



# J.D. Ott Company, Inc.

PRECISION MACHINING - AEROSPACE PARTS AND ASSEMBLIES  
2244 SIXTH AVE SOUTH, SEATTLE WA. 98134

## PRIME CONTRACTOR FLOWDOWN NOTES

**ITAR/EAR.** In performing the obligations of this Agreement, both Parties will comply with United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ("Items") or services, including without limitation the Export Administration Regulations ("EAR"), International Traffic in Arms Regulations ("ITAR"), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, "Export Control Laws").

B. The Party conducting the export shall be responsible for obtaining the required authorizations. The Party conducting the re-export shall be responsible for obtaining the required authorizations. Each Party shall reasonably cooperate and exercise reasonable efforts to support the other Party in obtaining any necessary licenses or authorizations required to perform its obligations under this Agreement.

C. The Party providing any Items under this Agreement shall, upon request, notify the other Party of the Items' Export Control Classification Numbers ("ECCNs") as well as the ECCNs of any components or parts thereof if they are different from the ECCN of the Item at issue.

D. Each Party represents that (i) the Items, and the parts and components thereof, it is providing under this Agreement are not "defense articles" as that term is defined in 22 C.F.R. sub section 120.6 of the ITAR. and (ii) the services it is providing under this Agreement are not "defense services" as that term is defined in 22 C.F.R. sub section 120.9 of the ITAR. The Parties acknowledge that this representation means that an official capable of binding the Party providing such Items knows or has otherwise determined that such Items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. sub section 121.1. Each Party agrees to reasonably cooperate with the other in providing, upon request of the other Party, documentation or other information that supports or confirms this representation.

E. To the extent that such Items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the Party providing such Items shall notify the other Party of this fact and shall also provide the other Party with written confirmation from the United States Department of State that such Items, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR.

**WORKING CONDITIONS AND HUMAN RIGHTS.** In addition to the provision set forth in the Code of Basic Working Conditions and Human Rights in the contract, Seller further commits that any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Contract/Agreement may be considered a material breach of this Contract/Agreement for which J. D. Ott Co. may elect to cancel any open Orders between J. D. Ott Co. and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or exercise any other right of J. D. Ott for an Event of Default under this Contract/Agreement.

**FIRST ARTICLE INSPECTION.** Supplier shall perform First Article Inspections (FAIs) in accordance with AS/EN/SJAC 9102 and unless otherwise specifically authorized in writing by J.D. Ott Co.

J.D. Ott Co. requires that the FAI provisions and requirements set forth related to the compliance with AS/EN/SJAC 9102 be included in Suppliers direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For purposes of this note, Supply Chain shall mean Seller's direct network of suppliers providing material, equipment, information, and services integrated into products and services.

**OZONE DEPLETING SUBSTANCES.** Definition. "Ozone-depleting substance," as used in this clause, means any substance the Environmental Protection Agency designates in 40 CFR Part 82 as--  
(1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or  
(2) Class II, including, but not limited to hydrochlorofluorocarbons.

Seller shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as applicable:

Warning

Contains \* \_\_\_\_\_, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

Warning

Manufactured with \* \_\_\_\_\_, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

\* Seller shall insert the name of the substance(s).

**FOD PREVENTION PROGRAM:** Seller is required to establish and maintain a FOD prevention program in accordance with AS9146, "Foreign Object Damage (FOD) Prevention Program- Requirements for Aviation, Space, and Defense Organizations." Seller shall implement processes and procedures for "Foreign Object Damage (FOD) Prevention Program- Requirements for Aviation, Space, and Defense Organizations." effective 1/1/2016.

**Nadcap Accreditation:** Seller and Seller's processor/supplier base shall be Nadcap accredited for equivalent or similar technologies as required by Boeing document D1-4426, Approved Process Sources.

**English Language:** When specifically requested by Boeing, Seller shall make specified quality data and/or approved design data available in the English language.

**Application of Acceptance Authority Media (AAM):** Seller shall comply with the AS/EN/JISQ 9100 requirements and 14CFR Part 21.2 regarding the application of the Acceptance Authority Media (AAM) requirements. Seller shall, within its organization and its supply chain, ensure that the use of AAM is clearly defined within its Quality Management System (QMS). Seller shall, upon Boeing request, be able to demonstrate evidence of communication to its employees and to its supply chain: use of AAM must be considered as a personal warranty of compliance and conformity. Seller shall maintain compliance to the AAM requirements by assessing its process and supply chain as part of its internal audit activities. The areas of focus of this assessment shall include but not limited to:

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

**Notification of Escapement (NOE):** Seller shall provide written notification to J.D. Ott when a nonconformance is determined to exist, or is suspected to exist, on product already delivered to Boeing. Written notification shall include:

A- Affected process(es) or product number(s) and name(s)

B- Description of the nonconforming condition and the affected engineering requirements (i.e., what it is and what it should be)

C- Quantities, shipping dates, purchase orders, and destinations of delivered shipments.

D Suspect/affected serial number(s) or date codes, lot numbers, or other part identifiers.

NOTIFICATION MUST OCCUR WITHIN THREE (3) BUSINESS DAYS OF KNOWING ALL OF THE ABOVE INFORMATION.

HOWEVER, IF THE CONDITION IS POSSIBLE SAFETY OF FLIGHT, SUBMIT ALL AVAILABLE INFORMATION IMMEDIATELY.

**Changes That May Affect Capability of QMS:** The Seller must immediately notify the Boeing Supplier Quality Representative (SQR) and Procurement Agent that supports your facility, in writing, of any changes that may affect the capability of the Quality Management System (QMS) to continue to fulfill Boeing requirements or the requirements of the QMS standard. This includes all changes referenced within ISO/IEC 17021-1:2015 clause 8.5.3.