

QUALITY ASSURANCE CLAUSES #1- 13 SHOWN BELOW ARE STANDARD PURCHASE ORDER CLAUSES AND ARE IN ADDITION TO OTHER STANDARD TERMS AND CONDITIONS OF THIS PURCHASE ORDER.

1. **CERTIFICATIONS:** Supplier shall provide a "Certification of Compliance" that material and/or articles meet all provisions of this Purchase Order. Certifications must accompany each production release delivered against this purchase order and must contain as a minimum the following:
 - Purchase Order Number.
 - Part number
 - A statement that the material conforms to the applicable specifications.
 - Signature of authorized agent, and title.
2. **INSPECTION SYSTEM:** Unless otherwise specified on the face of this purchase order, the Supplier shall have an adequate inspection system for maintaining control of materials/products fabricated/manufactured in their facility. Calibration procedures must meet, as a minimum, the requirements of ISO 17025 or ANSI Z-540. Supplier's inspection system may be periodically audited by Northwest Metalcraft (NWM) personnel and/or by its customers.
3. **DELIVERABLE ITEMS:** Articles or materials shall be manufactured or produced in accordance with applicable blueprints and/or specifications. Deviations may be made only by written amendment to the purchase order when authorized by NWM's. Existing deviated material may only be shipped after receiving written authorization from NWM. A copy of the authorization must be attached to the shipment.
4. **ESCAPMENT NOTIFICATION:** Supplier shall notify NWM of any nonconforming product when detected after delivery.
5. **APPROVED FACILITIES:** It is the Supplier's responsibility to utilize only approved facilities for processing (such as Magnetic, X-ray or Zyglo Inspection, heat treating, plating, anodizing, etc.) used in performance of work relating to this order. Work performed by non-approved facilities is subject to rejection.
6. **PRESERVATION AND PACKAGING REQUIREMENTS:** Unless otherwise specified, the Supplier shall maintain controls to assure the accomplishment of preservation, packaging, and shipping requirements of this order. The use of best commercial practices shall not relieve the Supplier of responsibility for packaging in a manner that will insure receipt at NWM in an acceptable condition.
7. **NWM FURNISHED MATERIALS FOR SPECIAL PROCESSES:** Unless otherwise specified, all materials furnished for special processing, shall not be undershipped. Rejected materials shall be identified and segregated from acceptable materials. Rejected materials shall be returned to NWM for disposition as/is necessary.
8. **NWM FURNISHED RAW MATERIALS:** Unless otherwise specified, materials furnished to Supplier's shall be used in the manufacture of articles specified in this order. Materials scrapped in excess of allowable tolerance, shall be dispositioned as necessary.
9. **NWM FURNISHED TOOLING/EQUIPMENT:** Unless otherwise specified, all tooling and equipment furnished for this order shall be maintained in good condition and used for the manufacture of articles for NWM. Tooling/equipment shall be available for examination by NWM's personnel and/or returned to NWM upon request or termination of this order. Supplier is responsible for timely calibration of all such tools.
10. **RECORDS:** Suppliers may retain records and shall send to NWM all manufacturing, inspection, test and applicable records relevant to the order, unless otherwise noted by NWM. If records are to be kept by supplier these records must be legible, readily identifiable, easily retrievable and stored in a manner to protect them from any potential damage. These records are to be kept for a minimum of seven (7) years with right of access to documents and records granted to NWM. Supplier shall also establish the means to disposition any non-conforming records. NWM will have the right of access by the organization, their customer, and regulatory authorities to all facilities involved in the order and to all applicable records.
11. **FLOW-DOWN.** The supplier shall flow-down all applicable local and regulatory requirements to subcontractors and suppliers at every tier. Definitive of the flow down process is the fact that, throughout the supply chain, contractors will provide specific details for subcontractors, such as third-party laboratories, to fulfill their purchase orders. Flowed-down information will include such requirements as material specifications and revision level, test methods, special process requirements, part marking, certifications, etc. Subcontractors will review the information and obtain required data or clarification from the contractor if the requirements are incomplete or unclear.
12. **CHANGE CONTROL:** NWM must be notified of any changes that affect an approved part or process, prior to the implementation of the change.

13. **CHANGE OF OWNERSHIP, LOCATION AND/OR QUALITY SYSTEM:** Supplier shall notify NWM in writing, if there is a change of ownership, location and/or quality system. This notification should be given as early as possible, before the changes are implemented.
- THE FOLLOWING QUALITY ASSURANCE CLAUSES ARE IN ADDITION TO THE STANDARD QUALITY ASSURANCE CLAUSES WHEN SPECIFIED ON THE FACE OF THIS PURCHASE ORDER.**
14. **MATERIAL CONTROL:** Supplier shall furnish the shelf life of material and current expiration date of shipment lot/batch on the material certification. All material supplied to NWM must have, at least, 75% of shelf life remaining.
15. **SUPPLIER QUALITY PROGRAM:** Supplier shall have an established Quality program or Inspection system, whose procedures are in accordance or compliant with:
- A. ISO 9001/AS 9100
ISO 9003
16. **SUPPLIER FIRST ARTICLE:** Supplier shall perform First Article Inspection (FAI) per the requirements of NWM procedure as it pertains to "Purchased Parts". FAI report to accompany first shipment of parts, or a digital copy sent via email if required by the customer. When specified on Purchase Order, supplier shall be responsible to furnish FAI report per AS9102 requirement. FAI reports must meet one of the following requirements:
- a. For new or first time production parts, built in accordance to NWM drawings, complete FAIR must be submitted. This requirement also applies, if new manufacturing tools are used for producing the parts.
- b. Delta FAI report must be changes to confirm adherence to NWM drawing revision changes.
17. **JOINT FIRST ARTICLE VERIFICATION AT SOURCE:** FAI of part shall be accomplished at supplier's facility with the presence of a NWM source inspector. Notification shall be made per item 17.
18. **NWM SOURCE INSPECTION REQUIRED:** Supplier shall request NWM Source Inspection for product verification prior to shipment from its facility. Acceptance of units shall not relieve the supplier of the responsibility for manufacturing units as defined in this purchase order. Advance notice of 48 hours shall be required for scheduling purposes.
19. **NWM CUSTOMER SOURCE INSPECTION:** Request shall be made per item #17.
20. **TEST REPORTS:** Test reports shall be submitted containing the results of tests with indicated conformance to applicable specifications. These reports must be identifiable with the materials furnished. NWM Purchase Order number must be typed on all copies.
- A. Chemical Test Report as noted.
B. Physical Test Report as noted.
C. Functional Test Report as noted.
D. **TEST COUPONS:** Test coupons representing product type, thickness, finish, etc. as per Purchase Order shall be forwarded to NWM with each shipment, as requested.
21. **TOOLING PROCUREMENT:** Title to all tooling covered by this order shall be the property of NWM (free of all liens, and encumbrances) upon acceptance by NWM Tool inspector and/or acceptance by tool try. Unless otherwise specified:
- The supplier shall permanently identify each tool subject to this order with NWM part number, tool number, date of manufacture, and the unit number.
The unit number shall be organized by the Supplier.
 - The supplier shall provide a certified tool list that contains a description of each tool, and information specified above.
 - All tooling manufactured for this order that is used in the suppliers' facility for manufacture of article, shall be the responsibility of the supplier for maintenance and storage. Tooling shall be the property of and exclusive use of NWM, and subject to examination.
22. **NWM TOOL SOURCE INSPECTION REQUIRED:** Inspection of tooling shall be accomplished by NWM Inspection personnel at intervals of fabrication and/or completion of work prior to shipment to NWM. Acceptance is subject to compliance of design requirements and/or tool try acceptance. Request for source inspection shall be made according to item 17.



Quality Clauses Appendix B

23. **REGISTERED COMPONENTS/PARTS PLAN:** Supplier is required to submit in detail the critical method and processes that will be used in the manufacture/fabrication of the component or part specified in this purchase order. The plan must be submitted to NWM for analysis and acceptance prior to beginning production on this order. The plan shall contain the following information:
- a) The methods and the type of critical processing to be used (subject to limitations imposed because of propriety information).
 - b) The location within the processing cycle where inspections will take place.
 - c) The attributes of the product, which will be inspected at each inspection point.
 - d) The materials and methods of preservation and packaging to be used to protect the product.
 - e) The handling and transportation precautions necessary to protect the product.
24. Revisions or variations to any of the above listed controls shall not take place until NWM has accepted the revision.
25. **STATISTICAL PROCESS CONTROL SYSTEM:** If specified on the face of this purchase order, the Supplier shall have an adequate statistical process control (SPC) system for maintaining acceptable Cp and Cpk levels on specific "Key Characteristics" of its products. Supplier's SPC system may be periodically audited by NWM personnel and/or by its customers.
25. **PRODUCTION SAMPLES:** Supplier shall provide samples with each lot/batch of materials/components, as requested.
- a. **Note:** All samples must consist of original parent material to be supplied, complete with all required design coatings. All samples must be processed through all process stages along with the lot/batch of production materials that samples represent. Certification of Compliance/Conformance must state that samples are representative of production materials/components and were processed through all production processes with the lot/batch of production material.
26. **APPROVED FACILITIES:** A Certification of Conformance/test report from the processing facility must be Included with the shipment of the procured items under this order. When specified on the Purchase Order, processing of materials, components and assemblies must be performed only by approved processors as defined by the specified requirements.

Form 024
Rev N1