

# GP MACHINING

## PURCHASE ORDER TERMS & QUALITY CLAUSE CONDITIONS

### Q01: TERMS

**A:** Seller shall keep confidential all technical and proprietary information furnished to Seller by Buyer in connection with this order, including blueprints, data, designs, drawings, engineering data for production, product know-how, and any other information furnished to Seller by Buyer in connection with this contract. Seller shall not use such items or information in the design, manufacture, or production of any goods, or for any other purchase or for the manufacture or production of larger quantities than those specified, except with the express consent in writing from the Buyer. Seller, including its agents, employees, and representatives will exercise extreme caution to prevent disclosure of such information to third parties. The obligations of this provision shall survive the completion of performance and expiration or termination of this contract.

**B:** Buyer and authorized representatives of Buyer's Customers and / or Regulatory Authorities shall have direct access to all applicable areas of all Seller's and Seller's Subcontractor's Plants (at any level of the supply chain) where work under this P.O. is being performed, to review progress, records and witness testing of the items related to this P.O. Seller shall include this clause in all of Seller's subcontracted Purchase Orders.

**C:** Prior to shipment, Supplier shall notify GP Machining, if a non-conformance condition exists with the product and obtain approval for nonconforming product disposition.

**D:** Supplier shall notify GP Machining, of changes in product and/or process changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval.

**E:** Supplier shall flow down to the supply chain the applicable requirements including customer requirements.

**F:** Gauges supplied by GP Machining, shall be returned with the last shipment on this order. Gauges shall be returned in the same condition as received. Supplier will be responsible for any Gauge repair costs if necessary. Gauges must have a current certified calibration sticker when returned to GP Machining,

**G:** Quantity variances and / or partial shipments are not permitted unless prior written authorization is received from the buyer.

**H:** All goods supplied shall be suitably packaged to protect, marked, and shipped in accordance with buyer instructions. In the absence of instruction, Supplier shall contact the Buyer. All supplied goods will be returned to the Supplier for inspection if parts are received damaged.

### Q02: CERTIFICATE OF CONFORMANCE

Supplier Certification of Conformance is required with this order. A legible and reproducible Certificate of Conformance or Seller's statement of quality will accompany each shipment. Certifications must show the part number, quantity, specification, and revision number, and have a legible printed and signed signature and title of responsible person signing the certification. This certifies the material / services provided by the seller meet all drawing and / or specifications requirements. Records supporting this certification shall be on file and shall be provided to Buyer upon request.

### Q03: INSPECTION RECORDS

Each shipment shall be accompanied by copies of actual quantitative records of inspection. Include the nature and number of observations and traceable by part number to the material / or services being provided by the Seller.

### Q04:

#### MATERIAL AND SPECIAL PROCESSING CERTIFICATIONS

Actual material certifications are required for all Seller provided material. All Certifications must be traceable to the original Mill Lot and Heat Number.

Material acquisition subject to applicable DFAR requirements, including, but not limited to, DFARS 252.225-7009 and DFARS 252.225-7014.

Processing Certifications are required for all Sellers providing processing. All certifications must indicate that the process has been performed to drawing requirements.

Parts are subject to rejection without correct documentation.

All Certifications must show the part number, quantity, process being performed, specification, revision number, and have a legible printed and signed signature and title of responsible person signing the certification.

Supplier shall notify the undersigned prior to shipment if specification has been replaced / superseded / updated. List specification as shown on drawing, and then list the replacement specification with current revision.

Raw material providers must be AS 9100 or AS 9120 accredited when purchasing material referenced in AS 6279, or otherwise approved, in writing, by the Design Authority, also known as the cognizant engineering organization, for the part being produced, as applicable.

Special processes suppliers i.e., plating, heat treating, coating, etc., must hold active NADCAP accreditations(s) for the special process performed, regardless of tier.

### Q05: CALIBRATION

Calibrate in accordance with ISO 10012-1 GP Machining, Purchase Order Number must appear on all certifications. Actual Calibration results and calibration certification to accompany shipment.

### Q06: PRIORITY RATING.

This is a rated order certified for national defense use. The Supplier and/or their sub-contractors shall follow all the requirements of the Defense Priorities and Allocations System (DPAS) regulation. See the Code of Federal Regulations (CFAR) Title 15, part 700. Receipt of this order on the P.O. promised date is critical. If this order will not be received on the promised date the Supplier must contact GP Machining immediately.

### Q07: SOURCE INSPECTION.

Items procured under this purchase order are subject to source inspection by GP Machining, at Sellers

Facility prior to shipment. The Seller shall furnish acceptable facilities and equipment necessary to perform the required inspection at no cost to GP Machining. Please advise the Buyer within three working days in advance of the subject material being available for source inspection.

### Q08: RECORD RETENTION.

Unless otherwise specified the supplier and/or supplier's sub-contractors will retain all records associated with the purchase order for a minimum of 15 years after the date of completion of the Purchase Order.

### Q09: COUNTERFEIT GOODS.

**A:** All Goods provided by the Seller to the Buyer, including any that are provided by the Seller's subcontractors, must be original and genuine, and in full compliance with all of the Buyer's contract requirements, including SAE AS6174 requirements, as applicable.

**B:** Con't. on page 2.

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### **Q09: COUNTERFEIT GOODS. - Con't.**

**B:** If any of the Goods delivered or to be delivered under this order is discovered to be a counterfeit item or suspected to be a counterfeit item, then the Buyer shall have the right to impound the item for further investigation of its authenticity. The Buyer's investigation may include the participation of third parties or governmental investigative agencies as required by law or regulations or by the Buyer's customer, or by the Buyer, in its sole discretion. The Seller shall cooperate in good faith with any investigation conducted by the Buyer, including, but not limited to, cooperation by the Seller with respect to the disclosure of all design, development, manufacturing and traceability records in respect of the item. Upon the Buyer's request, the Seller shall provide the Buyer's certificate of conformance with respect to the item under investigation.

### **Q10: FOD**

Supplier shall ensure the goods and shipping and packaging material is FOD free with the exception of purchased raw material and consumables. The use of loose fill materials in product for product being shipped to GP Machining, is not acceptable with the exception of purchased raw material and consumables. Product may be returned if packaged in such a manner.

### **Q11: CORRECTIVE ACTION**

Materials or services found to have quality issues can result in a formal request for root cause and corrective action. Corrective actions that have been issued require a response by the identified due date on the corrective action request. Failure to respond to a corrective action request within the required due date may result in the supplier being removed from GP's approved supplier list and placed on a non-approved status.

### **Q12: COMPETENCE, AWARENESS AND COMMUNICATION**

External provider shall ensure its personnel have the required training and experience appropriate with the requirements necessary for the performance of this PO.

- a. Their contribution to product or service conformity.
- b. Their contribution to product safety.
- c. The importance of ethical behaviour.

### **Q13: SUPPLIER RESPONSIBILITIES - PROHIBITED PRACTICES**

The following acts and practices are prohibited, unless approved by GP Machining, in writing. Any violation by the Supplier may result in disqualification of the Supplier for future business with GP Machining. In addition, the Supplier shall flow-down the requirements of sections **Q13(A-E)** to all of the Supplier's sub-tier sources performing work for the Supplier that is scheduled for delivery to GP Machining, on the contract.

#### **A: Unauthorized Facility Changes**

Supplier shall give GP Machining, written notice before relocating any production, inspection or processing facilities; or transferring work between different facilities; or, when applicable, prior to initiating any changes in the source of major components procured by the Supplier and designated for use in or for installation on products scheduled for delivery to GP Machining, or making any other changes which may affect product quality, reliability or integrity. Such changes are subject to approval/disapproval by GP Machining. A change in ownership or a change in the individual designated as the management representative with respect to the Supplier Quality / Inspection System shall be construed as a facility change and requires the Supplier to notify GP Machining,

#### **B: Unauthorized Product Repairs & Salvage**

The Supplier may not perform any repairs such as welding, brazing, soldering, plugging, peening, bushing, or, use of paints, adhesives or plating, or use any standard or other repair practice or method, on products damaged or found to be discrepant during fabrication or processing, unless such repairs are specifically permitted by the applicable drawing or specification, or are specifically authorized by GP Machining, this prohibition also applies to reworking products by removing plating (stripping) and re-plating. In cases where GP Machining, authorized product repair, salvage, or stripping has been performed, the Supplier shall include on the packing list / shipper or on a separate attached document a list of the products that have been subjected to such GP Machining, approved repair, salvage or stripping, and the method used.

#### **C: Unauthorized Product Changes or Substitutions**

The Supplier may not make any changes or substitutions to any products or services required by the Contract, drawing, specification, standard, or other applicable document without prior written authorization by GP Machining. Authorization may be contingent on GP Machining, on-site review of the proposed product or service changes at the Supplier's facilities, or the facilities of the Supplier's sub-tier sources.

#### **D: Use of Non-Conventional Manufacturing Methods**

Unless required by the drawing, specification, or Contract, the Supplier may not use Electrical Discharge Machining (EDM), Electro Chemical Machining (ECM), laser, or abrasive water jet cutting or drilling, flame spray coatings, or any other non-conventional manufacturing method or process on products scheduled for delivery to GP Machining, without prior written authorization by GP Machining. In addition, when authorized such operations and processes may only be performed by GP Machining, approved sources.

#### **E: Altering Data on Documents**

The use of any method that causes the original data on documents to be obliterated and unreadable (i.e., the use of correction fluids, correction tape, write-over, or other methods) to correct, modify or otherwise alter the data and/or entries on any certifications, test reports or other documents required by the Contract, is strictly prohibited. Corrections may be made on reports such as FIRST Article Inspection Reports (FAIR), test reports, and routers, providing it is clearly obvious that a correction was made and it is signed/dated or stamped by an authorized individual. Upon receipt at GP Machining, products or services represented by documents that show evidence that they have been corrected or altered in an unauthorized manner are subject to return to the Supplier at Supplier's expense.

Q13 con't.