

Appendix A – Procurement Quality Clauses

Clause	Description
29	<p>First Article Inspection</p> <p>A First Article Inspection (FAI) is required to initially qualify a first time build of a part. A new FAI is required whenever any of the following events occur:</p> <ul style="list-style-type: none"> • A change in design affecting fit, form, or function of the part. • A change in manufacturing source(s), process(es), inspection method(s), location of manufacture, tooling or materials, that can potentially affect fit, form, or function. • A change in numerical control program or translation to another media that can potentially affect fit, form, or function. • A natural or man-made event, which may adversely affect the manufacturing process. • A lapse in production for two years or as specified by the Purchase Order. <p>FAI reports require that all features and characteristics on the design specification are to be inspected and verified prior to production. Actual measured values shall be recorded as opposed to general statements of conformance or other notations simply indicating acceptance. FAI shall be performed in accordance with AS9102.</p>
30	<p>GIDEP Alert</p> <p>Throughout the duration of the program, the supplier will be involved in the Government/industry Data Exchange program (GIDEP). All GIDEP alerts, advisories, notices, and all other GIDEP issues will be reviewed by the supplier to determine if they affect products manufactured for EaglePicher. Monitoring of part procurements and parts drawn from the supplier’s stock, shall be done to verify the impacts on any of the advisories or alerts mentioned above. EaglePicher must give consent to use parts traceable to date codes and manufacturers listed in the alerts.</p>
31	<p>Material Safety Data</p> <p>Supplier shall submit a Material Safety Data Sheet (DEN 412610) or equivalent with the shipment. Articles defined in this Purchase Agreement are subject to EaglePicher inspection at destination and will not be accepted by EaglePicher if the contractor fails to ship the above data.</p>
32	<p>Foreign Object Debris/Damage (FOD)</p> <p>The Supplier shall ensure that Foreign Objects and subsequent Foreign Object Damage (FOD) are eliminated from all parts prior to shipment. Suppliers are to maintain a FOD free environment during machining, manufacturing, assembly, maintenance, inspection, storage, packaging and shipping.</p> <p>Suppliers are responsible for flow down of these requirements to their sub-tier suppliers to ensure FOD free products.</p>

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33	<p>Counterfeit Parts</p> <ul style="list-style-type: none"> • <u>Counterfeit Item</u> is an unlawful or unauthorized reproduction, substitution, alteration, or the false identification of grade, serial number, lot number, date code, or performance characteristic, that has been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified item from the OM, an Authorized Distributor, or an Aftermarket Manufacturer as defined in SAE AS5553 “Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition” • <u>Authorized Distributor</u> is defined as a distributor with which the OEM has a contractual agreement to stock, repackage, sell and distribute its product lines. Authorized distributors normally offer the product for sale with full manufacturer flow-through warranty. • Seller shall not deliver suspect counterfeit or counterfeit parts to EaglePicher. • Seller shall purchase product directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. • If the Seller provides EEE parts then the Seller shall have a counterfeit program that complies with SAE AS5553 – Counterfeit Electrical, Electronic, and Electromechanical (EEE) Parts; Avoidance, Detection, Mitigation, and Disposition and DFARS 252.246-7007 – Contractor Counterfeit Electronic Part Detection and Avoidance System, and DFARS 252.246-7008 – Sources of Electronic Parts. • Seller shall disclose in writing to EaglePicher when the Seller is not authorized for the parts they are supplying or if the seller procured parts from unauthorized sources. • Seller shall immediately notify EaglePicher with the pertinent facts if Seller becomes aware or suspects that it has furnished suspect or confirmed Counterfeit Items. When requested by EaglePicher, Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM. • Seller and Seller's subcontractors that are allowed access to the US Government Industry Data Exchange Program (GIDEP) shall participate in monitoring GIDEP reports and Seller shall act on GIDEP reports that affect product delivered to Buyer. Seller shall immediately notify EaglePicher with the pertinent facts if Seller becomes aware of or suspects that items delivered for the Purchase Order are, or contain, suspect or confirmed counterfeit items

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34	<p>EXPORT CONTROL</p> <p>Supplier agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-774; including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, supplier agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to supplier without the authority of an export license, agreement, or applicable exemption or exception.</p>