

 INDUSTRIAL PRECISION, INC.	PU7410101 PURCHASE ORDER STANDARD REMARKS CLAUSES		
	Approval	Revision: B	Date: 2/12/2007

The following is a numerically sequenced listing which is invoked by number on the Industrial Precision, Inc. purchase order at the time of issue.

1. Quality Program Requirements:

- 1.1 -MIL-Q-9858 Quality Program Requirements
- 1.2 -MIL-I-45208 -Inspection Systems Requirements
- 1.3 -MIL-STD-I535 -Supplier Quality Assurance Program Requirements
- 1.4 -MIL-STD-45662 -Calibration System Requirements
- 1.5 -MIL-STD-1520 Control of Non-conforming material
- 1.6 -A Nationally or Internationally recognized Quality Management System appropriate for the supplier's business
- 1.7 -AS9100 Aerospace Basic Quality System Standard

2. Supplier Sub-tier Control:

The supplier as the recipient of the purchase order and or contract is responsible for meeting all specified technical and quality requirements, whether or not the work is performed by the supplier or by the supplier's sub-tier sources. When the supplier uses a sub-tier source to perform services or work on products, the supplier shall include "Flow-Down" on purchase orders to his or her sub-tier sources, of all the applicable technical and quality requirements from the Industrial Precision purchase order, including when applicable the requirement to document and control "key characteristics" and to furnish objective evidence (test reports, certifications, charts, etc...) when required by the specific clause called out on the purchase order.

3. Unauthorized change and or substitutions.

The supplier may not make any changes and or substitutions to any products or services which are required by the purchase order, drawing, specification, standard, and or other applicable documents without prior written authorization by Industrial Precision. Suppliers and or supplier's sub-tier may be subject to an on-site review of proposed change at his or her facility.

4. Source Inspection:

The supplier shall notify Industrial Precision's purchasing agent to arrange for source inspection following supplier's inspection, and 48 hours prior to the date of availability for inspection by Industrial Precision. The supplier shall furnish, at no cost, necessary facilities and equipment, to Industrial Precision, Inc. source inspector.

- 4.1 -Parts are subject to Inspection at the supplier's plant prior to shipment.
- 4.2 -Parts are subject to Inspection prior to ASSEMBLY at the supplier's plant.
- 4.3 -Parts are subject to GOVERNMENT Source Inspection at the supplier's plant.

NOTE: Government inspection is required prior to shipment from your plant. Upon receipt of this order, promptly notify the Government Representative who normally services your plant so that appropriate planning for Government inspection can be accomplished.

5. Inspection Reports:

Dimensional inspection reports are required for all manufactured items. As a minimum, these reports must contain the nature and number of observations made, the results of the observations, and by whom the inspection was performed. **NOTE: ANY SAMPLING PLAN MUST BE APPROVED BY INDUSTRIAL PRECISION QUALITY ASSURANCE DEPARTMENT PRIOR TO USE.**

5.1 First Article Inspection:

Supplier will submit First Article documentation which shall include a dimensional inspection report (actual dimensions), X-Ray films, test data, etc. with first shipment of parts. First Article must be identified (tagged).

5.2 Final Inspection Report:

Supplier will submit with each shipment a completed Final Inspection Report .

6. Raw Material, Castings, Forgings:

If there is more than one heat lot of material, individual material lot integrity, with positive traceability to the delivered product, and applicable material test report must be maintained.

6.1 Supplied by Industrial Precision - Strict accountability of material furnished by Industrial Precision for use on this order shall be maintained by supplier. Supplier shall certify that

- (a) all product(s) delivered on this order was manufactured from material furnished by Industrial Precision,
- (b) From the material heat or lot numbers identified on the material or Industrial Precisions shipper; and
- (c) No material substitution was made. If material was dropped shipped a Material Release Authorization must be obtained from Industrial Precision Quality prior to beginning production.

6.2 Supplier furnished (Mill cert required - must include chemical & physical analysis). **NOTE: If more than one heat lot is supplied per part number, parts MUST BE DIRECTLY TRACEABLE TO APPLICABLE HEAT LOTS.**

7. Packing Slip required with each shipment:

As a minimum, packing slip must contain the following: part number, revision, part name, quantity, & serial /lot number if applicable..



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8. Special Process Certification and Sources:

Suppliers of special processes shall ensure qualifications of personnel performing services related to product quality. As a minimum, suppliers should have records of training for personnel and available for review upon request.

8.1 One copy of the special process certification is required (H.T., Passivate, Plating, etc.) with each shipment.

8.2 Only Industrial Precision approved process sources may be used (contact purchasing manager at Industrial Precision for approved process sources listing).

9. Certificate of Conformance:

Supplier shall furnish a certification with each shipment that the product or service complies with all purchase order requirements, drawings, & specifications. The certification shall identify as a minimum, part number, including revision, purchase order number, serial / lot number (if applicable), quantity, supplier name & address, signature & title of a responsible member of suppliers organization.

10. Packaging, Preservation, & Shipping:

Supplier shall assure that all items are adequately protected from damage, loss, deterioration, degradation or substitution. Each container must be properly marked or labeled to maintain content identity, its origin, & destination.

11. Control of Non-Conforming Material or Products:

Suppliers system must make provisions for prompt identification, documentation, & submittal to buyer for disposition of any non-conforming product found during manufacturing or inspection operations, and a system to implement effective corrective action to prevent recurrence. In those instances where it is indicated that non-conforming products may have been shipped, the system shall provide for prompt buyer notification. Nonconforming products must be segregated (pending disposition, i.e., scrap, rework, etc.) to prevent return to production or shipment.

12. Pre-Production Preliminary Approval:

Products on this purchase order have been identified as Critical and require additional controls for processing operations, manufacturing, and inspection. The Supplier shall notify Industrial Precision at least one week prior to production at which Time Industrial Precision may schedule an on-site review for approval of but not limited to supplier's equipment, methods, processes, and controls to be used during production run. Post approval, any subsequent changes proposed by the supplier Shall be submitted to Industrial Precision for review and approval prior to implementation in production.

13. Mercury Free Certification:

Supplier shall provide a certificate of conformance covering each shipment, worded substantially as follows: "This is to certify that all product(s), P/N _____, Revision _____, delivered on this Packing List/Shipper No. _____, under Industrial Precision Purchase Order No. _____, Line Item No. _____, Serial/Lot number (if applicable) _____, have not, during the manufacturing and/or processing operations performed by Supplier or Suppliers sub-tier sources, come in contact with or have been exposed to Mercury bearing instruments or equipment, or Mercury in any other form."

Company Name: _____ Date: _____
Signed by: _____ Title: _____
Printed Name: _____

14. Ozone Depleting Substances ("ODS's):

With respect to goods delivered to purchaser on or after May 15, 1993, Supplier agrees to comply with the U.S. clean air act amendments of 1990 regarding warning statements on products manufactured with ODS's, products containing ODS's, and containers containing ODS's. The need for warning statements, the specific wording of statements, and the placement of statements shall be in accordance with requirements of the U.S. Environmental Protection Agency implementing regulations.

15. Statistical Process Control (SPC):

Statistical techniques shall be used to control manufacturing processes for Industrial Precision Procurement.

Notes:

15.1 Key Characteristics are located on Industrial Precisions' process sketches, process control plan and/or as specified.

15.2 The supplier shall furnish with each shipment, accurate process capability (Cpk) values, minimum of 1.5 required, and have control charts available for audit at Industrial Precision's request. Data/Control Charts should be traceable to each lot.

16. Right of Entry:

Industrial Precision, Inc. and its customers reserve the right of entry into your facility anytime during the performance of contract/purchase order to perform inspections/audits related to said contract/purchase order.

17. Foreign Object Damage:

Handling of material will be such to prevent invasion by foreign objects.