BDS Terms and Conditions

Clause Number: Q219L Effective: 03/26/2014

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NOTIFICATION / DISPOSITION OF NONCONFORMING MATERIAL - MD-1898

When Seller determines a nonconformance exists or is suspected to exist on goods and/or services <u>already delivered</u> to Buyer under this Contract, Seller shall notify Buyer's Authorized Procurement Representative and submit Buyer's Form MD-1898, "Request for Deviation/Waiver" with all required information within three (3) business days of when nonconformance was determined. However, if the nonconformance affects safety of flight or is mission critical; Seller shall immediately provide all available information.

When Seller identifies nonconforming condition(s) which affects fit, form, function, safety, weight, maintainability or appearance (where a factor), of goods or services <u>not yet delivered</u> under this Contract, Seller shall notify Buyer's Authorized Procurement Representative and submit Buyer's Form MD-1898, "Request for Deviation/Waiver" to request Buyer's disposition of any proposed "Repair" or "Use-As-Is" disposition, or similar disposition.

However, when Seller is requesting Buyer's disposition of any proposed "Repair" or "Use-As-Is" disposition, or similar disposition for goods or services <u>not yet delivered</u> and Seller is located in the seven county Southern California area (i.e., Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura counties) <u>and</u> the 'Ship To' location is Boeing location of; Long Beach (CA), Macon (GA), or New Breed in Santa Fe Springs (CA), then Seller shall contact Buyer's local source inspector in lieu of submitting Form MD-1898.

NOTE: Form MD-1898, Request for Deviation/Waiver is available at; http://www.boeingsuppliers.com/supplier_portal/bdsSiteReqs.html