



Quality Clauses

The following Quality Clauses shall apply to any contract or Purchase Order entered into by The Spaceship Company. The below clauses shall supersede the quality clauses of Supplier's Purchase Orders.

NOTE 1: ALL requisitions shall, at a minimum, require the following clauses: Q1, Q2, Q3, Q7A, Q9, Q17, Q39, Q40, Q41, and Q42.

NOTE 2: After insertion of mandatory clauses, then insert clauses that relate to specific product.

Q1 SURVEILLANCE

The authorized Quality Representative of THE SPACESHIP COMPANY shall have the right to maintain cognizance over the Quality Assurance inspection system imposed on the Supplier. Accordingly the Supplier is expected to grant the designated representative access to his facility at all reasonable times and access to areas where the production of the item(s) covered by this Purchase Order is taking place. Where these areas infringe on Supplier's proprietary processes of a sensitive nature, or involve security with respect to other Supplier products being fabricated, mutually satisfactory arrangements shall be made with THE SPACESHIP COMPANY. THE SPACESHIP COMPANY's Customer have the right to inspect any or all of the work included in this Purchase Order at the Supplier's facility.

Q2 NONCONFORMING MATERIAL

The supplier shall notify THE SPACESHIP COMPANY within 24 hours or the next business day of any nonconforming product found in inventory from which product may have been delivered to THE SPACESHIP COMPANY. During your performance, any deviations noted from established drawings or specifications must be reported to THE SPACESHIP COMPANY within 24 hours or the next business day. No deviation will be considered approved without written confirmation of the fact from THE SPACESHIP COMPANY. Under no circumstances are repairs to be undertaken without prior written approval.

Q3 CORRECTIVE ACTION

Acceptance of this Purchase Order obligates the Supplier to perform, upon request, a corrective action investigation when discrepant material is received by THE SPACESHIP COMPANY. A written report shall be furnished, within a reasonable time period, which is specific and conclusive to prevent a recurrence of the discrepancy.

Q4 SUPPLIER CONTROLLED PARTS

Items furnished under a Purchase Order for which no THE SPACESHIP COMPANY drawing exists (being proprietary with the Supplier or under his design cognizance) will be accompanied on the initial shipment by a copy of the Supplier's drawing, specifications, catalog page, etc., to facilitate THE SPACESHIP COMPANY's Receiving Inspection. It is understood that data supplied is not expected to be of a sensitive proprietary type. The Supplier shall notify THE SPACESHIP COMPANY in writing of any changes proposed in product design, fabrication methods, materials, or processes of proprietary products, including those procured from secondary sources and/or includes as assembly components as ordered here under, and shall obtain THE SPACESHIP COMPANY's approval prior to supplying such products on this order. In event of THE SPACESHIP COMPANY approval, Supplier shall identify those articles on which the change is incorporated.

Q5 SOURCE INSPECTION

The supplies on this order are subject to THE SPACESHIP COMPANY's source inspection. When material is ready for inspection, or when practicable, 3 days in advance thereof, notify the THE SPACESHIP COMPANY representative indicated on the face of this order. Where the Supplier causes THE SPACESHIP COMPANY's inspectors to make unnecessary trips due to erroneous information, or repeatedly submits requests for inspection of material not in accordance with Purchase Order specifications, THE SPACESHIP COMPANY has the right to charge the cost of such trips to the Supplier. Acceptance of product at source is considered preliminary. Final acceptance will be at THE SPACESHIP COMPANY. The Supplier is required to provide all requisite equipment, records, reports, etc., to facilitate the work of THE SPACESHIP COMPANY's Quality Assurance Representative, and to verify any physical or functional specifications as may be requested by this representative in the course of the inspection.



Quality Clauses

Q6 QUALITY CONTROL SYSTEM

The Supplier shall maintain a Quality Control System that complies with the latest revision of MIL-Q-9858, "Quality Control System Requirements". Notwithstanding the provisions of this clause, the Supplier is in no way relieved of the final responsibility to furnish the supplies or services specified herein. This system shall be subject to audit by THE SPACESHIP COMPANY's Quality Assurance Representative.

Q7A QUALITY CONTROL SYSTEM

The Supplier shall maintain a Quality Control System that complies with ISO9001:2000 or 2008 or AS9100. Notwithstanding the provisions of this clause, the Supplier is in no way relieved of the final responsibility to furnish the supplies or services specified herein. This system shall be subject to audit by THE SPACESHIP COMPANY's Quality Assurance Representative.

Q7 INSPECTION SYSTEM

The Supplier shall maintain an Inspection System in conformance with the latest revision of MIL-I-45208, "Inspection System Requirements." This system shall be subject to audit by THE SPACESHIP COMPANY's Quality Assurance Representative.

Q8 CALIBRATION / EQUIPMENT REPAIR and MAINTENANCE

Supplier shall maintain a calibration system in conformance with the latest revision of MIL-STD-45662, "Calibration Systems Requirements" or ISO 10012, "Measurement Management System – Requirements for measurement processes and measuring equipment". This system shall be subject to audit by THE SPACESHIP COMPANY's Quality Assurance Representative. For Calibration services, the supplier shall maintain a quality system that is compliant with ANSI/NCSL Z540.1-1994 or ISO/IEC 17025:2005 or their equivalent. A certificate of calibration traceable to the National Institute of Standards and technology (NIST) is required.

Q9 CERTIFICATION OF COMPLIANCE

The Supplier shall submit a certification of compliance with each shipment, signed by its Quality Manager or their authorized representative which states that the product or service supplied is in full conformance with all physical configuration and functional test specifications; that all raw materials used conform to applicable specifications; that any special processes employed on the product conform to applicable specifications; and that inspection and test records, physical and chemical analysis, and process control data is on file and available for examination for a period of 3 years unless specified otherwise. By furnishing this certification, Supplier represents that he is the manufacturer or duly authorized distributor, or agent for the manufacturer of the product. An example of an acceptable statement of certification of conformance is as follows:

"This is to certify that all items noted above are in conformance with the Purchase Order, contract, drawings, specification and other applicable documentation and that all process certifications, chemical and physical test reports are on file at this facility and are available for review".

Q10 INSPECTION/TEST DATA

A copy of final inspection/test data for all units must accompany shipments made against this order. Data sheets must be identified by Supplier's name, order number, part number, and revision level, and date of tests. Characteristics being tested shall be identified by name of test, applicable drawing or specification paragraph, inspection test limits, and method of testing along with the results of the tests.



Quality Clauses

Q11 FIRST ARTICLE INSPECTION

First articles must be inspected and accepted by THE SPACESHIP COMPANY prior to a production shipment, unless otherwise specifically authorized by THE SPACESHIP COMPANY. The sample lot of first articles, as specified by this order must be inspected for compliance with requirements as specified in the applicable drawing/specification, and must be so identified when shipped.

Q12A AS9102 FIRST ARTICLE INSPECTION

First Article Inspections IAW latest revision in effect of SAE AS9102 must be performed and conducted on a sample part representative of the first production run. This shall apply to final assemblies and corresponding subassemblies and individual parts manufactured or assembled to a specific drawing. Unless otherwise specified, catalog and COTS parts do not require a FAI. Results of FAI must be completed, accepted and approved by vendors' quality representative and THE SPACESHIP COMPANY prior to production shipment.

Q12 ACCEPTANCE TEST PROCEDURE

Two copies of proposed Acceptance Inspection/Test Procedure for the inspection/test specified in the applicable specifications shall be submitted for THE SPACESHIP COMPANY's approval thirty (30) days prior to acceptance. The procedure format shall include the parameters to be measured, step by step method of test, test equipment required, and provisions for recording results in such a manner as to permit recording of each required performance in a clear and concise form. When these procedures make reference to test fixturation for acceptance testing, a copy of the schematic of this fixturation shall be supplied.

Q13 MERCURY EXCLUSION

Each shipment made against this Purchase Order must contain a statement certifying that the item(s) supplied contain no metallic mercury or mercury compounds, and that the Supplier has taken responsible steps to ensure that the item(s) are not contaminated with metallic mercury or mercury compounds. The certification shall reference order number, part number, description and quantity shipped.

Q14 PROCESS APPROVAL

Supplier shall have on file and available for review, certifications of special processes performed by sub tier suppliers such as heat treating, finishing, etc. Special processes such as soldering, welding, heat-treating, electroplating, brazing, anodizing chemical films and non-destructive testing, shall require THE SPACESHIP COMPANY's prior approval of processes, procedures and personnel qualifications as applicable. This approval must be established with THE SPACESHIP COMPANY prior to fabrication under this contract. The Supplier is responsible for and must certify to special process specification compliance by all of his subcontractors, and must maintain objective evidence thereof.

Q15 SERIAL NUMBERS

The Supplier shall assign permanent, individual serial numbers to all items shipped under this Purchase Order. If THE SPACESHIP COMPANY elects to supply these numbers, they will be listed in the Procurement Documentation. The manner of affixing the serial numbers will also be specified in the Procuring Documentation or on a THE SPACESHIP COMPANY furnished drawing. Material certifications, analysis, test bars, samples, etc., shall be correlated with each serialized item.

Q16 LOT CONTROL

The Supplier shall assign a common lot control number to all items in a particular manufactured lot - a lot being defined for this purpose as a quantity that has been manufactured during an uninterrupted period of time by essentially the same personnel, following a standard process and using the same equipment/facility.



Quality Clauses

Q17 PRODUCTION TOOLING

Acceptance of production tooling on this Purchase Order shall be contingent on inspection and acceptance by THE SPACESHIP COMPANY. Representation of the applicable characteristics on each of the samples produced from this tooling must conform to the dimensions and tolerances as specified on the applicable drawings and specifications.

Q18 CRITICAL MATERIALS

This Purchase Order covers the procurement of materials or parts that have been designated as "critical". As a result, the following special Quality Assurance Requirements must be strictly applied.

- a. Due to the critical application of this material, maximum confidence of material integrity and quality is necessary. Each shipment of material must be accompanied by two (2) legible and reproducible copies which contain total and complete data, traceable to heat, lot or batch number. Traceability shall be achieved by a positive means of identifying material to its certification documentation.
- b. Material certifications shall be recorded on the testing company's letterhead and signed by a duly authorized representative of that company. Certifications supplied to THE SPACESHIP COMPANY shall be the original material certifications or exact copies thereof. Transcription of any data from any material certification to the letterhead of another supplier, subcontractor etc. that did not actually perform the testing is expressly prohibited.
- c. Where the mechanical properties of the material have been altered by heat treatment or metal working processes, the mill certification, if furnished as evidence of material chemical composition, shall be accompanied by a certification which contains quantitative results of the mechanical test providing that the material supplied complies with the specification to which it was procured. The sole alternative permitted to such mill source and/or heat treatment of metal working facility certifications is a testing laboratory's quantitative chemical and mechanical test report, identifiable and traceable to the furnished deliverables.
- d. The above requirements shall be invoked by the Supplier upon all suppliers/ subcontractors that process or supply material designated to be a critical item acquired under this contract.

Q19 TEST SPECIMAN

A. WELDMENT SAMPLES

With the initial shipment, the Supplier shall submit two (2) Weldment samples representative of the welding performed on the items shipped and in accordance with the applicable specifications.

B. TEST BARS

With each shipment, the Supplier shall submit one (1) raw disc representative of the entire heat or melt suitable for spectrographic test and two test bars from the melt, heat forging lot, etc. from which the items supplied came. Test bars shall be identified and correlated to certifications supplied with the shipment.

Q20 SHELF LIFE

The Supplier shall furnish the date of manufacture and the shelf life expiration date on each container shipped. Items will not be accepted by THE SPACESHIP COMPANY where the remaining shelf life is less than 75% of total shelf life from date of manufacture.

Q21 ULTRASONIC INSPECTION

Supplier shall perform ultrasonic inspection on all items in each shipment in accordance with the requirements of the latest issue of MIL-STD-271, and transmit a copy of the inspection report with the shipment.



Quality Clauses

Q22 DYE PENETRANT INSPECTION

The Supplier shall perform dye penetrant inspection on all items in each shipment in accordance with the requirements of the latest revision of MIL-L-6866 or other applicable drawing requirements, and transmit a copy of the inspection report with each shipment.

Q23 CERTIFICATION OF PROPERTIES

Each shipment must be accompanied by two (2) legible and reproducible copies of actual chemical and physical test reports identifiable with the material submitted. These reports must contain the signature and title of an authorized representative of the agency performing the tests and must assure conformance to specification requirements.

Q24 RADIOGRAPHIC INSPECTION

The Supplier shall perform radiographic inspection on all items in each shipment in accordance with the drawing requirements and transmit both radiographs and a copy of the inspection report with each shipment.

Q25 MAGNETIC PARTICLE INSPECTION

The Supplier shall perform magnetic particle inspection on all items in each shipment in accordance with the requirements of the latest revision of MIL-L-6868 or other drawing requirements, and transmit a copy of the inspection report with each shipment. The report shall reference THE SPACESHIP COMPANY's Purchase Order number, drawing number, (and/or Supplier's drawing number), and state inspection findings by items - each of which shall be numbered on the report and correspondingly identified in the shipment by removable tags or other means of temporary identification.

Q26 ELECTROSTATIC DISCHARGE (ESD)

Electrostatic Discharge Protection shall be controlled for parts during receipt and through the manufacturing and inspection cycles, storage and shipping. Electrostatic Discharge Protection criteria, as a minimum, shall be in accordance with the latest version of MIL-STD-1686 or other applicable drawing requirements.

Q27 SOLDERABILITY

Solderable components shall meet the solderability requirements of MILSTD- 202, Method 208.

Q28 TEST SAMPLES (Coupons)

The supplier shall maintain test sample(s) of each batch or lot sufficiently tested to all applicable specifications. Each test sample must be clearly and permanently marked with (1) Batch or Lot Number; (2) Date Manufactured; (3) Specification or Material Control Information; (4) Manufacturer's Designation; (5) Purchase Order Number. They must be maintained for a minimum of 4 years and be deliverable upon request to THE SPACESHIP COMPANY.

Q29 MATERIAL SAFETY DATA SHEET

One copy of the MSDS for each product purchased shall accompany each shipment.

Q30 SPECIAL PACKING / SHIPPING INSTRUCTIONS

Any special requirements will be documented on the Purchase Order.



Quality Clauses

Q31 SHIP TO STOCK

Ship to Stock is established for Vendors who have a history of excellence in the THE SPACESHIP COMPANY Quality Supplier Data System with no rejections for quality or deliveries. In recognition of this achievement THE SPACESHIP COMPANY will perform a minimal receiving inspection. THE SPACESHIP COMPANY will inspect documentation and for shipping damage only. THE SPACESHIP COMPANY will closely monitor all ship to stock vendors. THE SPACESHIP COMPANY quality department will evaluate all ship to stock vendors quarterly.

Q32 SPECIAL PROCESSES

A. APPROVAL AND CERTIFICATION:

Special processes, equipment and personnel utilized in performance thereof, shall be subject to approval or certification by THE SPACESHIP COMPANY Quality Assurance. Certification of special processes performed by a lower tier supplier is the responsibility of the Supplier (first tier supplier). Objective evidence of special process certifications of the Supplier's lower-tier supplier(s) shall be available to THE SPACESHIP COMPANY Quality Assurance at the facilities of the Supplier and at any sup-tier supplier's facility utilized in the performance of this order.

B. APPROVAL

Process performed by the Supplier or his subcontractors, such as welding, heat treating, cleaning, electro-plating, anodizing, chemical filming, nondestructive testing, etc., require THE SPACESHIP COMPANY Quality Assurance approval prior to fabrication under this order, and objective evidence must be available.

C. CERTIFICATION:

Process Certification must accompany all shipments to THE SPACESHIP COMPANY and shall identify the processor, process used, and the specification to which they conform. When nondestructive tests are performed, the certification shall be accompanied by a legible copy of the report.

D. NADCAP CERTIFICATION

Process performed by the Supplier or his subcontractors, such as welding, heat treating, cleaning, electro-plating, anodizing, chemical filming, nondestructive testing, etc. require NADCAP certification for items fabricated under this order. Objective evidence of certification must be available. The following statement shall be added to the C of C "All special process which were performed under this PO were NADCAP certified processes."

Q33 PROCUREMENT OF MONITORING & MEASURING DEVICE EQUIPMENT

THE SPACESHIP COMPANY's Quality Management shall designate this Q Clause to the Purchase Order in order for receiving inspection to be flagged that the procured items are designated for calibration. He/she will notify the calibration technician of such items for entry in the calibration system.

Q34 SPECIALTY METALS

TSC prohibits the contractor (including its suppliers at every tier) from incorporating into parts, components, and/or end item deliverables "specialty metals" which have been melted outside the United States, its possessions, or Puerto Rico, unless certain limited exceptions set forth. Please check your Purchase Order carefully for any such requirement. If your organization is issued a Purchase Order with the specialty metals clause, compliance to the following is strongly encouraged: a.) Your Quality Assurance Personnel particularly Receiving Inspection, (i.e. where in-coming material and certifications are verified), should be made aware of specialty clause requirements, and ensure that no foreign melted



Quality Clauses

specialty metals are utilized to fabricate any components for use on a product unless they are melted in a qualifying country. b.) If a distributor or other sub-tier supplier is the source of your material, ensure that the specialty metals clause requirements have been flowed down. Also take the necessary steps to ensure that your supplier provides only specialty metals (such as titanium or stainless steel) that have been melted within the United States or a qualifying country, and if required, proper certifications are issued. If your organization needs further information and/or assistance, please contact THE SPACESHIP COMPANY Quality Representative assigned to your facility or identified in your Purchase Order.

Qualifying countries include: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Israel, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland.

Q35 FLOW DOWN REQUIREMENTS

All Quality Clauses indicated on the Purchase Order as well as requirements and specifications cited on prints and/or drawings must be flowed down to sub-tier suppliers.

Q36 MOISTURE SENSITIVE COMPONENTS

Moisture Sensitive components must be sealed in a dry pack and labeled

Q37 AGE CONTROL / CURE DATES

A. AGE SENSITIVE MATERIAL:

The articles furnished in accordance with the Purchase Order are subject to Age Control. Supplier shall mark articles with batch or lot number, date of manufacture, cure date, storage environment, and/or shelf life as applicable. Unless otherwise specified in the Purchase Order, articles subject to age deterioration shall not be supplied when more than 20% of the shelf life has been expanded.

B. RUBBER CURE DATE:

Supplier shall mark the cure date on all shippers, containers, packages, and parts/raw stock. Assemblies shall be marked with cure date of rubber arts contained therein. Unless otherwise specified in the Purchase Order, cure date at time of receipt shall not exceed four (4) quarters. Rubber and/or synthetic material or parts not having sufficient space for marking, shall be identified by a tag, bearing the cure date and attached to the part or part container.

Q38 REJECTED MATERIAL

A. FAILURE ANALYSIS:

Supplier shall conduct failure analysis on returned products, and furnish documented report of results to the Buyer. Each failure analysis report shall contain the basic identification information as to the type of hardware that failed, type or description of failure, a description of the analysis that was conducted on the failed part, the conclusions derived as a result of this analysis and the corrective action taken to prevent a recurrence of the failure. Buyer reserves the right to witness the failure analysis.

B. RE-SUBMISSION:

Re-submittal of previously rejected items, including those lot rejected on the basis of sampling inspection, shall be accompanied by the statement "Re-submittal Lot" on the Supplier's shipping document. Such re-submittal shall be made on a separate Supplier shipping document.

Q39 INSPECTION AND/OR PRODUCTION TOOLING



Quality Clauses

Supplier is held responsible for the control, protection, calibration and care (other than normal wear) of all production and inspection tooling and equipment furnished by the Buyer or paid for by THE SPACESHIP COMPANY for use in performance of Purchase Order requirements. All tooling shall be subject to Buyer surveillance and/or inspection upon notice. Said tooling, or replacement tooling of equal quality, shall be returned to the Buyer in an acceptable condition upon demand or notice.

Q40 COUNTERFEIT PARTS

Counterfeit parts means suspect parts that are a copy or substitute without legal right or authority to do so, or whose performance or characteristics are knowingly misrepresented. Supplier agrees and shall ensure that Counterfeit Parts are not contained in delivered products through the implementation of policies that included prevention, detection and risk mitigation methods to protect against their use. In the event Supplier suspects that it has furnished Counterfeit Parts, it shall immediately notify THE SPACE SHIPECOMPANY and report in writing whether such parts should be replaced with genuine parts. When request by THE SPACESHIP COMPANY, Supplier shall provide (if available) Authorized Supplier documentation that authenticates traceability of the parts. Supplier shall include this clause or reasonably equivalent provisions in all subcontracts for delivery of items that will furnished to or included in products furnished to THE SPACESHIP COMPANY. If the Supplier fails to comply with the requirements of this clause, such failure shall constitute a material breach and THE SPACESHIP COMPANY shall have the right to all available remedies in law and in equality.

Q41 PACKAGING & PACKAGING REQUIREMENTS

The Supplier shall assure that all supplies on the Purchase Order are packed and packaged using materials of a grade, size, and weight, which will provide adequate physical protection from damage and contamination during handling and transport to the point of delivery.

Q42 DEVIATION FROM ENGINEERING

Upon discovery from the Supplier that it is necessary to depart from the mandatory requirements of THE SPACESHIP COMPANY engineering drawings and/or specifications for the items procured by the Purchase Order, the Supplier shall submit a request for deviation via the customer's format. Supplier shall submit a copy of the approved deviation form with the delivered item.