

## 6.2 Supplier Quality Requirements

### 6.2.1 Purpose/Scope

- This section applies to all Suppliers providing Oceania Aviation Limited with materials, products, processing, and related services, including intra-company Suppliers, and when applicable, to Supplier sub-tier sources.
- The general requirements outlined herein do not supersede conflicting requirements in the Oceania Aviation contract, or drawing, including applicable engineering specifications and process specifications, or applicable long term agreement(s).
- This section establishes the minimum requirements for Supplier Safety/Quality Systems necessary to ensure that materials, parts, components, and services meet the requirements of the Contract. Procedures used to implement the provisions of this requirement shall be subject to Oceania Aviation approval upon request.

### 6.2.2 Applicability

- These requirements shall apply to all supplies and services when referenced on the Purchase Order/Technical Directive and amendments thereto.
- Oceania Aviation shall ensure that the product and/or service supplier/sub-contractor has agreed to comply with the requirements of this chapter in writing (formal letter, email, etc.).
- In the absence of such written agreement, the Oceania Aviation Health, Safety & Quality Manager will decide on acceptable means of compliance with the requirements of this chapter.

### 6.2.3 Definitions/Abbreviations

1. The term 'Buyer' means Oceania Aviation Limited.
2. The term 'Supplier' means the legal entity that is the contracting party with the Buyer with respect to the Purchase Order.
3. IAW' means in accordance with.

### 6.2.4 Supplier Code of Conduct

Suppliers shall ensure operations are being performed in a manner that is appropriate, as it applies to their ethical, legal, environmental, and social responsibilities. Below is a listing of the basic requirements:

#### 6.2.4.1 Compliance with Local Laws and Regulations

Suppliers must adhere to the laws and regulations in the locality in which they reside. This includes all local, state, and federal laws/regulations in the country of origin.

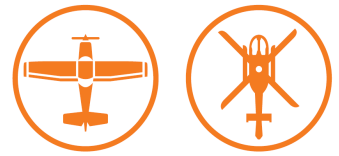
#### 6.2.4.2 Compliance with Environmental, Health, and Safety Laws

The Supplier must maintain and operate its manufacturing/production facilities and processes in accordance with local, state, and federal laws/regulations in the country of origin.

At no time shall any Oceania Aviation person be exposed to hazardous materials or unsafe conditions as a result of Supplier shipments to an Oceania Aviation location, or while visiting a Supplier's location. For items with inherent hazards, safety notices must be clearly visible. As applicable, documented safety handling and protection information must be provided.

#### 6.2.4.3 Product Safety

In all instances where a product is manufactured to a new design, for a new system, or for a new



application, it is important that Supplier and Oceania Aviation allocate responsibility for assuring that all performance, endurance, maintenance, safety and warning requirements are met. It is preferred that this allocation of responsibility be in writing.

#### 6.2.4.4 Ethics

Evidence of corruption, bribes, improper advantage, or any other form of illegal practice by the Supplier or associated operations will terminate all relations with Oceania Aviation.

Suppliers shall not discriminate against race, color, sex, religion, age, physical disability, political affiliation, or other defining characteristics as prohibited by local, state, and federal laws/regulations in the country of origin.

#### 6.2.4.5 Code of Conduct and Policy Enforcement

This policy applies to Suppliers and their sub-tier sources. It is the responsibility of the Supplier to verify and monitor compliance of this code at their operations and sub-tier source operations.

#### 6.2.4.6 Confidentiality

The Supplier shall ensure the confidentiality of Oceania Aviation-contracted products and projects under development, and related product information, as well as intellectual property shared as a result of the working relationship.

### 6.2.5 Supplier's Quality System, General

- The Supplier shall maintain an effective Quality System planned and developed in conjunction with his other functions to comply with contractual requirements. In order that the Quality System will be effective, it shall provide that defects or other unsatisfactory conditions are discovered and corrected at the earliest practical point.
- The System shall provide controls capable of maintaining design conformance and product integrity. The Supplier shall perform all inspections and tests, and provide all: information, documents, records, reports, facilities, equipment, samples, materials, and assistance to Buyer representatives, if requested.
- Records shall be kept available for Seven (7) years.

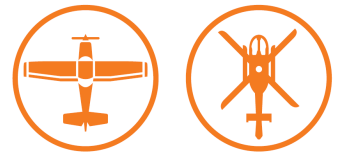
### 6.2.6 Negotiations

- It is not the intent of this specification to restrict the Supplier in his/her mode of operation; therefore, it is possible that certain items herein may be subject to negotiation. Until such time as the subject of the negotiation is resolved, the Supplier is obligated to conform with the requirements as specified herein.

### 6.2.7 Compliance to Contractual Requirements

Upon accepting an Oceania Aviation contract, the Supplier is responsible for compliance to all contract (e.g. engineering drawing, specification, purchase order) requirements. All documents, drawings and specifications, regardless of origin, are applicable to the Supplier when specified in the contract or documents referenced in the contract, and are required to be used at all levels of the supply chain.

Unless otherwise specified in the contract, the document revision in effect on the date of issue of the contract applies to the contract. Neither audit, surveillance, inspection or tests made by Oceania Aviation, representatives of Oceania Aviation or its customer(s), at Supplier's facilities, at any sub-tier facilities, or upon receipt at Oceania Aviation, relieves the Supplier of the responsibility to furnish



acceptable products or services that conform to all contract requirements; nor does it preclude subsequent rejection by Oceania Aviation or its customers.

### 6.2.8 Process Control

- Unless otherwise specified by contract, the Supplier shall only use special process sources that are approved by Oceania Aviation. This requirement applies to Suppliers who perform special processing such as plating, anodising, radiography, magnetic particle, liquid penetrant, Eddy current inspection, heat treating, welding, weld inspection, soldering, brazing, etc., as part of their internal operations. The Supplier shall flow-down this requirement to its sub-tier sources. The Supplier shall notify Buyer within 48 hours of detected failure. Buyer and/or Buyer Customer representatives shall participate in the disposition of non-conformances.
- The Supplier shall not change any process, material, or procedure from that used to qualify Supplier's product without prior Buyer approval if such process, material, or procedure was originally subject to approval by Buyer as specified in the Purchase Order. The effect that changes have on reliability, safety, weight, interchangeability, or other special requirements must be recorded and provided to Buyer with any proposal to alter the approved design.
- Buyer may refuse to accept items delivered under the Purchase Order if the Supplier fails to submit the certifications, documentation, test data, or reports required by this specification or the Purchase Order.

### 6.2.9 Control & Release Of Oceania Aviation Furnished Documents

Documents furnished by Oceania Aviation to the Supplier are furnished solely for the purpose of doing business with Oceania Aviation. Proprietary documents may be furnished to the Supplier in hard copy, electronic or other media. The Supplier is responsible for controlling and maintaining such documents to preclude improper use, loss, damage, alteration and/or deterioration.

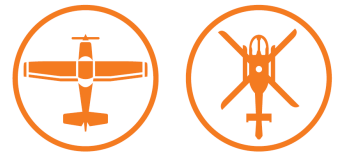
Unless authorised by the Oceania Aviation Buyer in writing, the Supplier may not transmit or furnish any Oceania Aviation furnished documents, or copies of such documents, to anyone outside the Supplier's business organisation except to a sub-tier source used by the Supplier for performance of work on the Oceania Aviation contract. The Supplier shall return to Oceania Aviation, or purge electronic copies of, all proprietary documents with the last delivery of products or services on the contract. Oceania Aviation may request the Supplier to furnish objective evidence or certification that proprietary documents have been purged. The Supplier shall flow down this requirement to all sub-tier sources, when such sources will be in receipt of Oceania Aviation proprietary documents during performance of work for the Supplier.

### 6.2.10 Unauthorized Facility Changes

During performance on the Contract, the Supplier shall give Oceania Aviation written notice prior to:

- relocating any production, inspection or processing facilities; transferring work between different facilities
- initiating any changes in the source of major components procured by the Supplier and
- designated for use in or for installation on products scheduled for delivery to Oceania Aviation
- making any other changes which may affect product quality, reliability or integrity.

Such changes are subject to approval/disapproval by Oceania Aviation. A change in ownership or a change in the individual designated as the management representative with respect to the Suppliers Quality/Inspection System shall be construed as a facility change and requires the Supplier to notify Oceania Aviation.



### 6.2.11 Unauthorised Product Repairs & Salvage

The Supplier may not perform any repairs such as welding, brazing, soldering, plugging, peening, bushing, or, use of paints, adhesives or plating, or use any standard or other repair practice or method, on products damaged or found to be discrepant during fabrication or processing, or, on defects in castings or forgings, unless such repairs are specifically permitted by the applicable drawing or specification, or are specifically authorised by Oceania Aviation in writing for each occurrence. Unless specifically authorised by Oceania Aviation, this prohibition also applies to reworking products by removing plating (stripping) and re-plating.

### 6.2.12 Oceania Aviation Designated Sources

Where specified by contract, the Supplier shall purchase products, materials or services from Oceania Aviation designated sources. However, the Supplier is responsible to ensure that items procured from such sources meet all applicable technical and quality requirements.

### 6.2.13 Subcontractor Control

- The Supplier shall be responsible for adequate and effective control over his procurement sources to ensure that materials, supplies, and services purchased for use on Buyer contracts meet all Purchase Order requirements.

### 6.2.14 Receiving Inspection

- The Supplier shall inspect incoming material to assure that purchased raw materials, parts, assemblies, components, tests, processes, hardware, etc. conform to drawings, Purchase Order, and specification requirements. When it is not practicable or feasible to assure quality upon receipt, the Supplier shall make provision for source inspection.
- Acceptance requirements shall include test reports, certifications, and inspection verification of physical and chemical properties of raw materials.

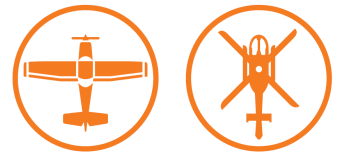
### 6.2.15 Stock Control

- The Supplier shall provide for protection and control of supplies and materials stored for use in deliverable Buyer products.
- Control shall cover such items as identification of materials, methods of issue, and age and obsolescence control (issue on a first in, first out basis).
- Procedures for the handling of nonconforming material shall assure positive identification of such material and its prompt and continued segregation from other material being processed or stored.
- Buyer furnished material shall be inspected upon receipt by Supplier to detect damage in transit, completeness and proper type, size, or grade. The Supplier shall report to Buyer property found damaged, malfunctioning, or otherwise unsuitable for use. The Supplier shall ensure that such property is handled in such a way as to prevent further damage or additional repair costs.

### 6.2.16 Control of Monitoring & Measuring Devices

The Supplier shall determine the monitoring and measurement to be undertaken and the monitoring and measuring devices needed to provide evidence of conformity of product to determined requirements. As a minimum, where necessary to ensure valid results, measuring equipment shall:

a) Be calibrated or verified at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standards; where no such standards exist, the



basis used for calibration or verification shall be recorded; and  
b) Be identified to enable the calibration status to be determined.

### 6.3 TECHNICAL DIRECTIVE

A Technical Directive is issued so that the maintenance, repair or overhaul of an aircraft or aircraft component being sent to an approved supplier of products or the supply of services to Oceania Aviation is adequately specified.

The following information will be recorded on the Technical Directive:

- Name and address of the Approved Supplier, and
- Details of the aircraft or aircraft component, and
- The company Job Number that applies to the work, and
- Details of the service requested, and
- Attached documents, drawings, specifications, standards etc. supplied, and
- Details of the Certification required, and
- Identification of the person authorising the Technical Directive.

The instruction for the service required will be specific and detailed so that the supplier will have adequate information to complete the maintenance, repair or overhaul.

Where an approved modification, repair or Service Bulletin is quoted, a copy of the relevant document will be attached to the Technical Directive.

If the item is an aircraft component, it will be dispatched to the supplier through the Stores system.

When the item is returned from the Sub-Contractor, it will enter the system through the Stores procedures (this section).

The required post outwork Inspection, in accordance with **QMS-14 Receiving**, will be carried out and Recorded within the applicable Worksheets or Work Package.