



**DOCUMENT NUMBER:** FORM74-01-03

**DOCUMENT TITLE:** QUALITY CLAUSES

**REVISION:** B

## **1. GENERAL QUALITY CLAUSES**

- 1.1** The delivery date shall be the dates that the purchased goods or services are expected to arrive at Rakar, Inc.'s dock. In the event the supplier anticipates changes to the required dates, Rakar, Inc. shall be notified in writing and the supplier shall submit in writing a proposed new delivery date.
- 1.2** Supplier agrees that upon the request of Rakar, Inc., both parties will from time to time enter into amendments to purchase orders to incorporate additional changes to the provisions herein in order for Rakar, Inc. to comply with its prime contractor requirements. Should an amendment be required, the supplier and Rakar, Inc. shall come to an equitable agreement in writing on adjustment to supplier's price and delivery schedule and any other necessary changes to the purchase order.
- 1.3** Unless otherwise stated in the purchase order, supplier record retention shall be for a minimum of seven years. Records shall be made available for review by Rakar, Inc. and/or its customers or regulatory agencies, as applicable. The supplier shall have a documented process on record retention defining specific records and applicable retention.
- 1.4** The supplier shall be responsible to flow down any purchase order requirements to sub-tier suppliers.
- 1.5** The supplier shall provide, where applicable, a copy of their certificate of conformance (COC) signed by an authorized representative of the company with all applicable data standards, shelf life, and any specifications referenced on the purchase order. The COC shall include, at a minimum, the part number, part description, quantity, and specifications, if applicable. Originals shall be maintained by the supplier.
- 1.6** Outsourced material or processes must include material or process certifications.
- 1.7** The supplier shall authorize the right of access to Rakar, Inc., its customers, and regulatory authorities to the applicable areas of all facilities and their applicable records, and at any level of supplier sub-tier chain involved in the delivery of the contract or purchase order.
- 1.8** The supplier must maintain a system that clearly identifies, documents, controls, and segregates nonconforming material or product. Shipment of nonconforming material or product shall not be allowed without prior authorization from a Rakar, Inc. representative. The supplier must notify Rakar, Inc. of any discrepancies that could impact product design, form, fit or function. Rakar, Inc. supplied material that is found to be defective shall not be replaced by the supplier unless authorized by a Rakar, Inc. representative. All Rakar, Inc. supplied material found to be nonconforming shall be returned to Rakar, Inc., along with a discrepancy report stating the nature of the nonconformance.
- 1.9** The packing slip shall, at a minimum, include the item part number, revision level (if applicable) and part description. The packing slip shall reference Rakar, Inc.'s purchase order number and line item, if applicable.
- 1.10** The supplier shall package product per good industry standards sufficient to ensure safe handling and shipment.
- 1.11 Counterfeit Parts Prevention**
  - 1.11.1** For purposes of this clause, Counterfeit Work consists of those parts delivered under this contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). Counterfeit Work means work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved work that has reached design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.



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- 1.11.2 Seller agrees and shall ensure that Counterfeit Work is not delivered to Rakar, Inc.
- 1.11.3 Seller shall only purchase products to be delivered or incorporated as work to Rakar, Inc. directly from the Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Rakar, Inc.
- 1.11.4 Seller shall immediately notify Rakar, Inc. with the pertinent facts if seller becomes aware of suspects that it has furnished Counterfeit Work. When requested by Rakar, Inc., seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- 1.11.5 In the event that work delivered under this contract constitutes or includes Counterfeit Work, Seller shall, at its expense, promptly replace such Counterfeit Work with genuine work conforming to the requirements of this contract. Notwithstanding any other provision in this contract, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation Rakar, Inc.'s costs of removing Counterfeit Work, of reinserting replacement work and of any testing necessitated by the reinstallation of work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies Rakar, Inc. may have at law, equity or under other provisions of this contract.

Seller shall establish and maintain a Counterfeit Prevention Program. The purpose of this document shall be to prevent the delivery of counterfeit parts and control parts identified as counterfeit.

## 1.12 Foreign Object Damage (FOD) Prevention

- 1.12.1 The Seller shall maintain a FOD control program assuring work is accomplished in a manner preventing foreign objects or material from entering and remaining in deliverable items. Maintenance of the work area and control of tools, parts and material shall preclude the risk of FOD incidents. Prior to closing inaccessible or obscured areas and compartments during assembly the Seller shall inspect for foreign objects/material. The Seller shall document and investigate all FOD incidents assuring elimination of the root cause.

## 2. EXTENDED QUALITY CLAUSES

- 2.1 This purchase order is in support of a U.S. Government DPAS rated order certified for national defense use. The supplier is required to follow all provision of the Defense Priorities and Allocations Systems (DPAS) regulation (15 CFR part 700) in obtaining controlled materials and other products, services and materials needed to fill this purchase order. For more information, please visit [www.bis.doc.gov/dpas/default.htm](http://www.bis.doc.gov/dpas/default.htm)
- 2.2 Material supplied must be Defense Federal Acquisition Regulation (DFAR) compliant.
- 2.3 International Traffic in Arms Regulations (ITAR)
  - 2.3.1 The supplier shall be a registered ITAR company and shall comply with ITAR policy and procedural requirements.
- 2.4 First Article Inspection (FAIR) required per AS9102 standard.
- 2.5 The supplier shall provide adequate protection and control of any Rakar, Inc. supplied tooling, fixtures, raw material, inspection instruments, etc., and, upon completion of contract, shall be returned to Rakar, Inc.
- 2.6 Rakar, Inc. reserves the right to conduct on-site inspection of control process.
- 2.7 Rakar, Inc. source inspection and acceptance required prior to shipment.
- 2.8 Additional customer flow down quality clauses are included with this purchase order. Please refer to the purchase order for details.