

Boeing PO Notes

A17 (15 AUG 2020 Revised Note)

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'). A) The party conducting the export shall be responsible for obtaining the required authorizations. B) 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 ECCN 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. Boeing requires that the provisions/requirements set forth above be included in Seller's 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 Sellers providing material, equipment, information, and services integrated into products and services.

A98 (15 AUG 2020 Revised Note)

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 Boeing may elect to cancel any open Orders between Boeing and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or

exercise any other right of Boeing for an Event of Default under this Contract/Agreement. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for work under this Contract/Agreement.

C35 (15 AUG 2020 Revised Note)

THIS ORDER IS SUBJECT TO FORM X32411, COMMERCIAL INVOICE REQUIREMENTS FOR IMPORT INTO THE UNITED STATES. A COPY OF THIS FORM CAN BE OBTAINED AT THE FOLLOWING URL ADDRESS (WHEN ENTERING THE URL PLEASE DO SO IN LOWER CASE LETTERS ONLY):

<http://www.boeingsuppliers.com/X32411English.pdf>

The URL above provides a detailed description of the 31 unique Commercial Invoice data elements that must be included on every Commercial Invoice.

In addition, the following provisions shall apply relating to Country of Origin marking, notwithstanding language to the contrary in the applicable contract:

Requirement: Every article of foreign origin imported into the United States shall be marked with the country of origin in accordance with U.S. Customs regulations 19CFR134. Since all Boeing imported parts are subject to delivery to the ultimate consumer, in accordance with 19CFR134, Boeing requires marking of all foreign origin imported parts. Very limited exceptions are allowed in accordance with Customs regulations (see below). For any other exceptions, non-US suppliers must submit exception requests to the appropriate Boeing procurement agent prior to shipment, who will then forward to Global Trade Controls (GTC) Import for approval. Rubber stamp and other surface marking methods, including inks, paints, and coatings, shall be used in accordance with this specification. Except where authorized in the applicable drawing/specification as part of part marking requirements, intrusive methods are not authorized. Location and part mark method shall be consistent with drawing part mark requirements, if applicable. The marking shall consist of the following, as applicable:

- a. Country of Origin - The English language name of the country in which the imported article was manufactured.
- b. The marking must be conspicuous, legible, and permanent.
- c. The wording need only consist of the English language name of the country of origin such as FRANCE, CHINA, or JAPAN, unless there is also wording on the container, unit, etc. that makes reference to United States, U.S.A., and/or America. If such references are present, the country of origin marking must be a phrase such as "Made in China", "Assembled in France", "Product of Japan", placed in close proximity to the wording that makes reference to the U.S.A, and be in at least comparable size.
- d. Abbreviations which unmistakably indicate the name of a country, such as "Gt. Britain" or "UK" for "Great Britain" are acceptable. Variant spellings which clearly indicate the English name of the country of origin, such as "Brasil" for "Brazil" and "Italie" for "Italy" are acceptable.

Exceptions: The following items are not required to be marked with the Country of Origin, but the Country of Origin shall be marked on the packaging/container which ordinarily reaches the ultimate purchaser (CFR 134.22):

1. Articles that are incapable of being marked, 19 CFR 134.32 (a):
2. Articles that cannot be marked without damage to the article, 19 CFR 134.32 (b)
3. Products of the United States, 19 CFR 134.32 (m)
4. Articles cited on the J-list, 19 CFR 134.33

Boeing requires that the provisions/requirements set forth above be included in Sellers direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain, when shipping to Boeing in the United States.

Q09 (01 JUL 2023 Revised Note)

Seller shall maintain, and have available on a timely basis, quality records traceable to the conformance of product/part numbers delivered to Boeing. Seller shall make records available to regulatory authorities and Boeing's authorized representatives. Seller shall retain such records for calendar year + 10 years from the date of shipment under each applicable order for all product/part numbers unless otherwise specified on the order.

At the expiration of such period set forth above and prior to any disposal of records, Seller will notify Boeing of records to be disposed of and Boeing reserves the right to request delivery of such records. In the event Boeing chooses to exercise this right, Seller shall promptly deliver such records to Boeing at no additional cost on media agreed to by both parties.

Boeing requires that the provisions/requirements set forth above be included in Sellers direct supply contracts related to the Products/Part Numbers. Supply Chain shall mean network of material, equipment, information, and services integrated into products and services for the ultimate customer.

Q13 (01 JUL 2023 Revised Note)

Seller must provide a statement on the packing sheet certifying its quality assurance department has inspected the parts and they adhere to all requirements, applicable drawings/specifications.

OR

When the seller is located outside of the United States and they submit an EASA/JAA/FCAA FORM-1, the following conditions must exist on the form:

1. Block 11 status is identified as 'NEW'

AND

2. Block 12 titled 'REMARKS' contains a statement certifying the seller's quality assurance department has inspected the parts.

AND

3. Block 12 titled 'REMARKS' does not contain certification statements of PMA, Prototype, Not to be installed on certified aircraft, or any statement that does not support PC700 certification.

AND

4. Block 13a 'Certifies that the items identified above were manufactured in conformity to: Approved design data and are in condition for safe operation.'

Boeing requires that the provisions/requirements set forth above be included in Sellers direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain.

S68 (15 AUG 2020 Revised Note)

Representatives of Boeing and/or the Federal Aviation Administration (if Non Domestic, Boeing and/or the Federal Aviation Administration and/or equivalent Foreign Civil Aviation Authorities) may inspect and evaluate Seller's facilities' systems, data, equipment, personnel and all completed articles manufactured for installation on Boeing commercial production airplanes. Right of entry/access includes meeting the requirements of the FAA and/or applicable equivalent Foreign Aviation Authorities to perform oversight of the facility.

Boeing requires that the provisions/requirements set forth above be included in Sellers direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain.

T38 (15 AUG 2020 Revised Note)

Registration, Evaluation and Authorization of Chemicals (REACH) compliance: If raw materials, parts or assemblies contain Substances of Very High Concern (SVHCs) as prescribed by EU directive EC No. 1907/2006, Registration, Evaluation and Authorization of Chemicals, identification shall be included with the shipment. This identification should list the SVHC-designated chemicals present in the purchased article and the conditions under which handling precautions should be taken.

T88 (01 OCT 2019 Revised Note)

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 shipping or storage containers of ozone - depleting substance and products that 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 relevant substance(s).

Boeing requires that the provisions/requirements set forth above be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For the purpose of this note Supply Chain shall mean Seller's direct and indirect suppliers performing value-added activity on the products and services. It focuses on direct and lower-tier suppliers.

U40 (01 JUL 2023 Revised Note)

BOEING ESCAPEMENT NOTIFICATION FOR NONCONFORMANCE (Section 1) AND NONCOMPLIANCE (Section 2).

SECTION 1 NONCONFORMANCE: NOTIFICATION OF ESCAPEMENT (NOE) PROCESS

Note: **Do not use the NOE process to notify Boeing engineering of escapements related to design errors (i.e., certification, product design, and/or business agreement noncompliance). Notify Boeing of escapements related to design errors using the Design Escapement Notification (DEN) process as applicable in Section 2 of this note. A notification to Boeing of a known or suspect nonconformance is not appropriate for a component if the nonconformance is not associated to a product characteristic.**

Note: The steps shown herein are to be used for new or completed investigations when additional data is discovered. Please see the additional scope guidelines located at the bottom of section one.

For Product(s) which have been delivered to or on behalf of Boeing and Seller knows or suspects that such Product(s) are or may be nonconforming, Seller shall, within 3 business days after the day of discovery of a potential escape, the notification from sub-tier supplier, and/or the entry of the issue into the quality process, notify Boeing in writing as set forth herein to allow Boeing to conduct a preliminary safety risk assessment. The minimum information required at this stage of the notice of investigation are:

- a. Affected process(es) or Product(s) part number(s) and name(s);
- b. Description of the nonconforming condition and the affected engineering requirement (i.e., what it is, what it should be and per what requirement).

If the condition is a possible safety of flight issue, submit all available information immediately. This applies to new or initial instances of an escape or potential escape, escapes or potential escapes that were previously identified and isolated by Boeing but Seller identifies additional units or a nonconformance cannot be inspected for the same nonconformance condition. This notification requirement is applicable to all Sellers, including Sellers with D-13709-4 Appendix C Escaped Product Disposition authority.

Seller shall conduct an investigation to confirm and identify if a nonconformance exist or is suspected to exist.

Seller shall notify Boeing through the Boeing supplier information system or the Preliminary Investigation Notification (Form X39312) may be used with Boeing approval or in case of system outage or unavailability.

Such notification shall include the information set forth below along with any information that may be identified on the Boeing supplier information system or in Form X39312 referenced above.

Once a nonconformance has been verified as escaped from the supplier quality management system, all information listed in a and b above (including revisions and updates) as well as c and d listed below shall be submitted to Boeing through the Boeing supplier information system within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.

- 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 and airplane line units when applicable.

For Sellers with D-13709-4 Appendix C Escaped Product Disposition authority, instead of submittal to Boeing, Seller must provide notification to the Seller's delegated material review engineers for technical review within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.

Additional Scope: This process is to be used by the seller for investigation which have been previously disposition and new information has been introduced that identifies additional scope of the original investigation. Seller shall start at the beginning of this process and submit the information as new investigation noting the earlier documentation in a manner that correlates the prior processing but clearly articulates the updated data.

If the nonconformance condition has been previously identified by Boeing using a nonconformance record and a Boeing corrective action notification included Immediate Correction (IC) or Immediate Action (IA) and Root Cause Corrective Action (RCCA) has been received, Seller shall notify the Boeing investigator identified on the notification that additional parts are affected (same part number(s)/same condition).

Flow down

The requirements set forth above shall be flowed down by Seller to Seller's supply chain, with the modification that all supply chain notification shall pass through Seller (and not made directly from the supply chain to Boeing). Seller shall notify Boeing of all sub-tier parts which have left the Seller's production system with escaped nonconformances in accordance with the respective communication process set forth herein. For purpose of this note, supply chain shall mean Seller's complete network of material, equipment, information and services integrated into the Products and Services.

References

Seller shall reference the following documents for additional NOE instructions and requirements:

- a. The D6-84111 Document
- b. The D012Z026-01 Document (787 only);
- c. The T89 Purchase Order Note (if applicable, all programs);
- d. The D012Z028-01 Document (if applicable, 787 only)

SECTION 2 NONCOMPLIANCE: DESIGN ESCAPEMENT NOTIFICATION (DEN)

Note: **Do not use the DEN process to notify Boeing of Product nonconformance escapements. Notify Boeing of nonconformance escapements using the NOE process in Section 1 of this note.**

For the purposes of this writing noncompliance applies as follows:

A DEN can only be used for a noncompliance or suspect noncompliance to a design (i.e., certification, product design, and/or business agreement noncompliance) or customer requirement as defined in documented information which includes but not limited to, digital product definition data, drawings, parts lists, materials, process specifications, and verification documents.

Note: The steps shown herein are to be used for new or completed investigations when additional data is discovered. Please see the additional scope guidelines located at the bottom of section two.

For Product(s) delivered which have been suspected or determined to contain engineering errors, (Product does not comply with certification, Product design, and/or business agreement related airplane design requirements), Seller shall provide written notification to Boeing within 3 business days.

The Boeing notification shall include:

- a. Affected process(es) or Product(s) part number(s) and name(s);
- b. Description of the nonconforming condition and the affected engineering requirement (i.e., what it is and what it should be)

Once a noncompliance or suspect noncompliance to a design or customer requirement has been verified as escaped from the supplier quality management system, all information listed in a and b above (including revisions and updates) as well as c and d listed below shall be submitted to Boeing through the Boeing supplier information system within 10 business days from the day of escape confirmation unless otherwise agreed upon by Boeing on a case by case basis.

- 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 and airplane line units when applicable.

Notification shall be made in the Boeing Customer and Supplier Data Transmittal (CSDT) system by submitting a Design Escapement Notification (DEN):

- The Boeing procurement representative will be notified by the submittal in CSDT;
- The Seller shall notify the Boeing SQR that has oversight of the Seller's facility

Additional Scope: This process is to be used by the seller for investigation which have been previously disposition and new information has been introduced that identifies additional scope of the original investigation. Seller shall start at the beginning of this process and submit the information as new investigation noting the earlier documentation in a manner that correlates the prior processing but clearly articulates the updated data.

Flow down

The requirements set forth above shall be flowed down by Seller to Seller's supply chain, with the modification that all supply chain notification shall pass through Seller (and not made directly from the supply chain to Boeing). Seller shall notify Boeing of all sub-tier parts which have left the Seller's production system with design errors in accordance with the respective communication process set forth herein. For purpose of this note, supply chain shall mean Seller's complete network of material, equipment, information and services integrated into the Products and Services.

Seller shall complete the DEN submittal in accordance with these requirements:

- a. D950-11041-1 Supplier CSDT User Guide
- b. Contact the Boeing Procurement Agent for access to the CSDT system
- c. D6-82240 Supplier change notification process requirements
- d. X Form X39672 (non-CSDT suppliers)