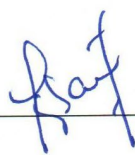




Sunshine Avionics Manufacturing Division Quality Control Procedure SQAM Supplier Quality Assurance Manual

Revision B
April 10, 2026

Accountable Manager, President:  Date: 4/10/2026

Director of Quality:  Date: 4/10/26

Department Manager:  Date: 4/10/26

UNCONTROLLED DOCUMENT NOTICE

This is a controlled document only within the Sunshine Avionics Manufacturing Division Quality System. If you have received this document either in print or electronic form, it will not be regularly updated to the latest revision level. Please contact the Sunshine Avionics Manufacturing Division Director of Quality for the latest revision.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

Table of Contents

1.0 INTRODUCTION	2
2.0 GENERAL QUALITY SYSTEM REQUIREMENTS.....	2
3.0 FIRST ARTICLE INSPECTION (FAI) REPORTS.....	3
4.0 CERTIFICATES OF CONFORMANCE	4
5.0 TRACEABILITY AND RECORDS	4
6.0 ENGINEERING DESIGN, MATERIALS AND REQUIREMENTS.....	6
7.0 SHELF LIFE.....	6
8.0 COUNTERFEIT MATERIAL	6
9.0 OBSOLESCENCE MANAGEMENT	7
10.0 ELECTROSTATIC DISCHARGE.....	7
11.0 FOREIGN OBJECT DEBRIS/DAMAGE.....	7
12.0 WORKMANSHIP	8
13.0 INSPECTION AND SAMPLING.....	8
14.0 PRESERVATION.....	8
15.0 DPAS RATINGS – BASIC PROVISIONS.....	8
16.0 NONCONFORMANCE AND RETURNED MATERIAL.....	9
17.0 CORRECTIVE ACTIONS.....	10
18.0 FLOW DOWN	10
19.0 SUPPLIER RATINGS.....	11
20.0 PURCHASE ORDER / CONTRACT INFORMATION	12
21.0 CONFLICT MATERIALS.....	12
22.0 REVISION HISTORY.....	13

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

1.0 INTRODUCTION

- 1.1 This document defines the Quality Assurance requirements for Sunshine Avionics Manufacturing Division purchase orders. The intention is that all applicable suppliers conform to all requirements listed below. These requirements are in addition to any specific requirement listed as a note on the purchase order.

2.0 GENERAL QUALITY SYSTEM REQUIREMENTS

- 2.1 Quality Management System Requirements – It is preferred that the supplier's Quality System is certified to AS9100, but ISO 9001, AC7004, or ISO 17025 certification is acceptable. Alternate equivalences will be evaluated on a case-by-case basis. Any supplier that is not certified to the below listed (or later revision levels) will be viewed as high risk and only chosen when deemed necessary.

Manufacturer / Contract Manufacturer	AS9100:2016 and/or ISO9001:2015
Distributor / Broker	AS9120:2016
Process Supplier	AC7004
Calibration / Test Laboratory	ISO 17025:2017

- 2.2 Right of Entry – At any time during the performance of the contract or for a 10-year period after its completion, Sunshine Avionics Manufacturing Division, aircraft manufacturers, customers and regulatory authorities reserve the right to perform audits and/or inspections at the supplier's and/or supplier's subcontractor's facility on the manufactured and/or repaired parts. Supplier material, records, process and routing sheets, manufacturing, and test and inspection facilities are subject to review by Sunshine Avionics Manufacturing Division and/or Sunshine Avionics Manufacturing Division customers (commercial, designated government representatives, regulatory authorities). When on-site verification of contract/purchase order conformance is required, the supplier shall provide the equipment, facilities, and personal necessary for the Sunshine Avionics Manufacturing Division representative to verify compliance.
- 2.3 Notification of Organizational Changes – The supplier is required to promptly notify Sunshine Avionics Manufacturing Division buyer in writing of any product modifications, process modifications, and/or anomalies which may adversely affect the quality, or reliability of items supplied for use by Sunshine Avionics Manufacturing Division. Notification shall occur within three working days of discovery of the deviation.
- 2.4 Audits and Surveys – All suppliers are required to complete a desk audit/survey or submit documentation that provides equivalent information to ensure that the supplier's quality management system is acceptable. An on-site audit may be performed to validate this information.
- 2.5 On-site audits will be requested at least 5 business days in advance.
- 2.6 If a supplier's third-party certificate expires and is not immediately renewed, the supplier must, at a minimum, satisfactorily complete the desk audit/survey. Suppliers without a third-party quality management system certification must complete survey annually. Suppliers with a third-party quality management system certification must complete the survey based on certification length of their AS/ISO/AC certificate.
- 2.7 Calibrated Inspection Tooling – Measuring equipment shall be calibrated, verified, or both, at specified intervals, or prior to use, against measurement standards traceable to

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

international or national standards; when no such standards exist, the basis used for calibration or verification shall be retained as documented information. Suppliers are required to maintain a calibration system, including a method of recall, for measuring tools and equipment that complies with the requirements of its quality system. Any inspection method used to accept a Sunshine Avionics Manufacturing Division product must be proven capable and accurate for the intended purpose. Sunshine Avionics Manufacturing Division may request inspection documentation with shipment and will be noted on the purchase order or Sunshine Avionics Manufacturing Division drawing.

- 2.8 Source Inspection – Sunshine Avionics Manufacturing Division may require the Source Inspection be performed prior to shipment. Sunshine Avionics Manufacturing Division will provide notification at least 4 days in advance that a source inspection will take place.
- 2.9 Failure to comply with product release requirements may result in a receiving inspection fee per shipment received based on Sunshine Avionics Manufacturing Division's incurred costs or a minimum of \$500 and may incur additional product rejection charges.
- 2.10 Supplier to provide written notification to Buyer for any assembly or manufacture of Sunshine Avionics Manufacturing Division designs performed outside the United States. Supplier to provide location of manufacture and applicable part numbers.

3.0 FIRST ARTICLE INSPECTION (FAI) REPORTS

- 3.1 First Article Inspections are required for each part that is manufactured or modified for Sunshine Avionics Manufacturing Division. A First Article Inspection is a process used to determine if the production process is capable of producing parts and assemblies that meet the requirements and must be done in accordance with AS9102. Instructions, training, forms, and additional information will be provided to the supplier by Sunshine Avionics Manufacturing Division.
- 3.2 FAIs must be repeated when any of the following occur:
 - a. Drawing revision change.
 - b. A change in manufacturing source, process, inspection method, location of manufacture, tooling or material that can potentially affect fit, form, or function.
 - c. A change in manufacturing machine programming that can potentially affect fit, form, or function.
 - d. A natural or man-made event, which may adversely affect the manufacturing process.
 - e. An implementation of corrective action required to complete a previous FAI.
 - f. A lapse in production for two years occurs.
 - g. A change in Sub-tiers/Source of Supply.
- 3.3 Sunshine Avionics Manufacturing Division reserves the right to request a new full FAI for parts being purchased for the first time from suppliers. This includes first-time orders for products acquired by Sunshine Avionics Manufacturing Division through mergers and acquisitions, even when supplier from previous business has completed FAIs and has valid First Article Inspection Reports (FAIRs) on file. This request will be noted on the purchase order.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- 3.4 Failure to provide compliant FAI reports can include rejection of material, rejection of documentation, and/or corrective action. Suppliers shall provide First Article Inspection Reports (FAIR) prior to shipping material for Sunshine Avionics Manufacturing Division personnel to perform review. Any questions should be sent to buyer for distribution to the internal Sunshine Avionics Manufacturing Division team. Unless otherwise instructed, a FAIR must be approved by Sunshine Avionics Manufacturing Division prior to shipping the material.
- 3.5 FAIs are also required for any subcomponents manufactured to Sunshine Avionics Manufacturing Division designs. For example, a Printed Wiring Assembly (Circuit Card with Components) would require a FAI for the Assembly and the Raw Printed Wiring Board. Both must be completed with AS9102 requirements.
- 3.6 Printed Wiring Board Changes – Sunshine Avionics Manufacturing Division requires advanced notification of any and all changes to in-process or source of supply for printed wiring boards (PWBs). A Full FAI shall be performed per the requirements of this section and AS9102. FAI shall include, at a minimum, a cross-sectional analysis validating the etchback process, as applicable, and coupons to validate layer thickness and copper weights.

4.0 CERTIFICATES OF CONFORMANCE

- 4.1 A certificate of conformance (CofC) is a document certified by a competent authority that the supplied good or service meets the required specifications. A CofC is required with each shipment and must contain the following information:
 - a. Sunshine Avionics Manufacturing Division Part Number
 - b. Sunshine Avionics Manufacturing Division Part Number Revision Level
 - c. Purchase Order Number and Purchase Order Line
 - d. Quantity Shipped and Unit of Measure
 - e. Approved Supplier Deviation Form (if necessary)
 - f. CofC for (raw) material is required with each shipment if making product from raw material or upon request.
 - g. CofC for surface coating and paint required with shipment, if applicable.
 - h. Any applicable industry or regulatory standard. For example, if chem film coat is required per MIL-DTL-5541, the Certificate of Conformance or CofC must list this standard and include the specific Type and Class as required by the Sunshine Avionics Manufacturing Division drawing.
- 4.2 Certificate of Analysis – A certificate of analysis (CofA) is similar to a CofC except that it includes specific test conditions, test parameters, test specifications/expected results, and final results. A CofA can be accepted in lieu of or in addition to a CofC.

5.0 TRACEABILITY AND RECORDS

- 5.1 Traceability to Manufacturer – Suppliers are required to have the ability to trace material used in Sunshine Avionics Manufacturing Division parts to the Original Equipment Manufacturer (OEM)/Original Component Manufacturer (OCM).

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

What this means is that any material used to build Sunshine Avionics Manufacturing Division product should have a Certificate of Conformance that can be provided upon request. This request should be filled within 2 business days to support customers and end users.

- 5.2 A source authorized by the OEM/OCM is acceptable if the Manufacturer's Certificate of Conformance is available and can be provided upon request. This includes electronic components, raw material (plastics, metal, etc.), and Commercial-Off-The-Shelf (COTS) parts. This requirement must be flowed down to sub-tiers. Any materials/components purchased from brokers and not from an authorized distributor must be approved prior to purchase by Sunshine Avionics Manufacturing Division.
- 5.3 Unauthorized or Independent Distributors (Brokers) shall not be used without an approval by Sunshine Avionics Manufacturing Division. The request must be in writing.
- 5.4 All documentation must be numerically linked to maintain full traceability. Numerical link can be established by referencing the purchase order number, job number, lot/batch number, work order number, or serial number on all documents provided with each shipment. A part number is not considered a numerical link.

The objective of this requirement is to ensure that Sunshine Avionics Manufacturing Division can identify the original manufacturer of specific material used and, if necessary, contact the original manufacturer if a problem is identified by Sunshine Avionics Manufacturing Division or one of its customers.

- 5.5 Record Retention – Records must be retained for no less than 10 years unless otherwise agreed upon by Sunshine Avionics Manufacturing Division Quality Department. This record may be digital or on paper but must be able to be retrieved within 2 working days. If the supplier cannot meet the 10-year record retention, the supplier must provide the OEM/OCM Certificate of Conformance with the shipment. Suppliers with less than 10-year record retention will only be provided limited approval.

At the expiration of such period set forth above and prior to any disposal of records, the supplier will notify Sunshine Avionics Manufacturing Division of records to be disposed of and Sunshine Avionics Manufacturing Division reserves the right to request delivery of such records. In the event Sunshine Avionics Manufacturing Division chooses to exercise this right, the supplier shall promptly deliver such records to Sunshine Avionics Manufacturing Division at no additional cost on media agreed upon by both parties. Any documentation destroyed must be securely disposed of to prevent unauthorized use.

- 5.6 Digital Records and Backups – Adequate backup information, processing, resources, and data should be provided to ensure that all essential business data and software can be recovered following a computer disaster or media failure. Backup/replicated data must be stored off-site. Any physical media that is not required onsite must be stored with a secure and bonded off-site data storage service provider. The off-site data storage facilities must be at a sufficient distance and have sufficient protection to escape any damage from a localized disaster at the main site.
- 5.7 Providing Records Upon Supplier Shutdown – If a supplier should cease operations, all traceability and quality records must be provided to Sunshine Avionics Manufacturing Division. Sunshine Avionics Manufacturing Division must receive notification at least 5 business days prior to ceasing operations.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- 5.8 MSDS/SDS – Material safety data sheets/safety data sheets must be available upon request for chemicals as applicable (see 6.0).

6.0 ENGINEERING DESIGN, MATERIALS AND REQUIREMENTS

- 6.1 Materials Changes and Substitutions – Any requests for changes to the design, materials or requirements specified on the engineering drawing must be submitted to Sunshine Avionics Manufacturing Division in writing on a Supplier Deviation Form prior to incorporating change into the product. Unauthorized changes or substitutions are subject to rejection at no cost to Sunshine Avionics Manufacturing Division. The Supplier Deviation Form is the only acceptable means of approval. If a drawing calls out an “or Equivalent”, this equivalence must be reviewed and approved by Sunshine Avionics Manufacturing Division.

Deviations provided through emailed instructions or over the phone and not on an approved Supplier Deviation form are not valid.

- 6.2 Supplier Deviations – A Supplier Deviation form will be provided by Sunshine Avionics Manufacturing Division upon request, and once completed, should be sent to Sunshine Avionics Manufacturing Division buyer for immediate review. Once a disposition is made, you will be notified and receive a copy of the signed/approved deviation. A copy of the signed/approved deviation must accompany the shipment. Missing/incomplete documentation could delay receiving and payment for the shipment, or product may be returned to supplier for correction.

7.0 SHELF LIFE

- 7.1 Shelf Life/First-In-First-Out (FIFO) – All shelf-life restricted items must list Date of Manufacture (DOM) and Date of Expiration (DOE). Items received with a shelf life must have a minimum of 70% of its remaining life left, unless otherwise noted on Purchase Order or an approved Supplier Deviation Form.

8.0 COUNTERFEIT MATERIAL

- 8.1 Counterfeit material avoidance in accordance with AS5553, AS6174, and DFAR 252.246-7007 is required for suppliers and sub-tiers. Suppliers are required to notify Sunshine Avionics Manufacturing Division if materials are procured from sources not authorized by the manufacturer before using in Sunshine Avionics Manufacturing Division products. Sunshine Avionics Manufacturing Division must perform a risk analysis and evaluation to determine if further steps or testing must be performed on the material prior to their use.
- This requirement applicable for electronic components as well as raw metal stock.
- 8.2 Components sourced through distribution must be traceable to original or authorized source and documentation must be made available within 2 working days of delivery.
- 8.3 If material is found to be counterfeit, supplier must provide information on the source of where said material was procured from.
- 8.4 Suppliers may be liable for cost recoupment when unauthorized material is used in product delivered to Sunshine Avionics Manufacturing Division. This may include additional fees beyond material costs.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

9.0 OBSOLESCENCE MANAGEMENT

- 9.1 Notification must be provided to Sunshine Avionics Manufacturing Division should a component's lifecycle status change to sunset, End-of-Life, or if a report of counterfeiting has been documented.

10.0 ELECTROSTATIC DISCHARGE

- 10.1 Any parts that are susceptible to electrostatic damage must be protected by use of material compliant to ANSI/ESD-S20.20, JESD625, or MIL-STD-1686.

11.0 FOREIGN OBJECT DEBRIS/DAMAGE

- 11.1 The supplier shall ensure that Foreign Objects and subsequent Foreign Object Debris/Damage (FOD) are eliminated from all parts prior to shipment.
- 11.2 A program in compliance with NAS412 and AS9146 will meet the Sunshine Avionics Manufacturing Division requirements.
- 11.3 Potential FOD includes but is not limited to burrs, chips, dirt, corrosion, and contamination resulting from the manufacturing, assembly, maintenance, processing, cleaning, storage, and subsequent packaging of parts.
- 11.4 Suppliers must ensure all passageways—cast and/or machined—are clear of chips, core material, dirt, breakout of cast walls, etc.
- 11.5 Prior to closing inaccessible or obscured areas and compartments during assembly, supplier shall ensure the areas are free of FOD.
- 11.6 Suppliers must ensure all parts are clean and FOD free prior to shipment.
- 11.7 Suppliers are required to maintain a FOD prevention program, which includes prevention and elimination of FOD from the manufacturing processes and work areas.
- 11.8 Specific attention should be given, where applicable, to items such as:
- a. Housekeeping
 - b. Food and beverage control
 - c. Tool and small part accountability
 - d. Loose objects
 - e. Material handling and parts protection
 - f. External cleaning following evidence of external contamination
- 11.9 Suppliers shall ensure that the responsibility for the FOD prevention program is clearly defined, and appropriate personnel have received FOD awareness training.
- 11.10 Suppliers are responsible for flow down of these requirements to their sub-tier suppliers to ensure FOD-free products.
- 11.11 Suppliers FOD prevention program and controls are subject to periodic audits as deemed necessary to ensure program effectiveness and compliance. This includes, but not limited to, Failure Analysis Reports, Containment and Preventive Corrective Action Plans taken to preclude recurrence. These reports shall be made available and submitted upon request through formal notification.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- 11.12 For additional information regarding FOD prevention, refer to NAS 412, "Foreign Object Damage/Foreign Object Debris (FOD) Prevention" and AS9146 "Foreign Object Damage Prevention Program".

12.0 WORKMANSHIP

- 12.1 Suppliers must have the necessary processes, procedures, and guidelines in place to ensure product is uniform and free of any cosmetic defects. This would include any visible scratches, blemishes, dents, burrs, dimples, paint discoloration/chipping. Rack and/or machine marks must not be visible and must be touched up and/or reworked prior to shipment of Anodized, Paint, Chem Film, and Powder Coat parts (unless otherwise permitted by the drawing).
- 12.2 Qualifications for Special Processes (i.e. Solder) – Employees performing special processes must have a valid certification or licenses.
- 12.3 Workmanship of Soldering – Unless otherwise noted any soldering performed must be done in accordance with current version of J-STD-001 and inspection must be performed to IPC-A-610. Unless otherwise specified, lead-based solder, 63/37 or 60/40 must be used. Unless otherwise noted, all solder workmanship is expected to be Class 3. No solder bridges are allowed on common traces.
- 12.4 Suppliers shall reference IPC-A-630 Acceptability Standard for Manufacture, Inspection, and Testing of Electronic Enclosures for best practices to meet requirements.

13.0 INSPECTION AND SAMPLING

- 13.1 Inspection and Sampling Plans – Any supplier developed sampling plans used for acceptance of final product must be based on a C=0 plan, where if a single part in a batch is nonconforming, all subsequent parts of the same batch must be inspected 100%. Nonconforming material must not be provided to Sunshine Avionics Manufacturing Division. Use of ANSI/ASQ Z1.4 processes are preferred.
- 13.2 Suppliers are responsible for providing material that is defect-free. Suppliers are responsible for ensuring that any material provided to them by a sub-tier is defect-free

14.0 PRESERVATION

- 14.1 Suppliers must have the necessary processes, procedures, and guidelines to protect product parts and materials during internal processing, handling, storage preservation and delivery to the customer.
- 14.2 Shipping and Delivery
- 14.2.1 Packaging, Identification, Mixed Lots – Mixed parts or lots may be packed in the same exterior box so long as each part/lot is individually packed and identified within the outer box.
- 14.2.2 Products must be packaged to ensure damage will not occur during shipment.
- 14.2.3 Exposed electronic assemblies must be shipped in ESD safe packaging. It is preferred that all circuit boards be shipped with resealable ESD mylar bags.

15.0 DPAS RATINGS – BASIC PROVISIONS

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- 15.1 Mandatory Acceptance: A contractor, subcontractor, or supplier shall accept a rated order when:
- a. They make/buy the item
 - b. Normal terms of sale apply
 - c. When they can meet delivery dates required by the contract. A rated order shall be accepted or rejected, in writing, within 15 working days for DO rated orders and 10 days for DX rated orders. Special requirements apply for emergency preparedness rated orders.
- Exceptions are found in 15 CFR 700.13(b)
- 15.2 Mandatory Extension: Suppliers are responsible for extending the received rating to their suppliers to obtain items needed to fill rated orders or to obtain replacements of inventoried items.
- 15.3 Priority Scheduling: Operations, including the acquisition of all needed production items, shall be scheduled to satisfy the delivery requirements of each rated order.
- 15.4 Notification Requirements: If a supplier has accepted a rated order and subsequently finds that shipment or performance will be delayed, the supplier must notify Sunshine Avionics Manufacturing Division within 24 hours, provide the reasons for the delay, and advise Sunshine Avionics Manufacturing Division of a new shipment date. If notification is given verbally, written (hard copy) or electronic confirmation must be provided within one working day of the verbal notice.
- 15.5 Rejection of DO or DX orders must be in writing (hard copy), or in electronic format, giving the specific reason for the rejection.

16.0 NONCONFORMANCE AND RETURNED MATERIAL

- 16.1 Nonconforming Material including Identification – No product shipped may be nonconforming to applicable drawings and/or procedures unless approved prior to shipment. See Supplier Deviations.
- 16.2 Previously Shipped Nonconformance – If the supplier identifies a nonconformance that has already shipped to Sunshine Avionics Manufacturing Division, the supplier must contact the Sunshine Avionics Manufacturing Division buyer and provide written notification that includes the PO number, PO Line, Part Number, Quantity of Shipment, and the Date of Shipment. If the courier tracking number can be provided, it should be included as well. This notification is required within 24 hours of identification of nonconformance.
- 16.3 Sunshine Avionics Manufacturing Division will review for disposition and potential return of nonconforming material to supplier. The supplier shall put in place a containment action to ensure that further shipments of material with the identified nonconformance is not shipped to Sunshine Avionics Manufacturing Division.
- 16.4 Vendor Returned Merchandise Authorization (VRMA) Handling – After a returned part is reworked or replaced, a copy of the return paperwork must be included with the returned shipment. This documentation should provide details as to why the failure occurred and the preventive action taken to prevent reoccurrence. The supplier will be required to conduct a full (100%) inspection of all parts returned on a VRMA.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- 16.5 MRRs – Material Rejection Reports are written against any non-conforming product. MRRs that are written on products delivered by suppliers are subject to be answered by what caused the nonconforming product and an action(s) taken to prevent delivery of that same non-conforming product to Sunshine Avionics Manufacturing Division.

Suppliers shall have 2 business days to provide containment actions and 10 business days to provide the “cause” and “action” of the nonconforming product(s). If the supplier does not provide the cause and action within 10 days, a Corrective Action Request (CAR) may be issued. Ref. 17.0 Corrective Actions.

An agreed extension may be granted to allow more time for the supplier to provide cause and effect.

17.0 CORRECTIVE ACTIONS

- 17.1 Corrective Action Requests (CAR) may be issued to suppliers for product, process or systemic nonconformances found.
- 17.2 Corrective actions may be issued due to repeat product nonconformances, failure to adhere to requirements in this manual, process failures detected after shipment, or returns from Sunshine Avionics Manufacturing Division’s customers where it has been determined that the supplier was at fault.
- 17.3 Supplier has 30 calendar days from the date of CAR issuance to provide an acceptable response for root cause and corrective action.
- 17.4 Containment actions to correct any items in process, in stock, or at the supplier must be taken prior to shipment of additional product and must be provided within 5 business days after issuance of CAR.
- 17.5 Verification of corrective actions must be performed to ensure their effectiveness is achieved.
- 17.6 Failure to provide adequate response or put into practice any identified corrective actions can result in the termination of the purchase order and reduction or elimination of future purchase orders.
- 17.7 Should a corrective action not prove effective by way of repeat occurrence with the same root cause, Sunshine Avionics Manufacturing Division reserves the right to charge “Cost of Quality” fee for costs incurred in verifying product quality and administering quality inspections, documentation, and reporting.

18.0 FLOW DOWN

- 18.1 Suppliers will flow down all applicable requirements of the purchase order to their suppliers to ensure conformance with all specifications, drawings, quality system requirements, regulations, public law, and other requirements as may be specified in the purchase order. Suppliers are responsible for any work performed by sub-tiers.
- 18.2 Suppliers will incorporate into each lower tier contract issued in support of the purchase order all applicable FAR and DFARS clauses in accordance with the flow-down requirements specified in such clauses.
- 18.3 Contribution to Quality - Suppliers must ensure that employees and sub-tier suppliers/external providers are aware of:

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

- a. their contribution to product or service conformity;
- b. their contribution to product safety;
- c. the importance of ethical behavior.

19.0 SUPPLIER RATINGS

- 19.1 Supplier Rating Scoring Criteria – Sunshine Avionics Manufacturing Division records and tracks Quality and On Time Delivery (OTD) performance to create Supplier Rating Scores.
- 19.2 Supplier Rating Score is based on Quality Performance (75%) and OTD (25%).
- 19.3 Quality performance is determined by the quantity of acceptable parts in a lot. If the parts are inspected 100% and it is determined that only half of the supplier's parts for that shipment are acceptable, then the supplier is awarded 37.5 points for that shipment. If the parts are inspected on a sampling plan and are rejected, the entire lot will be rejected. Zero points will be award for quality performance for this shipment.
- 19.4 On Time Delivery performance is determined by the date which the parts are received into the Sunshine Avionics Manufacturing Division ERP system. The date may not be the same as the delivery date from the courier as there may be additional circumstances preventing receipt such as missing documentation (CofC, Supplier Deviation, etc.).
- 19.5 One point is deducted for shipment delays within 4 days after scheduled delivery date on the Sunshine Avionics Manufacturing Division Purchase Order. Additional points are deducted for late delivery based on the table below:

DAYS LATE	POINTS DEDUCTED
4	1
5	5
10	10
20	25

- 19.6 If the supplier delivers material more than 20 days before the scheduled delivery date on the Sunshine Avionics Manufacturing Division Purchase Order, 6 points will be deducted. Early shipment of material requires prior authorization from Sunshine Avionics Manufacturing Division buyer.
- 19.7 Any differences in delivery scoring between Sunshine Avionics Manufacturing Division and the supplier will be reviewed by the Sunshine Avionics Manufacturing Division purchasing department.
- 19.8 On a quarterly basis, Sunshine Avionics Manufacturing Division will review the supplier's monthly and rolling 12-month performance.
- 19.9 In the event the supplier's acceptance rate falls below 90%, Sunshine Avionics Manufacturing Division reserves the right to place the supplier on a 60-day probation for the purpose of correcting the issues that caused the performance decline. If individual deliveries during such probationary period fall below a 95% acceptance rate, Sunshine Avionics Manufacturing Division reserves the right to terminate the current purchase order pursuant to the conditions listed in the below paragraphs.
- 19.10 For the purpose of this clause, acceptance shall be defined against conformance of the delivered product to the item's drawing and testing specification revisions as listed. The

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

score will be cumulative across all quantities delivered on all deliveries during the previous 30-day time frame. For example, if one delivery has 5 failures out of 10 units and another delivery has 0 failures out of 100 units, total rating shall be 95.45% (105 out of 110).

20.0 PURCHASE ORDER / CONTRACT INFORMATION

- 20.1 Should Sunshine Avionics Manufacturing Division decide to terminate the purchase order due to either of the above listed conditions, Sunshine Avionics Manufacturing Division's liability is limited only to supplier's original purchase price for raw materials associated with the remaining quantity on the purchase order, subject to the acceptance of said components through Sunshine Avionics Manufacturing Division's quality management system. Should Sunshine Avionics Manufacturing Division's AP account with supplier show a negative balance due to non-return of RMA units, Sunshine Avionics Manufacturing Division shall deduct that value from any outstanding or future liabilities with supplier or shall issue a debit note or invoice of the open balance to the supplier which shall be paid by the supplier within thirty (30) days following receipt of such debit note or invoice.

21.0 CONFLICT MATERIALS

- 21.1 If supplier is providing goods, supplier shall use commercially reasonable efforts to:
- Identify whether such goods contain tantalum, tin, tungsten, or gold.
 - Conduct a reasonable country of origin inquiry regarding the origin of such minerals in such goods to determine whether such minerals originated in covered countries, as defined in section 1502 of the DODD-FRANK Wall Street Reform and Consumer Protection Act.
 - Conduct due diligence on the chain of custody of the course of any minerals originating in covered countries to identify the smelter of said minerals.
 - Assist buyer in conducting reasonable due diligence concerning the smelters of such minerals.
- 21.2 Supplier shall include the statement of conflict minerals in any agreement between supplier and its lower-tier suppliers. Supplier shall provide buyer with reasonable documentation of supplier's and its lower tier suppliers' due diligence efforts, in a format prescribed by buyer, when requested by buyer to enable disclosure to the securities and exchange commission.

For additional terms and conditions, see Sunshine Avionics Manufacturing Division Form #1058 Purchase Order General Terms and Conditions.

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.

22.0 REVISION HISTORY

Date	Revision	Description	Name
05/24/2024	Original	Initial Release	Laura Gonzalez
09/05/2024	A	§ 3.2 paragraphs 8 and 9 removed. § 3.3 added. Formatting was updated.	Laura Gonzalez
04/10/2026	B	Reformatted After Import From PDF Throughout: Correct various spelling & grammar issues. § 19.0 Supplier Rating was clarified to be in alignment with QCP 014 (Supplier Evaluation)	Ken Wagner

Proprietary Notice

This document and the trade secrets it contains are the property of Sunshine Avionics, a subsidiary of HEICO. It shall not be used, disclosed to others, or reproduced in whole or in part, without the express written consent of Sunshine Avionics.