

CPP-001A Contract Clauses – Contracts Issued to Materiel Providers

1. Guarantee of Materiel Sources

The seller shall ensure that only new and authentic materials are used in materiel delivered to Aero Components LLC. The seller may only purchase materiel directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers. Use of materiel that was not provided by these sources is not authorized unless first approved in writing by Aero Components LLC. The seller must present compelling support for its request (e.g. original manufacturer documentation that authenticates traceability of the materiel to the original manufacturer), and include in its request all actions to ensure the materiel thus procured is authentic and conforming.

2. Supply Chain Traceability

The seller shall maintain a method of commodity and item level traceability that ensures tracking of the supply chain back to the manufacturer of the materiel being delivered per this order. The traceability method shall clearly identify the name and location of all the supply chain intermediaries from the manufacturer to the direct source of the materiel for the seller and shall include the manufacturer's commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers or batch identifications.

3. Certificate of Conformance and Traceability (U.S. Department of Defense Contracts)

This clause is applicable to all contracts for Qualified Products List (QPL) or Qualified Manufacturers List (QML) controlled materiel. This clause applies regardless of the point of inspection designated in the contract award. This clause applies both to contracts awarded directly to a manufacturer listed on the applicable QPL/QML and to suppliers (e.g. distributors) not listed as approved manufacturers on the applicable QPL/QML.

The materiel supplied must be in strict conformance to the requirements set forth and/or referenced in the item description, including applicable revisions and slash sheets. To ensure this conformance, the contractor must provide a Certificate of Conformance and Traceability (CoC/T) with the information and documentation required by the applicable specification. This documentation must reference the contract number and include a certification signed by the approved QPL/QML manufacturer. In addition, if the materiel is not procured directly from the approved manufacturer, all additional documentation required by the specification must be provided to establish traceability from the QPL/QML manufacturer through delivery to the Government. The CoC/T is required to determine acceptability of the supplies. If the

CoC/T is not provided, is incomplete or otherwise unacceptable, the supplies will be determined not to meet contract requirements and will be rejected.

If the contract requires inspection and acceptance at origin, the contractor shall furnish the original and two copies of the CoC/T to the Government Quality Assurance Representative (QAR) with the items offered for acceptance. The CoC/T must clearly reference the applicable contract number. The contractor shall submit one signed copy to the contracting officer. The second copy shall be retained by the QAR. The original shall be maintained by the contractor.

If the contract requires inspection and acceptance at destination, the contractor shall mail one copy of the CoC/T to the contracting officer upon shipment/delivery. The CoC/T must clearly reference the applicable contract number.

Contract Clauses – Contracts Issued to Independent Distributors

1. Test and Inspection Requirements

The seller shall establish and implement test and inspection activities necessary to assure the authenticity and conformance of purchased materiel, including:

- Traceability and documentation verification;
- Visual examination;
- Tests and inspections

Tests and inspections shall be performed in accordance with clearly delineated accept/reject criteria provided or approved by Aero Components LLC. The seller shall prepare and provide to Aero Components LLC records evidencing tests and inspections performed and conformance of the materiel to the specified acceptance criteria.

Tests and inspections shall be performed by persons that have been trained and qualified concerning detection of the types and means of counterfeiting and how to conduct effective product authentication.

2. Supply Chain Traceability

The seller shall maintain a method of commodity and item level traceability that ensures tracking of the supply chain back to the manufacturer of the materiel being delivered per this order. The traceability method shall clearly identify the name and location of all the supply chain intermediaries from the manufacturer to the direct source of the materiel for the seller and shall include the manufacturer's commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers or batch identifications.

3. Certificate of Conformance

The seller shall approve, retain and provide copies of Certificates of Conformance (CoC). Manufacturer CoCs shall, at minimum contain the following:

- a. Manufacturer name and address;
- b. Manufacturer and/or buyer's part number and dash number;
- c. Commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers or batch identifications;
- d. Signature or stamp with title of seller's authorized personnel signing the certificate.

4. Certificate of Authenticity

The seller shall approve, retain and provide copies of Certificates of Authenticity (CoA). Manufacturer CoAs shall at minimum, include the following:

- a. Contract Number
- b. Manufacturer name and address;
- c. Manufacturer and/or buyer's part number and dash number;
- d. Item Nomenclature, Quantity, Unit of Measure;
- e. Actual Manufacturer CAGE code, Design Control Activity CAGE code.

5. Quality Management System

The seller shall have a quality managementsystem that complies with AS9120, Quality Management Systems-Aerospace – Requirements for Stocklist Distributors.

Independent certification/registration is not required unless specified by buyer.

Organizations that obtain certification/registration to AS9120 and subsequently change certification/registration bodies (CRB), lose registration status or are put on notice of losing registration status, shall notify the buyer's procuring organization within three days of receiving such notice from its CRB.

6. Product Impoundment and Financial Responsibility

If suspect/counterfeit materiel is furnished under this purchase agreement, such items shall be impounded. The seller shall promptly replace such items with items acceptable to Aero Components LLC and the seller may be liable for all costs relating to impoundment, removal and replacement. Aero Components LLC may turn such items over to Authority Having Jurisdiction for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation. Any known instances of fraud or attempted fraud shall be documented in writing to Aero Components LLC.

7. Penalties Associated with Fraud

This purchase order and activities hereunder are within the jurisdiction of the United States Government. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable legal statutes.

Seller employees engaged in the performance of work under this purchase order shall be informed in writing prior to performance of work that there is a risk of criminal penalties associated with any falsification, concealment or misrepresentation in connection with work performed under this purchase order.

Seller shall include the following statement preprinted on each Certificate of Conformance initiated by the seller and provided to the buyer in conjunction with this purchase order:

NOTE: The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a crime under United States Government statute.

Seller shall include all provisions of this contract clause, including this sentence, in all lower-tier contracts under this order. Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to Aero Components LLC.