

Appendix E - Specification of quality requirements for purchase orders

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1. General requirements for all purchased items

- 1.1 This specification defines the quality requirements applicable to suppliers / subcontractors and it is an integral part of Pronat purchasing.
- 1.2 Requirements of this document are mandatory for each order.
- 1.3 Pronat may decide on the scope and level of the incoming inspection performed for an item purchased upon its entry into the Company.
- 1.4 Each shipment must be from the same production batch/lot. Mixed production batches will be packaged separately.
- 1.5 Humidity sensitive components will be supplied in vacuum packaging.
- 1.6 The following details will be listed on the package:
 - 1.6.1 Supplier's name
 - 1.6.2 Pronat's purchase order number
 - 1.6.3 Part number according Pronat purchase order
 - 1.6.4 Quantity of products in packaging
 - 1.6.5 Warning of static-sensitive components according to IPC 610 D.
- 1.7 The goods are designated for IAI /RAFAEL/ other customer.
 - 1.7.1 Item/material intended for IAI Vendor must meet CAG9000 requirements (last revision)
 - 1.7.2 Item/material intended for RAFAEL Vendor must meet requirements 93.00.63 (last revision)
 - 1.7.3 Item/material intended for ELBIT Vendor must meet OP301-D097-AERO, Op301-D100-ESX, Q000-D161-ESX, Q906-F046-ESG, Op301-D098-AERO requirements (last revision)
 - 1.7.4 Item/material intended for ELBIT ELOP Vendor shall verify with PRONAT if conformance to Quality code 109 and code 108 for civil aviation is required.
 - 1.7.5 Item/material intended for RADA vendor must meet WIQ-20H requirements (last revision)
- 1.8 Manufacture / supplier is authorized by customer / IAI and can be found in IAI Suppliers Website: www.iai.co.il/ and approved by PRONAT.
- 1.9 Supplier is EN/AS9100 or ISO9001 certified.
- 1.10 The supplier is required to keep the records of the product documents: acceptance documentation, inspections and audits and documentation of

production for 10 years from the date of supply or upon special demand of Pronat.
Records shall be available to PRONAT's representative or its customers.

- 1.11 Performance Indicators: The supplier's performance indicators are monitored by the customer, and if the supplier fails to meet the defined objectives, the supplier will be required to provide an improvement plan against the relevant targets.
- 1.12 The supplier will ensure that all employees associated with Pronat's order handling are aware of their contribution to product quality, product safety, and ethical behavior.
- 1.13 Information and Sustainability Requirements for key characteristics KC, critical items CI or special requirements shall be performed according to customer requirements.

2. General requirements for Catalog items (off-shelf items)

- 2.1 ESD-sensitive items will be supplied in appropriate packaging including protection against electrostatic discharge
- 2.2 Each item will be supplied by the supplier with COC (certificate of conformance).
- 2.3 Raw materials will be accompanied by the manufacturer's COA (material analysis) certificate & COC.
- 2.4 MSDS report will be provided to the supplied materials (if required)
- 2.5 All items/materials with limited shelf life defined by the manufacturer will be supplied with minimum 75% remaining shelf life when received at Pronat.
- 2.6 The supplier shall specify the expiry date for each package including production date and special storage conditions if required for materials / products with limited shelf life.
- 2.7 Do not provide electronic components over the age of 24 months.
- 2.8 A valid calibration certificate shall be attached to the measuring equipment by an authorized body.
- 2.9 If required and the components to be supplied are ROHS, those components will be accompanied by the manufacturer's declaration to meet this requirement.

3. General requirements for items manufactured according to the specifications of Pronat.

- 3.1 The manufacturing/process must be performed according to the attached documents, in full compliance with the requirements.

- 3.2 It is the supplier's responsibility to make sure that the description of the item and the documents that are detailed/defined it in the order are in an appropriate edition to the Pronat's requirements.
- 3.3 The supplier will flow down and align its subcontractors with the quality requirements of Pronat as far as this order is concerned and will verify requirements when receiving the products from its sub-suppliers.
- 3.4 Supplier shall prepare and submit a deviation/waiver request for all testing, materials, parts, assemblies, storage and process which do not conform to the requirements specified in the drawings, specifications, Purchase Order, or other applicable product description. Material may not be shipped until Pronat's written approval is received and a copy is also included in the shipment of the affected items.
- 3.5 Manufacturer / supplier shall provide MRB report including root causes and corrective actions had been taken to prevent recurrence of the defect. Rejected parts shall be stored in quarantine until obtaining PRONATs advise for parts designation
- 3.6 The supplier shall promptly notify Pronat about any changes to advertised datasheet parameters, materials, parts, design or manufacturing processes (including prescribed tests) of the articles purchased herein, that affect item's form, fit, function, safety or reliability.
- 3.7 In any event, where the order is for subcontracting production operations, the employees involved will have the appropriate qualifications for the production of the requested product, and if necessary, documentation will be provided as proof of their qualifications at the request of Pronat.
- 3.8 Pronat, his customer and relevant authorities reserve the right to inspect the source of supply or service and the supplier will assure the availability of all necessary provisions. The supplier / subcontractor will allow access to Pronat representatives, its customers and statutory and regulatory bodies to inspect the quality system, upon request and subjected to prior coordination
- 3.9 Sub-contractors or suppliers performing special processes as listed below shall notify and approve execution in advance with Pronat.
- Chemical Milling
 - Heat Treatment
 - Surface Treatment and Plating

- Welding, Brazing, Soldering
 - Laminated Structures
 - Structural Adhesive Bonding
 - Hot Forming
 - Thread Rolling
 - Casting and Forging
 - Shot-Peening and Forming
 - Non Destructive Testing (NDT)
 - Hot Dimpling
 - Electrical Discharged Machining (EDM)
- 3.10 Documents to be attached for each item/material purchased
- Each item will be provided with the subcontractor's COC
 - Each item will be provided with the original manufacturer COC for the raw materials
 - Subcontractor's COC reports for special processes
 - COT/measurement reports
 - If required ,COA of the materials used(certificate of analysis)
- 3.11 For MRB items/materials The Supplier shall not "repair" or "use as is" products supplied to Pronat without previous notifying and obtaining written approval from Pronat.
- 3.12 For First Article Inspection (FAI)
- If requested in the purchase order, FAI shall be performed according to AS9102 standard
 - FAI process is to be repeated due to:
 - Changes in products.
 - Changes in manufacturing process.
 - Change of production means (Such as Jigs & Tools).
 - Change in personal skills and experience.
 - Change of subcontractors performing special processes (such as Heat Treatment, coatings, non-destructive tests, etc.).
 - Change in production location.
 - Production recommencement after more than 2 years.
 - Pronat request

- 3.13 The vendor will refer to key characteristics KC features as required in the purchased product documentation.
- 3.14 In the absence of any other / more stringent requirement in the manufacturing references and / or in order, the minimum sample size required for the final inspection will be performed according to the sample table SQUEGLIA, AQL = 1.5, C = 0 defined in the table ZERO ACCEPTANCE SAMPLING PLANS or ANSI/ASQC Z1.4, Single AQL 1.5%, (last revision).
- 3.15 For Rafael, a 100% final inspection is required.
- 3.16 Prevention of Foreign Object Damage (FOD) Prevention plan:
The supplier shall carry out processes to prevent Foreign Object Damage (FOD), to detect it and to eliminate it. The supplier's FOD prevention plan shall be submitted to Pronat upon request.
- 4. Prevention of counterfeit materials/components.
 - 4.1 Supplier shall have a preventive system for prevention/avoidance of counterfeit material and components
 - 4.2 Supplier shall purchase authentic materials only from the original manufacturer or approved distributor
 - 4.3 Supplier shall maintain and ensure that all purchasing documents, manufacturing traceability, material reports, inspection and testing reports and others, are available and will be sent upon request by Pronat.
 - 4.4 The supplier must maintain a system that will ensure the traceability of the supply chain of the components supplied. The traceability of the purchase shall include: details of the supply chain from the manufacturer of the original component to the direct source from which the component was purchased by the supplier, if appropriate, the appropriate supply of paperwork to prove the supply chain from the producer to the final customer.
 - 4.5 The supplier must attach to each shipment the original certificate of conformity (COC) issued by the component manufacturer.
 - 4.6 The vendor must maintain records including DATE CODE, batch/lot numbers and any other documentation attached to the purchase order and the invoice. The supplier must attach to each supply an Original Certificate of Test (COT), if required
 - 4.7 It is required to report inspection gage/tool used for measurement.
 - 4.8 Measurement result is required (no V mark).

- 4.9 Identify the FAI part with a tag.
- 4.10 All items must be new and unused.
- 4.11 Suppliers and manufacturers of raw materials and Special processes will be performed by IAI approved suppliers in the internet site:
www.iai.co.ill/suppliers-eng./customer
- 4.12 The vendor will pass all quality requirements (flow down) to its subcontractors, including process suppliers.
- 4.13 All products shall be inspected and accompanied by an inspection report, 100% inspection.
- 4.14 Inspection report shall include dimensions and gauges that were in use.
- 4.15 W.O. will be issued by manufacturer.
- 4.16 Serviceable tag.
- 4.17 Inspection reports.
- 4.18 Process certificates.
- 4.19 Supplier responsibility is to protect the products (including proper packaging) in order to avoid mechanical damage and FOD during manufacturing process, interim transportation and shipping.
- 4.20 Special process validation - supplier shall validate every special process. Records shall be available to PRONAT's representative upon demand.
- 4.21 Manufacture shall be performed according to PS which can be obtained from the IAI Suppliers Website.
- 4.22 The supplier is required to manufacture according to latest revision of drawing. (For IAI customer), which can be obtained from IAI Suppliers Website and according to updated W.O had been obtained.

5. FOR CAG SUPPLIERS:

- If the purchase is not from a Framework Agreement Supplier (1E), the supplier shall plan, implement and control for prevention the use of counterfeit or suspect counterfeit parts according to AS5553, AS6174 and IAI PS 47400 and shall conform the following during receiving inspection:
- Check the validity of the Test Reports, COC, and shipping documents against P.O and applicable drawings and specifications.
- Full traceability of supply chain (from original manufacturer thru distributor is maintained)
- Verify that goods were received from IAI approved/ agreed suppliers.

- For Supplier Type 13 (BTS) designs the supplier can use his own sourced hardware, raw material, etc. from supplier's approved sub tiers.
 - Perform good & damage (visual) Inspection for incoming goods. (Dimensional inspection will be done by decision of Quality Manager)
 - When required, send samples of raw materials, hardware, and rubber, adhesive, potting and sealing to IAI laboratory or IAI approved Laboratory or by laboratory accredited by ILAC or equivalent for verification inspection.
6. The Supplier is aware of his contribution to product conformity.
 7. The Supplier is aware of the product safety. In case there is any relevant requirement, it will be defined in the PO.
 8. The Supplier is aware of the importance of ethical behavior.
 9. The supplier is aware of the importance and the implications of counterfeit components and is required to conduct actions in order to prevent the use of counterfeit materials. For RAFAEL prevention the use of counterfeit or suspect counterfeit parts according to AS6174.
Supplier evaluation - Supplier's evaluation process, conducted by PRONAT, is based on parameters of quality & schedule. In case supplier's score is, lower than 60 supplier should receive a SCAR and will be required for a corrective action plan.
 10. In case where raw material is defined as critical, supplier shall conduct a process of raw material validation.
 11. Special process validation - supplier shall validate every special process. Records shall be available to PRONAT's representative upon demand.