15.1. The CRB services agreement provides for “right of access” to all CRB documented information by Quatro, applicable accreditation body, applicable Registrar Management Committee (RMC) and other regulatory or government bodies for the purpose of verifying CRB certification/registration criteria and methods are in accordance with the applicable IAQG certification/registration scheme.

**16. Audit Results/Data Reporting to IAQG**

- 16.1. The CRB has Seller’s written permission to provide audit results/data to IAQG membership as required by the applicable IAQG certification/registration scheme.

**17. Notification to Quatro of Change in Status**

- 17.1. Quatro is immediately notified in writing should the Seller’s certification/registration be suspended or withdrawn, or accreditation status of Seller’s CRB is withdrawn. Send email notification: [OrangeCityPurchasing@sekisui aerospace.com](mailto:OrangeCityPurchasing@sekisui aerospace.com)

**18. Provision of Quatro Quality Data to CRB**

- 18.1. Quatro-identified findings and Seller’s quality performance data is provided to the CRB during certification/registration and surveillance activity.

**19. CRB Access to Proprietary Data**

- 19.1. CRB shall be provided access to applicable proprietary data (including Quatro proprietary data) to the extent necessary to assess Seller’s compliance to AQMS requirements. CRB shall agree to keep confidential and protect Quatro proprietary information under terms no less stringent than Seller’s contractual agreement with Quatro. Seller will assure that such information is conspicuously marked “Quatro PROPRIETARY”.

**20. Seller Compliance with CRB Requirements**

- 20.1. Seller complies with all CRB requirements imposed to issue and maintain certification/registration.

**21. Seller's Disclosure**

- 21.1. Seller will immediately notify Quatro in writing when discrepancies in Seller's processes or Product are discovered or suspected for Products Seller has delivered or will deliver under this Agreement.

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**ATTACHMENT 13 TO SBP**

SAFETY, HEALTH AND ENVIRONMENTAL TERMS AND CONDITIONS SUPPLEMENT FOR  
WORK AT OR WITHIN THE VICINITY OF A Quatro FACILITY

In the event Seller or Seller's subcontractor(s) or supplier(s) performs any aspect of Seller's work under this Agreement involving activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, on property owned, leased, or controlled by Quatro (hereinafter "On-Site Work"), Seller shall comply with all of the following terms and conditions with respect to that work. This requirement shall not apply to work performed on property owned or leased by Quatro and leased or subleased by Quatro to Seller or a subcontractor or supplier of Seller, except to the extent that Quatro employees are, or are expected to be, regularly or repeatedly involved in conjunction with employees of Seller, its subcontractor(s) or supplier(s) in activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, at such leased property.

In the event that Seller or Seller's Subcontractor(s) or supplier(s) perform any aspect of Seller's work under this Agreement involving activities potentially creating environmental or safety issues, including but not limited to manufacturing activities, within 20 miles of any property owned, operated, leased, or controlled by Quatro, Seller shall comply with the provisions of section 4, below, with respect to that work.

1. **General:** Seller should be aware of their role and contribution to product safety.
  - a. Seller's Sole Responsibility for Safety & Environmental Protection. Seller shall at all times be solely responsible for all aspects of safety and environmental protection in connection with the On-Site Work, including initiating, maintaining, and supervising all safety and environmental precautions and programs. Such responsibility for safety includes, without limitation, the obligations set forth in Section 2 (Safety) of this SBP Attachment 13. Such responsibility for environmental protection includes, without limitation, the obligations set forth in Section 3 (Environmental) of this SBP Attachment 13. Seller shall at all times perform the On-Site Work, or ensure that it is performed by its Subcontractors or Suppliers, in a manner to avoid the risks of bodily injury to persons and damage to property or the environment. Seller shall promptly take all precautions that are necessary and adequate against any conditions that involve such risks. Seller shall continuously inspect all On-Site Work, materials, and equipment to discover the existence of any such conditions and shall be solely responsible for discovery and correction of any such conditions.
  - b. No Quatro Responsibility for Seller's Safety or Environmental Performance. Quatro shall have no responsibility for the safety or environmental performance of Seller or Seller's subcontractors or suppliers in performing their On-Site Work, or any aspect of safety or environmental protection in connection that work, including all safety and environmental precautions and programs of Seller.

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c. On-Site Provider Requirements.

- i. For On-Site Work performed at the Quatro, Seller shall comply, and ensure that all of its subcontractors and suppliers comply with the applicable requirements of this SBP Attachment 13. In addition, if On-Site Work will be performed on the **Boeing Everett** site, Seller shall comply and ensure that its subcontractors and suppliers comply with the requirements set forth in Boeing document D6-83676 “Everett On-Site Provider Manual (SHEA) for Aircraft Production”, (hereinafter “Everett On-Site Manual”) as may be revised by Boeing from time to time. If On-Site Work will be performed other than on the Boeing Everett site, Seller shall comply, and ensure that all of its subcontractors and suppliers comply with such other Boeing site’s safety and environmental rules and planning procedures for on-site providers. The presence or absence of a specific requirement in this SBP Attachment 13, the Everett On-Site Manual, or other Boeing sites’ safety and environmental rules and planning procedures for on-site providers does not relieve Seller from its obligations under this Agreement (including but not limited to compliance with applicable law) nor prohibit Boeing from providing additional requirements when warranted by the On-Site Work.
  - ii. By providing requirements in this SBP Attachment 13, the Everett On-Site Manual, or other Boeing Sites’ safety and environmental rules and planning procedures for on-site providers, or through additional requirements when warranted by the work, or by providing consultation or assistance to Seller, Boeing assumes no control or responsibility whatsoever for any aspect of the On-Site Work which shall remain solely with Seller. Any such requirements, consultation or assistance, are not intended to be all inclusive, and Seller and its subcontractors and suppliers shall supplement any such requirements in their safety and environmental plans as necessary and appropriate to assure safety and environmental protection. Where any provision of applicable law or this Agreement is more protective than the applicable provisions of the Everett On-Site Manual, or other Boeing Sites’ safety and environmental rules and planning procedures for on-site providers, or any additional requirements, consultation or assistance given by Boeing, the most protective of such provisions shall be followed.
- d. Environmental Indemnification. Seller shall indemnify, and hold harmless The Boeing Company, its subsidiaries, and their directors, officers, employees, and agents (the “Boeing Indemnities”) from and against: (a) all actions, causes of action, liabilities, claims, suits, judgments, liens, awards, fines, penalties, forfeitures and damages, of any kind and nature whatsoever (hereinafter “Claims”), (b) any expenses incurred in connection with the investigation or monitoring of environmental conditions(c) any cleanup costs or other expenses incurred in connection with any cleanup, containment, remedial, removal, or restoration work, to the extent necessary under applicable law, and (d) expenses, costs of litigation and counsel fees related thereto or incident to establishing the right to indemnification, to the extent such Claims, costs, expenses, etc. arise out of an act or omission by Seller or any of its subcontractors or

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suppliers in connection with the performance of On-Site Work which (i) results in the release, or threatened or suspected release, of any pollutants, hazardous substances, hazardous chemicals, toxic substances, hazardous wastes, dangerous wastes (as those terms are defined herein and/or under any applicable law), or contaminants of any kind into the environment, or (ii) constitutes a violation of applicable law concerning environmental protection. In no event shall Seller's obligations hereunder be limited to the extent of any insurance available to or provided by Seller or any subcontractor or supplier thereof.

- e. Observations. Boeing/ Quatro personnel may, but are not required to, visit an On-Site Work area at any time to observe Seller's performance under this SBP Attachment 13. Seller recognizes and agrees that any such visits or observations will neither relieve Seller of its sole responsibility for all aspects of safety and environmental protection in connection with the On-Site Work, nor create or constitute actual control or the right to control such safety or environmental performance by Boeing/ Quatro. Neither Quatro observations, or visits, nor any actions or inactions during or as a result of such visits or observations shall give rise to a duty, responsibility, or liability of Quatro to Seller, any Subcontractor or Supplier, or any of their agents or employees.
- f. Review of Plans. Review of any Project-Specific Safety and Environmental Plan, or component thereof, required to be developed by Seller by the Everett On-Site Manual, or another Boeing Site's safety and environmental rules and planning procedures for on-site providers, shall not:
  - i. Relieve in any manner Seller of its sole responsibility for safety and environmental protection in connection with its On-Site Work.
  - ii. Be construed as limiting in any manner Seller's obligation to initiate, maintain and supervise safety and environmental precautions and programs necessary or required to provide safe and environmentally protective working conditions at the On-Site Work area.
  - iii. Indicate Quatro Composites control over the manner in which Seller performs its work or supervises its employees.
  - iv. Create any liability for Boeing.

**2. Safety:**

- a. Safety Programs and Planning. Although Seller has sole responsibility for safety in connection with the On-Site Work, Boeing has responsibility for the safety of its own employees. Accordingly, any Project-Specific Safety and Environmental Plan required by the Everett On-Site Manual, or another Boeing Site's safety and environmental rules and planning procedures for on-site providers, shall include health and safety provisions (including but not limited to an Accident Prevention Programs to the extent required under Washington Administrative Code (WAC) Section 296-800-140 et seq.) for Seller and any of its subcontractors or suppliers who will perform On-Site Work, in detail commensurate with the nature of that work. Such provisions shall describe

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anticipated hazards and control methods Seller will employ to provide adequate safeguards for all personnel performing the On-Site Work, On-Site Work area invitees, Boeing agents and employees, and the public; and shall describe housekeeping measures.

Seller shall adhere to these provisions, and ensure that all of its subcontractors and suppliers performing On-Site Work adhere to these provisions.

- b. Safety Representative. Seller shall appoint a competent safety representative with full authority to coordinate, implement, and enforce Seller's health and safety provisions and shall authorize such representative to devote whatever time is necessary to properly perform such duties. The safety representative shall attend all safety meetings and participate fully in all activities outlined in Seller's health and safety provisions.
- c. Safety Equipment. Unless prior contractual agreements are made, Seller shall furnish appropriate safety equipment for the On-Site Work and train appropriate personnel in the use of the equipment. In all situations, Seller shall remain responsible to enforce the use of such equipment by its employees. Seller shall ensure that each of its subcontractors and suppliers on site furnishes appropriate safety equipment for the On-Site Work, trains appropriate personnel in the use of the equipment, and enforces the use of such equipment by its employees.
- d. Payment for Emergency Services. When any employee of Seller or any of its subcontractors or suppliers on site, who is engaged in any activity related to the On-Site Work, requires the services of an ambulance, physician, hospital, or other provider, Seller shall pay or arrange for such subcontractor or supplier, or employee to pay all charges for any such services directly to the provider of such services.

**3. Environmental:**

- a. Waste Management Planning
  - i. The Project-Specific Safety and Environmental Plan required by the Everett On-Site Manual, or another Boeing Site's safety and environmental rules and planning procedures for on-site providers, shall include waste management provisions (for hazardous and non-hazardous waste) which must be approved in writing by Boeing prior to the start of On-Site Work. The provisions must include the following elements:
    - 1. A description of all types of waste expected to be generated by the On-Site Work including anticipated volumes.
    - 2. A description of where and how all waste will be accumulated prior to disposal.
    - 3. Designated disposal and/or recycling destinations for all waste.

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4. All hazardous waste generated at a Boeing site shall be disposed of by The Boeing Company. Seller, its subcontractors or suppliers shall not remove *hazardous waste* from the On-Site Work Site.
5. Planning to maximize the use, reuse, and recycling of any waste to the greatest extent feasible with consideration to cost.
  - ii If additional or unanticipated amounts of waste/materials are generated or encountered on-site, Seller shall advise Boeing as soon as possible, and manage that waste/material on site as directed by Boeing.
- b. Known Work Area Hazardous Materials. Before On-Site Work is commenced, Seller shall obtain from Boeing information regarding the existence of any known asbestos, petroleum, polychlorinated biphenyl (PCB), or other hazardous materials in a hazardous condition at the site that may present a risk to persons in or around the work area.
- c. Other Hazardous Materials. If, in the course of the On-Site Work, Seller or any of its subcontractors or suppliers encounters materials reasonably believed to be petroleum, PCBs, or other hazardous materials, which were not previously disclosed by Boeing and which could present a risk to persons in or around the area, or which may result in a release to the environment, Seller shall immediately suspend the work in the area affected and immediately report, in writing, the condition to Boeing. The work in the affected area shall not thereafter be resumed except by written agreement of Boeing and Seller. The work in the affected area shall be resumed in the absence of the hazardous material or when the hazardous condition has been made safe through engineering or administrative controls. It is contemplated by the parties that if remediation of the area is necessary, Boeing will contract with the appropriate remediation contractor to remedy the area.
- d. Asbestos
  - i Activities that would result in disturbing asbestos containing material or otherwise result in asbestos particles becoming airborne shall not be performed by Seller or any of its subcontractors or suppliers. If in the course of the work at the site, Seller or any of its subcontractors or suppliers encounters any suspect material (materials of the type and age that could contain asbestos and have not been determined to be asbestos free), Seller shall immediately suspend work in the area affected and immediately report the condition to Boeing in writing. The work in the affected area shall not be resumed except by written agreement of Boeing and Seller. The work in the affected area shall be resumed in the absence of the asbestos or when the hazardous condition has been made safe through engineering or administrative controls. It is contemplated by the parties that if asbestos abatement in the area is necessary, Boeing will contract with the appropriate abatement contractor to perform that work.
  - ii No material containing asbestos may be used or installed without the written permission of Boeing. When requested by Boeing, Seller shall provide written verification that no materials containing asbestos have been installed as part of the work.

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- e. Wastewater Handling and Stormwater Management. If Seller or any of its subcontractors or suppliers expect to produce wastewater in performance of the On-Site Work, including, but not limited to, water produced in subsurface dewatering, or expects to handle hazardous substances or other pollutants in an area that may be exposed to stormwater, the Project-Specific Safety and Environmental Plan required by the Everett On-Site Manual, or another Boeing Sites' safety and environmental rules and planning procedures for on-site providers, shall include provisions to be approved by Boeing for handling such wastewater or stormwater. Both the control and discharge of wastewater and/or stormwater shall be addressed in such provisions. The provisions shall be drafted to adhere to applicable law and the Boeing site's Storm Water Pollution Prevention Plan, National Pollution Discharge Elimination System Permit, and Sanitary Sewer System Discharge Permit, as applicable. Boeing will inform Seller of such permit requirements. Seller and its Subcontractors shall adhere to these provisions.
- f. Air Pollution Control. If Seller or any of its subcontractors or suppliers expect to produce emissions of any air pollutant or contaminant in the performance of the On-Site Work, the Project-Specific Safety and Environmental Plan required by the Everett On-Site Manual, or another Boeing Sites' safety and environmental rules and planning procedures for on-site providers, shall include provisions to be approved by Boeing for minimizing such emissions. Such provisions shall be drafted to assure compliance with all applicable law and any applicable requirements of any orders, permits or approvals issued to or in the name of Boeing, including but not limited to any applicable Air Operating Permit. Boeing will inform Seller of such applicable requirements. Seller and its subcontractors and supplier shall adhere to these provisions.
- g. Emergency Response and Reporting of Spills or Releases. If Seller or any of its subcontractors or suppliers expects to bring, use, produce, encounter or handle any hazardous materials on site, Seller shall notify Quatro Procurement Representative and shall obtain from Boeing information regarding the applicable plans and procedures for emergency response to spills or releases of hazardous materials. Seller and its Subcontractors or Suppliers shall undertake immediate response to incidental spills or releases to contain the spill or release, where the substance can be absorbed, neutralized, or otherwise controlled to prevent spreading, but only to the extent such response can be undertaken without posing a physical danger to the responding personnel or others nearby.

When Seller or any of its subcontractors or suppliers discovers a spill or release, whether or not Seller or any of its subcontractors or suppliers undertakes such response, Seller, subcontractor or supplier shall notify Boeing emergency response personnel identified in the Boeing emergency response plan and procedures and Quatro Procurement Representative. Unless the duty to report any such spills or releases to a governmental agency is imposed by law directly on Seller or its subcontractor, or supplier, Boeing shall perform such reporting. Seller and its subcontractors shall cooperate fully with Boeing in ensuring timely and complete reporting and response. If Seller or its subcontractor or supplier is itself required by law to make notification of a spill or release then Seller or its subcontractor or supplier undertaking such notification shall immediately inform Quatro Procurement Representative in detail regarding such notification.

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- h. Nuisance and Polluting Activity Prohibited. Polluting, dumping or discharging of any harmful, noxious, or regulated materials (such as concrete truck washout, vehicle maintenance fluids, residue from saw cutting operations, solid waste, and hazardous materials) into the building drains, streams, waterways, holding ponds or to the ground surface shall not be permitted. Further, Seller shall conduct its activities and ensure that its subcontractors and suppliers conduct their activities in such fashion to avoid creating any nuisance conditions, including but not limited to suppression of noise and dust, control of erosion, and implementation of other measures as necessary to minimize the off-site effects of work activities.

**4. Compliance and Cooperation Regarding Orders, Permits and Approvals and Applicable Laws:**

- a. Compliance with Quatro Orders, Permits and Approvals and Applicable Laws. Seller's obligation to comply with all laws as set forth in GTA 21.1 shall include without limitation compliance with all Environmental Laws and Requirements and all Health and Safety Laws and Requirements and the provisions of all orders, permits and approvals now or hereafter held by, or issued to or in the name of Boeing, which are applicable to Seller's performance under this Agreement. Such orders, permits and approvals include without limitation those issued under the Environmental Laws and Requirements and all Health and Safety Laws and Requirements. In addition, Seller shall not take, nor allow any of its subcontractors or suppliers to take, any action that would hinder Quatro ability to comply with the provisions of any order, permit or approval applicable to Quatro operations.
- b. Reporting Under Applicable Laws, Orders, Permits and Approvals. To the extent that Boeing is required under any Environmental Laws and Requirements or any Health and Safety Laws and Requirements or any order, permit or approval issued thereunder, to report or otherwise provide to any governmental authority or agency or Quatro employees, any information or data (including but not limited to the status of compliance and/or performance under any such laws, requirements, orders, permits or approvals) and such information or data relates in any way to Seller's performance under this Agreement, Seller shall upon request of Boeing promptly provide to Boeing any such information or data. Upon request of Boeing, a Seller responsible official shall also certify to Boeing that the information or data provided is true, accurate and complete, and that such performance was during the relevant period in compliance with the applicable provisions of the relevant Environmental Laws and Requirements, Health and Safety Laws and Requirements, orders, permits and approvals. If Quatro request sets out a periodic schedule and/or format for the provision of any such information or data to Boeing, Seller shall adhere to that schedule and/or format.
- c. Transfer of Quatro Orders, Permits and Approvals. In the event that any order, permit or approval now or hereafter held by, or issued to or in the name of Boeing, contains provisions applicable to Seller's performance under this Agreement, Seller shall, upon request of Boeing, accept transfer of the order, permit or approval or that portion thereof applicable to such performance, along with any other provisions that the issuing governmental authority may lawfully require be contained therein as a condition of the transfer. This obligation includes without limitation, an obligation on the part of Seller to diligently cooperate with Boeing in applying to the relevant governmental authority for, and diligently pursuing, such transfer.

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- d. Seller's Acquisition of Independent Orders, Permits or Approvals. In the event that any order, permit or approval now or hereafter held by, or issued to or in the name of Boeing, contains provisions applicable to Seller's performance under this Agreement, Seller shall, upon request of Boeing, apply for, diligently pursue, and accept issuance of an independent order, permit or approval containing those provisions applicable to such performance and any other provisions that the issuing governmental authority may lawfully require be contained therein.
- e. Seller's Cooperation in Applying for and Pursuing Additional Orders, Permits or Approvals. If Boeing determines in its sole discretion that any additional order, permit or approval is necessary or desirable for its purposes, and such order permit or approval might contain provisions applicable to Seller's performance under this Agreement, Seller shall, upon request of Boeing, cooperate with Boeing in the application for, and diligent pursuit of such order, permit or approval.

**5. Definitions:**

- a. Dangerous waste means any discarded, useless, unwanted, or abandoned substances including, but not limited to, certain pesticides, or any residues or containers of those substances which are disposed of in such a quantity or concentration that would pose a substantial presence or potential hazard to human health, wildlife, or the environment because those wastes or constituents or combinations of those wastes:
  - i. Have short-lived, toxic properties that may cause death, injury, or illness or have mutagenic, teratogenic, or carcinogenic properties; or
  - ii. Are corrosive, explosive, flammable, or may generate pressure through decomposition or other means.
- b. Environmental Laws and Requirements means all applicable federal, state and local laws, regulations, ordinances and standards related to protection of the environment.
- c. Hazardous material means any material or product which contains a substance required by Federal Regulation to have Safety Data Sheet (SDS), and/or which represents an environmental or health hazard during shipment, receipt, use, treatment or disposal. A hazardous material may be reactive, ignitable, explosive, corrosive, toxic, or radioactive, and may be in solid, liquid, or gaseous form.
- d. Hazardous substance means any hazardous substance listed in accordance with Section 313 of Title III of the Superfund Amendments and Reauthorization Act and all ozone depleting compounds as defined by the Montreal Protocol of October 1987 and any further updates of the Montreal Protocol.
- e. Hazardous waste includes all dangerous and extremely hazardous wastes but does not include radioactive wastes or a substance composed of both radioactive and hazardous components; and does not include any hazardous waste generated as a result of a remedial action under state or federal law.

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- f. Health and Safety Laws and Requirements means all applicable federal, state and local laws, regulations, ordinances and standards related to worker health and safety.

Revision Log:

Date	Rev	Change
02-14-2014	001	New release
1-19-15	002	Rev level added. Name changed from 'P-0600-00007' to 'Q-PS-0600-00004'
04-24-2015	003	Added Rev Log. Added section 1.2: Seller hereby grants, and shall cause any of its subcontractors or suppliers to grant, to the right of access by our organization, our customers and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.
6-24-2016	005	Added section 2.8, added section 19.0 Prevention of Counterfeit Goods, and updated section 17.1 from Ren Eide's email to Jim Oswald's email address.
4-24-2017	006	Added 11.1.1.1.6 pertaining to Human Trafficking. Added Section 20, detailing contractor requirements for Human Trafficking.
1-3-2018	003	Incorporated G-WI-0600-00004 Flow Down Requirements to Suppliers into this document and updated document title. Added verbiage regarding supplier awareness of ethical behavior and product safety to meet AS9100D requirement. Wherever "Quatro Composites" mentioned in document, changed to "Quatro".
3-4-2020	004	Changed company name in document heading to SEKISUI Aerospace – Orange City Operations dba Quatro Composites, LLC. Updated Jim Oswald's email address. Under record retention, updated supplier product record retention from 2 years to 10 years to match verbiage on Terms and Conditions document 40502L.
2-22-2022	005	Added -19.4. Per S-1000, all materials and parts for GE-A parts must define GE-A as the end user. Updated with Diane Hodson's email address
6-17-2022	006	Added to "Change Notification" section: Quatro must be notified if there is a change in sub-tiers.
6-21-2023	007	For clarity, added: "It is the supplier's responsibility to manage and control all levels of their sub-tiers". Also added under "Compliance": Supplier will send a Safety Data Sheet (SDS) with first shipment of the material to Quatro and will send new SDS to Quatro when there are updates.

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05-09-2024	008	Added to Quality section page 1 of 27: Quatro may also accept product based on Supplier supplied inspection data as an option.
06-12-2024	009	Replaced “records” with “documented information” throughout document to match terminology in AS9100 Rev. D.
05-08-2026	010. Approval in Plex DCS.	<p>Updated section 2.8 and moved 2.8 to 2.9.</p> <p>2.8. Must meet Added to section 4d. -Counterfeit must be flowed down to supply base. -SAE AS5553 Counterfeit Electrical Avoidance Detection -SAE AS6174 Counterfeit Material Assuring Acquisition of Authentic and Conforming -DFARS 252.246-7007 Contractor Counterfeit Electronic Part Detection</p> <p>2.9. If supplier realizes they have provided counterfeit goods to Quatro, we must be notified within 24 hours.</p> <p>17.1 Quatro is immediately notified in writing should the Seller’s certification/registration be suspended or withdrawn, or accreditation status of Seller’s CRB is withdrawn. Send email notification: <a href="mailto:OrangeCityPurchasing@sekisui aerospace.com">OrangeCityPurchasing@sekisui aerospace.com</a></p> <p>No training required. Approvers issue flowdowns.</p>
5-12-2026	011. Approval in Plex DCS.	<p><b>Added “Management Team” to CHANGE NOTIFICATION</b></p> <p>Quatro must be notified prior to any changes being made to your <a href="#">Management Team</a>, raw material, components, <a href="#">It is a AS9100 requirement and GE.</a></p> <p>No training required. Approvers issue flowdowns.</p>

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