



## PROCUREMENT QUALITY REQUIREMENTS

This Quality Assurance Specification establishes the specific requirements that apply when one or more of the following Quality Requirements (QR's) are specified by code on PAC Purchase Orders. These requirements 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, which fully comply with all applicable Drawing(s) and Specification(s), nor does it guarantee acceptance of materials or services by PAC. 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, PAC has the right to reject them.

*Note: QR Notes shown below in Bold Underline are deliverable items.*

### INDEX

#### GENERAL REQUIREMENTS

- GN1 ETHICAL BEHAVIOR
- GN2 RIGHT OF ENTRY
- GN3 IDENTIFICATION AND PACKAGING

#### SPECIFIC REQUIREMENTS

- QR1 INSPECTION SYSTEM REQUIREMENTS
- QR2 CONTROL OF CHANGES
- QR3 Supplier CORRECTIVE ACTION
- QR4 SHELF LIFE AND TEMPERATURE SENSITIVE MATERIALS
- QR5 MATERIAL SAFETY DATA SHEETS**
- QR6 CALIBRATION SYSTEM REQUIREMENTS:
- QR7 CERTIFICATE OF CONFORMANCE**
- QR8 MATERIAL TEST REPORTS**
  - QR 8.1 PROCESS TEST REPORT**
- QR9 APPROVED PROCESS REQUIREMENTS
- QR10 FIRST ARTICLE INSPECTION
- QR11 REPORT OF DISCREPANCY:
  - QR 11.1 NOTICE OF ESCAPE
- QR12 TRACEABILITY/LOST AND BATCH CONTROL:
- QR13 RECORDS RETENTION

- QR14 SUPPLIER FLOW DOWN TO SUB-SUPPLIER
- QR15 ACCEPTANCE AUTHORITY MEDIA
- QR16 RETURN/DESTRUCTION OF TECHNICAL DATA
- QR17 SUPPLIER PERFORMANCE
- QR18 CONFLICT MINERAL DECLARATION

## GENERAL REQUIREMENTS

### GN1 ETHICAL BEHAVIOR

It is our expectation that Suppliers working with PAC understand and adhere to our core values. This includes ensuring that individuals are aware of their contribution to product and service conformity, their contribution to product safety and the importance of ethical behavior.

### GN2 RIGHT OF ENTRY

PAC, our Customers, US government and/or regulatory agencies reserve the right to Supplier and Supplier's sub-tier facilities involved in this purchase order. This includes the right to enter, observe, record, and/or report on any activities and all applicable quality records at the Supplier and/or sub-tiers during the performance of this purchase order.

### GN3 IDENTIFICATION AND PACKAGING

Unless otherwise specified by the purchase order, parts, assemblies and/or raw materials shall be identified per the engineering drawing or material specification. When identification is not specified on the engineering drawing or material specification, the product shall be identified with the part number or description specified on the purchase order. The Supplier is responsible for packaging the product in a way that will ensure safe delivery without damage or deterioration. The product shall be efficiently and economically packaged for the method of transportation and type of handling involved.

## SPECIFIC REQUIREMENTS

### QR1 INSPECTION SYSTEM REQUIREMENTS

The Seller shall provide and maintain an inspection system in conformance with:

- NADCAP
- ISO 9001, latest revision
- AS9100, latest revision
- AS9120
- Other Quality System approved by PAC

### QR2 CONTROL OF CHANGES

Seller agrees not to make any change in materials or design details or other product which would affect the part or any component part thereof without prior written Buyer approval. The Seller will identify, on the Certificate of Conformance and/or packing sheet, the as-built revision level of the end item product being delivered.

### QR3 Supplier CORRECTIVE ACTION

Seller shall, on request, on forms designated by Buyer, provide statements of corrective action on failures of seller's product(s) or quality system. Corrective action statements, at Buyer's option may require approval signature by Buyer and Government Quality representative. All rejected articles resubmitted by the seller to Buyer shall bear adequate identification including reference to Buyer's rejection document.

### QR4 SHELF LIFE AND TEMPERATURE SENSITIVE MATERIALS

The Seller shall identify all materials and articles which have definite characteristics of quality degradation with age or environment. The Seller shall affix this information directly to the material container or article. This identification shall indicate the date useful life was initiated and the date or cycle at which the useful life will be expended. When the environment is a factor in determining the useful life, the identification shall include the storage conditions (i.e., temperature, humidity, etc.) required to achieve the stated life. A minimum of 75% of the applicable material/article shelf life shall remain upon receipt of the material by the Buyer or the material is subject to rejection and returned to the seller.

### QR5 MATERIAL SAFETY DATA SHEETS

When applicable, materials(s) noted on this purchase order must be supplied in accordance with OSHA's hazard communication standard 29CFR1910-1200, OSHA instruction CPL2-2.38 dated May 10, 1998 and Washington State codes 296-62-05413. All first-time orders MUST be supplied with "Safety Data Sheets". Materials not received in compliance with the aforementioned OSHA requirements and Washington State codes will be subject to immediate rejection and return at the Supplier's expense.

In addition, if Seller is aware of any additional precautions and/or handling techniques instituted with regard to other Customers, the seller is required to submit those safeguards with SDS.

Seller is required to forward a Toxic Substances Control Act (TSCA) certification letter to the Buyer for the product(s) purchased on this purchase order with the statement that every chemical component of the product(s) is listed by the Toxic Substances Control Act Inventory (P.L. 94-94-969).

### QR6 CALIBRATION SYSTEM REQUIREMENTS:

Sellers shall have a calibration system that assures compliance with NIST / ANSI / NCSL Z540-1-1994 "American National Standard for calibration". Any deviation or waiver to this requirement must be approved by the Buyer's Material and Quality Assurance Representatives.

### QR7 CERTIFICATE OF CONFORMANCE

When applicable, shipments will be accompanied by a legible and reproducible copy of a Certificate of Conformance with the signature of responsible representative stating material, process, or article being shipped meets requirements of applicable drawings or specifications cited in Purchase Order. The Supplier will include the date of manufacture on Certificate of Conformance when applicable. If an Outsource Procurement Specification is called out on the Purchase Order, including the revision level.

## QR8 MATERIAL TEST REPORTS

When applicable, a legible and reproducible copy of material test reports will accompany each shipment. Test reports will be identified with specification number and heat and/or cure LOT number. Chemical and physical test reports will include actual numerical values for each property tested in accordance with the applicable specification. When more than one specimen is required, the test results of each are required in the report. Specification and revision will be shown on each test report furnished.

### QR 8.1 PROCESS TEST REPORT

## QR9 APPROVED PROCESS REQUIREMENTS

A legible and reproducible copy of a special process requiring certification (i.e. testing, heat treat, nondestructive testing, etc.) will accompany each shipment of material, parts, or assemblies. Special processes will be performed by accredited process facilities and, if required by contract, the Customer (process specification owner) approved sources.

## QR10 FIRST ARTICLE INSPECTION

A legible and reproducible copy of the Sellers First Article Inspection (FAI) performed on the initial part or lot (as applicable) at the detail, subassembly and/or assembly level will accompany applicable shipments. The results of the FAI shall indicate 100% conformance to engineering drawing characteristics, special processes, functional tests, and laboratory requirements. Subsequent (Delta) FAI's shall be performed and sent with applicable orders if tooling rework or modification and/or change(s) in the Supplier's manufacturing method occurs. Engineering drawing revisions will require a new FAI incorporating the differences and/or tool proofing inspection.

The First Article Inspection will include a complete, independent, and documented physical and functional inspection process to verify that prescribed production methods have produced an acceptance item as specified by engineering drawings, planning, purchase order, engineering specifications, and/or other applicable design documents

## QR11 REPORT OF DISCREPANCY:

Any departure from drawing specifications or other purchase order requirements must be documented by the Seller and submitted to the Buyer for consideration and disposition. A copy of this disposition document must accompany each affected shipment.

### QR 11.1 NOTICE OF ESCAPE

The Seller upon discovery of a shipment/delivery of the non-conforming product must provide notice of disclosure to the Buyer within 48 hours.

## QR12 TRACEABILITY/LOST AND BATCH CONTROL:

Seller must maintain lot and batch control of raw materials to purchased items. The Seller must provide positive traceability of manufactured parts and assemblies to raw materials through the use of lot/batch, serial numbers or date of manufacture, as applicable, for all items in the shipment.

### QR13 RECORDS RETENTION

The Seller shall maintain records of products delivered to the Buyer for a period of ten (10) years.

### QR14 SUPPLIER FLOW DOWN TO SUB-SUPPLIER

The Seller shall control counterfeit parts or suspect counterfeit parts to prevent re-entry into the supply chain (Ref. definition of Counterfeit part in AS9100D.)

### QR15 ACCEPTANCE AUTHORITY MEDIA

The Supplier's quality system shall include adequate controls of Acceptance Authority Media (AAM). This shall include but not be limited to:

- Application Errors (i.e. Omission, Typos, Legibility, etc.)
- Untimely Use (i.e. Documentation is not completed as planned, "Stamp/Sign as you go", etc.)
- Misrepresentation (i.e. uncertified personnel, Falsification of documentation, Work not performed as planned, etc.)
- Training Deficiencies (i.e. Ethics, Culture awareness, Proper use of authority media, etc.)

### QR16 RETURN/DESTRUCTION OF TECHNICAL DATA

Drawings, specifications and/or any technical data issued to Suppliers are either returned or destroyed.

### QR17 SUPPLIER PERFORMANCE

Pioneer will monitor performance of a supplier's on-time delivery and quality conformance. Pioneer retains the right to administer Supplier Scorecards periodically to track On-time delivery (OTD) performance and conformity (Quality). If supplier performance falls below the threshold of 95% OTD or 98% Quality, Pioneer will issue a Corrective Action notice to the supplier.

### QR18 CONFLICT MINERAL DECLARATION

Conflict mineral use as defined by/in the July 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (Wall Street Reform Act) is restricted from use in components purchased and supplied to Pioneer. Note: The act contains a section regulating "conflict minerals" and requires companies to disclose annually to the Securities and Exchange Commission (SEC) whether products were produced with conflict minerals sourced from the Democratic Republic of the Congo (DRC) or adjoining countries. This covers minerals such as tin, tantalum, tungsten and gold. Formal guidelines may vary between countries. Pioneer retains the right to ask for a COC pertaining to these standards or regulations.