

CONTOUR MACHINING INC.

Purchase Order Quality Assurance Requirements and Quality Clauses

Revision: A

Approval: Werner Schneider

Standard Procedure

Document: SP -001

Date: 11-01-2018

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PURCHASE ORDER QUALITY ASSURANCE REQUIREMENTS AND QUALITY CLAUSES

PURPOSE

To establish the Purchase Order quality requirements applicable to procured materials / products / services ordered under a contract / purchase order issued by Contour Machining Inc.

To establish specific flow down Quality Assurance Clauses applicable to the procured materials / products / services.

DEFINITIONS AND ABBREVIATIONS

- 1) *CMI* - Contour Machining, Inc.
- 2) *External Supplier* – The person(s) and/or Company/Corporation providing goods and or services to CMI.
- 3) *Contract* – The Contract, Sub-Contract, Purchase Order or other written agreement between CMI. and the External Supplier.
- 4) *Product* – The result of activities or processes. A product shall include, but not be limited to: services, hardware, software, processed material, or a combination thereof.
- 5) *PO* – Purchase Order issued by CMI
- 6) *NIST* – National Institute of Standards and Technology.
- 7) *DOD* – Department of Defense.

GENERAL REQUIREMENTS

Unless otherwise specified in the Contract, all of the following general requirements apply to a contract issued to an External Supplier by CMI.

A. Purchase Order Receipt and Verification:

The External Supplier shall verify all purchase orders issued by CMI. upon receipt. Any discrepancies in price, quantity, specifications, quality requirements, packaging, or delivery requirements shall be communicated to and resolved with CMI. purchasing before taking action on the purchase order. Upon acceptance and during the performance of the purchase order all External Supplier sub-tier External Suppliers shall have the flow down of all the CMI. issued purchase order requirements to include key characteristics as identified on the purchase order.

B. Delivery:

CMI. expects 100% on time delivery. Deliveries are considered on time, if the required product, as specified on the purchase order, is received on the due date or up to 10 days early. The External Supplier shall notify CMI. before the delivery date whenever a delivery date will not be met. Standard receiving hours are between 7:00 AM and 5:30 PM, (CST) Monday through Friday, announced holidays excluded. Deliveries will not be accepted outside of these hours unless specific arrangements have been made and approved by CMI. Purchasing Department. Applicable documents, such as, packing lists, certification of conformance, certificates of analysis, material data safety sheets, etc., shall arrive with, or prior to receipt of the shipment.

C. Conformance to Requirements:

CMI. expects all materials and components to arrive defect free. "Zero Defects" must be the standard for all External Suppliers to CMI. Product is expected to meet all purchase order and referenced engineering specifications unless arrangements have been agreed upon between CMI. Purchasing, Engineering, and Quality Assurance as necessary and the External Supplier, in writing prior to shipment.

D. Unauthorized Repairs:

External Suppliers shall not repair products damaged or found to be faulty during fabrication by any method including, but not limited to, welding, brazing, plugging, soldering or use of adhesives, nor repair by any method, defect in castings or forgings, unless authorized by CMI. in writing.

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E. Unauthorized Change in Processes, Materials or Specifications:

External Suppliers shall not substitute or change any processes, materials or specifications as defined on the purchase order or provided drawings /parts list without prior CMI. approval. Specification(s) / Standards listed on the purchase order shall be of the latest current revision status available unless identified on the purchase order. Note that the drawing and parts list takes precedence over Purchase order unless Expressly stated.

NOTE: Unless otherwise specified use of superseding Industry or Military Standard Specifications shall be acceptable provided a notice of cancellation and/or supersession can be obtained by CMI. as verification.

F. Proper Submittal of Documentation:

Adequate records of inspections and tests shall be maintained through the use of tags, data sheets, etc. Test results shall be recorded. Actual inspection readings shall also be recorded, when required by the PO. Copies of this data shall be maintained on file and supplied to CMI. upon request. CMI. may refuse to accept products under this contract if the External Supplier fails to submit the certification, documentation, test data or inspection data as specified on the PO.

G. Responsibility of Product Conformance:

Neither surveillance, inspection and / or test made by CMI., their representatives, or our customer Source Inspectors at either the External Supplier's or CMI. facility, nor the External Supplier's compliance to all applicable quality assurance requirements shall relieve the External Supplier of the responsibility to furnish products, which conform to the requirements of the contract.

H. Improper Submittal of Previously Rejected Products:

Product previously rejected by CMI. and reworked or replaced by the External Supplier, shall be identified in the shipping documents with reference to the CMI. nonconforming material report (NCOMR) number and shall have new certification documents with the shipment of the returned product. Failure to identify previously rejected product may be cause for rejection and return of the material at the External Supplier's expense.

I. Notification of Change:

The External Supplier shall notify CMI. in writing of all process, design, fabrication, testing, facilities and material changes affecting the form, fit, function, reliability or interchangeability of end item specification or drawing requirements during the performance of this contract. The External Supplier shall afford CMI., an opportunity to examine such changes for compliance to the contractual Quality Assurance Requirements including any necessary approvals. Failure to notify CMI. may result in removal from the CMI. approved External Suppliers list.

J. Access to the External Suppliers Facility:

CMI. and CMI. 's customer's representative(s) and Government representative(s) reserve the right to access the External Supplier's facility and their lower-tier External Suppliers, to assure that the External Supplier's product(s) complies with the requirements of the contract issued to the External Supplier. CMI. quality assurance representative(s), customer's representative(s) and Government representative(s) reserve the right to audit and approve and/or disapprove potential External Suppliers and their lower-tier External Suppliers prior to award of a contract.

K. Clarifications:

The External Supplier shall have a clear understanding of the requirements before proceeding with the execution of a contract issued by CMI. The External Supplier shall document in writing to CMI. necessary clarifications. The External Supplier shall agree that CMI. 's written response provides adequate clarification.

L. Conflicts:

In the event of conflicts between the requirements of this document and applicable product specifications, engineering drawings or regulatory standards, the latter documents shall govern.

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M. Nonconforming Material:

The External Supplier shall establish and maintain an effective and positive system for controlling nonconforming or defective materials pertaining to the identification, segregation, and disposition of such materials. Prompt action to correct assignable conditions contributing to non-conformances is recommended as part of the inspection system. Non-conforming product returned to the External Supplier shall be reworked to the original drawing / specification requirement or replaced; no repair or use-as-is disposition is allowed without the written approval of CMI.

When product is rejected at CMI. and returned to the External Supplier for replacement or rework, the return of the product shall be identified on the packing list with the Nonconforming Material Report (NCRM) number issued by CMI. and all applicable quality documents and certifications shall be submitted with the return of the replacement / reworked product.

The External Supplier shall notify CMI. of any nonconforming product prior to shipment and the nonconforming material if dispositioned for shipment to CMI. shall be identified and packaged separately from conforming products. The External Suppliers packing list shall identify the correct quantity of nonconforming and conforming product on separate lines. If nonconforming material is received by CMI, CMI may require external supplier to complete a full root cause corrective action .PER QC17.

N. ISO / AS Certified Quality System and Nadcap Processes Approvals:

External Suppliers certified to an ISO or AS quality system regulatory standard or equivalent standard and/or Nadcap accreditation as used for approval by CMI. to verify quality system controls and/or process controls and used to add to CMI. approved External Supplier listing shall notify CMI. immediately, if that certification / accreditation was not renewed or was revoked.

O. Quality Program Requirements:

The External Supplier shall establish or comply with a quality system to the requirements of ISO 9001 or AS9100 or an equivalent, CMI. approved quality system. The External Supplier's quality system shall be approved by CMI. and is subject to review and approval at all times by CMI. The External Supplier retains full responsibility for ensuring that all products, lower-tier External Suppliers, supplies used, and/or services furnished hereunder, comply with all applicable requirements of the ISO 9001, AS9100 or equivalent approved quality system.

The External Supplier shall ensure QMS awareness to their employees ensuring that persons are aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.

A copy of the External Suppliers ISO 9001, AS9100 or equivalent registration shall be sufficient for compliance to this External Supplier quality requirement and shall be supplied to CMI each time the registration is renewed to ensure that CMI has the most current & up to date information.

All External Suppliers used by Contour Machining Inc. shall be identified as "Approved" or Conditional" and maintained on our approved Supplier listing.

P. Supplier Rating System:

Delivery and Quality performance will affect the External Suppliers rating. Product ordered under a contract issued by CMI. is included in CMI. 's External Supplier rating system. The rating system is comprised of the incoming inspection yield and adherence to the PO delivery schedule. The rating system is used as a method of measuring the effectiveness of the External Supplier's inspection system and/or control of processes. The External Supplier's rating may affect the acceptance of shipments by CMI. or future procurements.

The External Supplier shall meet an on-time delivery and quality acceptance level of 90.0 % or better based on a 12-month rolling average to maintain an approved status on the approved vendor listing. If External Supplier falls below this level of delivery and quality performance, they will be notified and appropriate actions will be taken by CMI. and/or the External Supplier as necessary to identify a plan or demonstrate controls for product, process, and/or service improvement.

Q. CMI. Acceptance at Destination:

The product(s) ordered under a contract issued by CMI. are subject to final acceptance at their destination.

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R. Domestic Materials / Certificate of Origin and DFAR'S requirements

Unless otherwise specified in the contract all materials purchased on the order issued by CMI. shall be DFAR compliant and the External Supplier shall supply a statement on the material certification that identifies the country of origin.

Note: Qualifying country is as defined in DFAR 225.003 (10).

The product(s) ordered under a contract issued by CMI. are required to be in compliance with the listed DFAR's as identified:
The information below is provided for buyer reference and contains the mandatory flow downs for this contract.

Commercially Available Off-The-Shelf (COTS) Items of supply:

DFAR 225.1101 (2) "Buy American Act" applies {Use the Clause at DFAR 252.225-7001}

DFAR 225.1101 (3) "Qualifying Country Sources as Subcontractors" applies {Use the Clause at DFAR 252.225-7002}

Specialty Metals:

DFAR 225.7003-5 (a)(1) "Restriction on Acquisition of Specialty Metals" applies {Use the Clause at DFAR 252.225-7008}

DFAR 225.7003-5 (a)(2) "Restriction on Acquisition of Certain Articles Containing Specialty Metals {Use the Clause at DFAR 252.225-7009}

For a List of DFAR use this link <https://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>

The information below is provided for buyer reference and contains the mandatory flow downs for this contract.

52.242-15 Stop-Work Order Aug-89

252.227-7025 Limitations on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends May-13

52.219-9 Small Business Subcontracting Plan Aug-16

52.222-50 Combating Trafficking in Persons Mar-15

52.203-5 Covenant Against Contingent Fees May-14

52.203-6 Restrictions on Subcontractor Sales to The Government Sep 2006 Sep-06

52.203-7 Anti-Kickback Procedures May-14

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity May-14

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity May-14

52.203-12 Limitation on Payments to Influence Certain Federal Transactions Oct-10

52.203-13 Contractor Code of Business Ethics and Conduct Oct-15

52.204-2 Security Requirements Aug-96

52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards Oct-15

52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment Oct-15

52.211-5 Material Requirements Aug-00

52.211-15 Defense Priority and Allocation Requirements Apr-08

52.215-2 Audit and Records--Negotiation Oct-10

52.215-10 Price Reduction for Defective Cost or Pricing Data Aug-11

52.215-12 Subcontractor Cost or Pricing Data Oct-10

52.215-14 Integrity of Unit Prices Oct-10

52.215-15 Pension Adjustments and Asset Reversions Oct-10

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions Jul-05

52.215-19 NOTIFICATION OF OWNERSHIP CHANGES Oct-97

52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data-Modifications Oct-10

52.219-8 Utilization of Small Business Concerns May-14

52.222-21 Prohibition of Segregated Facilities Apr-15

52.222-26 Equal Opportunity Apr-15

52.222-35 Equal Opportunity for Veterans Oct-15

52.222-36 Equal Opportunity for Workers with Disabilities Jul-14

52.222-37 Employment Reports on Veterans Feb-16

52.222-40 Notification of Employee Rights Under the National Labor Relations Act Dec-10

52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving Aug-11

52.225-13 Restrictions on Certain Foreign Purchases Jun-08

52.225-25 Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran- Representation and Certifications. Oct-15

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52.227-1 Authorization and Consent Dec-07
52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement Dec-07
52.230-6 Administration of Cost Accounting Standards Jun-10
52.232-40 Providing Accelerated Payments to Small Business Subcontractors Dec-13
252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies Dec08
252.203-7002 Requirement to Inform Employees of Whistleblower Rights Sep-13
252.211-7000 Acquisition Streamlining Oct-10
252.211-7007 Reporting of Government-Furnished Property Aug-12
252.225-7001 Buy American Act and Balance of Payments Program Aug-16
252.225-7004 Reporting of Contract Performance Outside the United States Oct-15
252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals Oct-14
252.225-7012 Preference for Certain Domestic Commodities Aug-16
252.225-7013 Duty-Free Entry May-16
252.225-7048 EXPORT CONTROLLED ITEMS Jun-13
252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns Sep-04
252.227-7013 Rights in Technical Data # Noncommercial Items Feb-14
252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation Feb-14
252.227-7016 Rights in Bid or Proposal Information Jan-11
252.227-7019 Validation of Asserted Restrictions--Computer Software Sep-11
252.227-7030 Technical Data--Withholding of Payment Mar-00
252.227-7037 Validation of Restrictive Markings on Technical Data Jun-13
252.231-7000 Supplemental Cost Principles Dec-91
252.234-7004 Cost and Software Data Reporting System. Nov-14
252.246-7001 Warranty of Data Mar-15
252.246-7007 CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM Aug-16
252.249-7002 Notification of Anticipated Contract Termination or Reduction Oct-15
52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS Apr-14
52.204-21 Basic Safeguarding of Covered Contractor Information Systems Jun-16
52.232-16 Progress Payments Apr-12
52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III Dec-94
52.248-1 VALUE ENGINEERING Oct-10
52.252-2 CLAUSES INCORPORATED BY REFERENCE Feb-98
252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting Dec-15
252.211-7003 Item Unique Identification and Valuation Mar-16
5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) Jan-07

Safeguarding Covered Defense Information and Cyber Incident Reporting.

Cyber Security Controls - Due to the possibility of Federal Contract Information (FCI) and/or Covered Defense Information (CDI) being transmitted to the supplier or generated by the supplier, by accepting and performing under this Purchase Order unless the Purchase Order is solely for COTS items, the supplier affirms, for all U.S. Government procurements, that it complies with the following Federal Regulations, in effect on the date of this procurement award: FAR 52.204-21 and DFARS 252.204-7012 For Reference use this link.
<https://www.acq.osd.mil/dpap/dars/dfars/html/current/252204.htm#252.204-7012>

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S. Record Retention:

Records for traceability for all products / materials / processes / services and their integral processes required to achieve the end deliverable product or process provided under the performance of a contract issued by CMI. shall be maintained and made available upon request by CMI. for a minimum of 7 years.

T. Rejection of Product using Sample Inspection:

CMI. reserves the right to use ASQC Z1.4 or MIL-STD-105 (c) = 0 sampling plan for the inspection and acceptance or rejectance of goods or services supplied under a contract issued by CMI.

U. Commercial (Catalog) Items:

External Suppliers providing commercial catalog items through a distributorship shall demonstrate quality program requirements to AS9120 or an equivalent quality program, at a minimum the External Supplier shall provide a certificate of conformance to the requirements as stated on the contract / purchase order with reference to the purchase order number. This C of C provided by the External Supplier shall be signed by an official of the External Supplier's company for compliance to CMI. PO requirements and External Supplier catalog specification / standards / drawings as applicable.

V. Counterfeit Parts Prevention:

All External Suppliers shall guard against the use and delivery of "counterfeit" parts or components to CMI. The External Supplier shall ensure that only new and authentic materials are used in products or work to be delivered contains no counterfeit parts. A "counterfeit" part is defined as: "A part falsely represented in some manner, e.g., manufacturer, part number, date code, lot code, markings, used, etc." No other material or part, other than a new and authentic part is to be used, unless approved in writing.

To further mitigate the possibility of the inadvertent use of counterfeit parts, the External Supplier shall only purchase components and parts procured directly from the Original Component Manufacturer (OCM) / Original Equipment Manufacturer (OEM). Regardless of the source of procurement, External Supplier must provide OCM/OEM documentation that authenticates traceability of the components to the applicable OCM/OEM.

W. Conflict Minerals:

The External Supplier shall represent, warrant and covenant that, to External Supplier's knowledge after reasonable investigation, the goods are, and upon delivery will be, Democratic Republic of the Congo (DRC) Conflict Free (as such term is defined in the US Securities Exchange Act of 1934, as amended by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the related rules and regulations of the US Securities and Exchange Commission).

The External Supplier shall promptly notify Buyer in writing in the event that External Supplier is or becomes aware of any reason to believe that the goods are not DRC Conflict Free. To the extent External Supplier procures gold, tin, tantalum and/or tungsten from a smelter or refiner for incorporation into the goods, External Supplier represents, warrants and covenants that such materials shall be procured solely from one or more of the smelters or refiners appearing on the applicable compliant smelter and refinery list available at www.conflictreesmelter.org.

The External Supplier agrees to define, implement and communicate to its sub-External Suppliers its own conflict minerals policy outlining its commitment to responsible sourcing, legal compliance and measures for implementation. The External Supplier will provide CMI. with any additional information requested by CMI. with respect to such Conflict Minerals and maintain traceability records for a minimum of 7 years.

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QUALITY CLAUSES

One or more of the following Quality Clauses (QC) are a requirement of the contract / purchase order issued by CMI. when specified by number.

QC 1. CERTIFICATE OF COMPLIANCE

The External Supplier shall submit a Certificate of Compliance stating that the products(s) furnished on this contract conform to the quality assurance requirements, drawings, materials, processes, test specifications and other applicable specifications. The Certificate of Compliance shall accompany each shipment. The External Supplier shall have records on file to substantiate product compliance to the contract and will furnish copies of these records upon request of CMI. or CMI. 's customer representative(s). All Certificates of Compliance shall contain the following information, when applicable, and shall be validated by an authorized External Supplier's representative, by either an inspection stamp or a signature: External Supplier's name and address, CMI. PO number, product number, revision level, serial number, heat, lot, batch number, material and/or process specifications, and actual measurements or reference to test inspection documentation as applicable.

QC 1.1 CERTIFICATE OF COMPLIANCE (Special Process Approved External Suppliers)

For contracts / purchase orders issued to External Suppliers that are designated by CMI. customer requirements as "Special Process Approved External Suppliers" all of the requirements of QC 1 are applicable and the External Supplier and/or lower-tier External Supplier shall annotate on the Certificate of Compliance the External Suppliers approved processor code.

The certificate shall read substantially as follows:

"We hereby certify that the material supplied on this purchase order conforms to all purchase order requirements, and that inspection/test data to substantiate this certification is available for review by Contour Machining Inc."

Upon request, copies of supporting data shall be supplied to CMI. Articles defined in the purchase order are subject to CMI. inspection at destination and may not be accepted by CMI. if the Supplier fails to send completed certification with the shipment.

QC 2. CONTROL OF SPECIAL PROCESSES

The External Supplier must have on file at their facility, or their sub-tier External Supplier's facility chemical and mechanical test data on raw material used on the contract issued by CMI. Processes listed below, must satisfy the requirements of applicable drawings and specifications. CMI. reserves the right to perform surveillance, review or audit of the External Supplier and/or Sub-tier External Supplier's special processes and certification, prior to and during the performance of any contract issued by CMI. External Suppliers and sub-tier External Suppliers certified by Nadcap for the commodities that they are delivering shall be considered approved and require no further surveillance or audits provided no nonconformance's are detected from their processes. CMI. reserves the right to deny the use of lower-tier special process External Suppliers if they fail to meet the applicable requirements. All processes performed under the contract issued by CMI. shall be performed by the External Supplier or if the External Supplier is going to outsource any processes they must contact CMI. prior to any outsource activity to a sub-tier External Supplier for verification of CMI. customer approved External Supplier status.

Below are the commodities (as defined by Nadcap) and the specific processes that are considered to be special processes at CMI.

Chemical Processing (Plating)	Coatings
Heat Treating	Materials Testing Laboratories
Non-Destructive Testing	Soldering and PWB Fabrication
Welding (Includes Brazing)	Nonconventional Machining and Chem-Milling
Shot Peening	Cleaning – Descaling
Composites	Bonding

QC 3. CHEMICAL / PHYSICAL TEST REPORTS

External Supplier shall supply actual Chemical and/or Mechanical test data for the material(s) being supplied under the contract issued by CMI. The test report shall state the actual analysis of the material for the chemical and/or mechanical properties, and shall identify as applicable, the material type, grade, temper, material dimensions, heat / lot number, specification(s) and be signed for certification of compliance. The test report shall identify the CMI. PO number. The test report shall accompany each shipment; failure to provide the required test reports may be cause for rejection of the material and affect the External Supplier rating.

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QC 4. FIRST ARTICLE INSPECTION

CMI acceptance of a first article inspection (FAI) is required prior to acceptance of production parts, unless otherwise authorized by CMI. The External Supplier shall submit the FAI report and identifiable first article product to CMI. inspection department for verification accompany the first shipment. The External Supplier's FAI format shall include, at a minimum, the contract number, product number, revision level, product name, External Suppliers name, all drawing requirements (including tolerance), method used to obtain results, actual results of each measurement, pass or fail status of the measurements and proven compliance to each engineering drawing note. *As a guideline AS9102 should be used.*

Occurrence of any of the following conditions shall require an additional FAI:

- a) A material, design, tooling and/or process change(s) affects the original first article inspection of the product. An additional FAI is applicable only to those characteristics affected by the change.
- b) The product has not been produced for a period of 18 months.
- c) A change in facilities has taken place.
- d) Damage and subsequent repair to tooling, fixtures, dies or equipment used in the manufacturing process affects the specification parameters or attributes. An additional FAI is applicable only to those characteristics affected by the repair.
- e) A change has been made to the External Supplier's proprietary product purchased by CMI. or the performance of a higher assembly.

First Article Reports for the items controlled by CAD files shall record actual dimensional data taken by the External Supplier to confirm conformance to the CAD file. The External Supplier must indicate any operations not performed using the CAD file.

QC 5. SOURCE INSPECTION

CMI. may elect to final inspection and or witness acceptance tests at the External Supplier's facility prior to shipment of product under the contract issued by CMI. The External Supplier shall notify CMI. purchasing department at least five (5) working days prior to the date that source inspection is required. If CMI. waives source inspection, the inspection waiver from CMI must accompany the shipment.

QC 5.1. GOVERNMENT SOURCE INSPECTION (GSI)

If Government inspection of the purchased product is required prior to shipment from the External Supplier's facility. Upon receipt of this contract, the External Supplier shall promptly notify the Government representative(s) who normally services the External Supplier facility to establish the plan for GSI. GSI applies to prime & returned material.

The External Supplier shall comply with the requirements of Federal Acquisition Regulation (FAR) Clause 52.246-2, "Inspection of Supplies." CMI., CMI customer, and the Government have the right to inspect and test all supplies called for by the contract, to the extent practicable, at all places and times including the period of manufacture, and in any event before acceptance.

QC 6. TIME AND TEMPERATURE SENSITIVE MATERIAL

The certification must include manufacture date, expiration date, temperature storage conditions and handling requirements, when applicable, must be included in the documentation with each shipment. Storage temperature requirements other than ambient 25° +/- 5° C shall be marked on the outermost shipping container. Seventy five percent (75%) of shelf life shall remain at time of receipt at CMI. facility.

QC 7. MATERIAL SAFETY DATA SHEET (MSDS) / TOXIC SUBSTANCES CONTROL ACT (TSCA)

The External Supplier shall furnish one (1) copy of the MSDS with each shipment of product under the contract issued by CMI. The External Supplier shall certify that all chemical substances delivered under this contract are on EPA's TSCA inventory and comply with all applicable rules and orders under TSCA.

QC 8. TEST REPORTS

Actual test data of indication of pass / fail test results shall accompany each shipment. The External Supplier's format is acceptable and shall reference the contract number, External Suppliers name and address and/or the name and address of the independent laboratory, product number, serial number or lot number if applicable, and the date of the test. An authorized External Supplier representative shall validate all submitted reports, by either an inspection stamp or signature.

QC 9. INSPECTION / TEST DATA

The External Supplier shall perform in-process and final inspection and/or test of the product as applicable to validate compliance of the product to the required drawings, specifications or regulatory standards as defined on the contract issued by CMI. Evidence of the inspection and/or test shall be documented in the External Supplier's format and be maintained by the External Supplier. CMI. may request copies of the inspection / test data to be provided at the time of shipment, or within the retention period of "S" (External Supplier quality requirements).

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QC 10. CALIBRATION SYSTEM

The External Supplier's calibration system for measuring and test equipment shall be in accordance with the requirements of ANSI/NCSL Z540-1 or ISO 10012 Calibration Systems. The External Supplier's Calibration System standards shall be traceable to NIST. The External Supplier's Calibration System is subject to review and approval by CMI. and CMI. 's customer representative(s) and/or Government representative(s) at all times. The External Supplier retains full responsibility for ensuring that all products, lower-tier External Suppliers, supplies used, and/or services furnished hereunder, comply with all applicable calibration requirements. A copy of the External Suppliers current ISO 9001 or AS9100 registration, if available, shall be sufficient for compliance to this provision and shall be supplied to CMI. when the registration is renewed.

QC 11. PACKAGING

The External Supplier is responsible for ensuring that product is packaged and preserved in container(s), bags, boxes, crates, as applicable for the type of product to prevent damage and/or deterioration. Each item shall be packaged individually and identified with the following information: (by label or tag)

- Part
- Number
- Revision
- Level
- Purchase Order Number Serial
- Number (if applicable) Lot
- Number (if applicable) Cure
- Date (if applicable)

For those items where individual packaging is not practical (such as with electronic discrete components, MIL-SPEC or NAS nuts / bolts / screws, or other commercially available bulk packaged items) the packaging must also show the quantity of item contained in addition to the items listed above.

The External Supplier shall provide a packing slip(s) with the items that states the above information and has the External Suppliers name and address. If required, the country of origin, as required by "R" (External Supplier quality requirement), shall also be marked on the packaging and the packing slip shipping document.

Do not combine items from different purchase orders in the same shipping container or on the same packing slip.

All items received at CMI. must have shipping documentation or may be refused and returned to the External Supplier at the External Supplier's expense.

QC 12. PRODUCT TRACEABILITY

Products furnished under a contract issued by CMI. must be identified by lot number, material type, specification and revision level and be traceable to the original manufacturer along with the purchase order number. The traceability documentation and/or records shall accompany each shipment.

QC 13. LOT CONTROL

Products furnished under a contract issued by CMI. must be identified by the manufacturing lot or batch number. The lot or batch number shall be identified on tags or labels and attached to the product or product container. All accompanying documentation such as packing list, certifications, inspection / test reports shall include the lot control number.

QC 14. SERIALIZATION

If each product furnished on this contract shall be identified by a unique serial number which will be noted on the purchase order from CMI. When specific serial numbers are required, they shall be identified by CMI. All inspection and/or test reports and all other applicable documentation shall be traceable to each serial number.

QC 15. MATERIAL COUPON

The External Supplier shall submit a coupon or slug for destructive testing / verification of material, by CMI. The coupon or slug must be from the same raw material lot and processed in the same loads or batches that were used for fabrication of the product.

QC 16. SAMPLING INSPECTION

The External Supplier may use a sampling inspection plan that meets the requirements of ASQC Z1.4 or MIL-STD-105 (c) = 0 sampling plan during the inspection of the product. The sampling plan used must not allow acceptance of any product with known defects. Any defects identified shall be 100% inspected on all products, work in process and stock inventory for the specific defect.

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QC 17. CORRECTIVE ACTION

If the External Supplier is issued a request for Corrective Action, the External Supplier shall complete the applicable sections of the corrective action report to include: Root Cause, Immediate action, corrective action and verification of the corrective action. The corrective action report must be signed by an authorized representative of the company and returned to CMI within the response due time frame. If the External Supplier requires more time to identify and implement corrective actions the External Supplier must contact CMI purchasing and request an extension of the response due date. Failure to reply to a request for corrective action may affect the External Supplier's approval status and/or future procurements.

QC 18. RoHS / EU Directive

Certificate Suppliers shall provide a Certificate of Conformance stating compliance to this clause for each material shipment. This clause includes the EU RoHS Directive 2002/95/EC on the "Restriction of the use of certain Hazardous Substances in electrical and electronic equipment", the RoHS Recast, Directive 2011/65/EU (RoHS2), and the European Commission's Delegated Directive EU 2015/863.

RoHS and RoHS2 identify the following six (6) restricted substances, and the Delegated Directive identifies an additional four (4) substances, published on June 4th 2015, including maximum concentration values based on weight by weight of homogenous material as follows:

- Cadmium (Cd): 0.01%
- Mercury (Hg): 0.1%
- Lead (Pb): 0.1%
- Hexavalent chromium (Cr6+): 0.1%
- Polybrominated biphenyls (PBB): 0.1 %;
- Polybrominated diphenyl ethers (PBDE): 0.1 %
- Bis(2-Ethylhexyl) phthalate (DEHP): 0.1% (as of the restricted date 7/22/19)
- Benzyl butyl phthalate (BBP): 0.1% (as of the restricted date 7/22/19)
- Dibutyl phthalate (DBP): 0.1% (as of the restricted date 7/22/19)
- Diisobutyl phthalate (DIBP): 0.1% (as of the restricted date 7/22/19)

Supplier-provided products shall not contain any of the above listed substance in quantities specified in the RoHS Directive, RoHS Recast, or Delegated Directive and are, therefore, 100% RoHS compliant.

Supplier shall also agree to notify customers of the presence of any current and future RoHS restricted substances over maximum concentration values and applicable exemptions.

QC 19. Product Finish

The supplier will ensure compliance with specified finish, grain line, paint, plating, or cosmetic appearance of material or part surfaces as may be required, specification drawing or other referenced document(s). The finish will be maintained throughout any or all manufacturing operations as well as handling, packaging, shipping or transit of the finished product.

CMI may request product finish samples, swatches, or coupons at its discretion.

Color samples are checked by a Spectrophotometer. The illuminants are set to D65 North Sky Daylight and 10° observer using the CIE Lab color system with a maximum tolerance of a dE of 5 as a base for rejection.

QC 20. Welding

All welding must be done in accordance with BS499-1, AWS A2.4, AWS D1.1 select appropriate variant for the specific metal to be welded, and AWS A3.0

QC 21. ELECTROSTATIC DISCHARGE SENSITIVE (ESDS) PRODUCTS

The External Supplier is responsible for ensuring that the product is manufactured, tested, identified, and handled in accordance with MIL-STD-1686, EIA-JESD-625-A or equivalent. The External Supplier shall maintain an ESDS program in accordance with MIL-STD-1686, MIL-HDBK-263, EIA-JESD-625-A or equivalent and shall include procedures, personnel training records, and calibration of ESDS testing equipment.

QC 22. WORKMANSHIP

Workmanship shall be in accordance with the drawing requirements, specifications and any requirements of the detail equipment specification applicable to manufacturing, processing, marking of parts and assemblies, wiring, soldering, welding and brazing, plating, riveting, finishing, machine operations and shall be reviewed for the detection and removal of foreign objects to include product to free from burrs, sharp edges, tooling marks, mismatch conditions, warped and/or bowed conditions or any other damage or defect that could make the product or equipment unsatisfactory for the intended purpose.

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QC 23. CONTROL OF NONDESTRUCTIVE TESTING

Testing shall be in accordance with all purchase order and applicable specification requirements. Unless otherwise specified:

Dye Penetrant inspection shall be performed in accordance with ASTM E1417. The penetrant inspection report shall identify the procedure and method used, the acceptance criteria, part number, PO number, and the result of the inspection. The report shall contain the name of the person performing the inspection and shall be signed and dated. When parts are serialized, serial numbers must appear on the report with the control numbers. Penetrant inspection shall only be performed by a level II or III technician as certified by NAS 410 or ASNT SNT-TC-1A. The penetrant inspection report shall be furnished with each shipment.

Radiographic inspection shall be performed in accordance with ASTM E1742. Individual radiographs shall be traceable to the corresponding product(s). When parts are serialized, serial numbers must appear on the report and film with the control number. The radiographic inspection report shall identify the procedure and method used, the acceptance criteria, part number, PO number, and the result of the inspection. The report shall contain the name of the person performing the inspection and shall be signed and dated.

Radiographic inspection shall only be performed by a level II or III technician as certified by NAS 410 or ASNT SNT-TC-1A. The radiographic inspection report and X-ray films shall be furnished with each shipment.

Magnetic Particle inspection shall be performed in accordance with ASTM E1444. The magnetic particle inspection report shall identify the procedure and method used, the acceptance criteria, part number, PO number, and the result of the inspection. The report shall contain the name of the person performing the inspection and shall be signed and dated. When parts are serialized, serial numbers must appear on the report with the control number. Magnetic particle inspection shall only be performed by a level II or III technician as certified by NAS 410 or ASNT SNT-TC-1A. The magnetic particle inspection report shall be furnished with each shipment.

Ultrasonic inspection shall be performed in accordance with ASTM E2375 and/or ASTM B594. The ultrasonic inspection report shall identify the procedure and method used, the acceptance criteria, part number, PO number, and the result of the inspection. The report shall contain the name of the person performing the inspection and shall be signed and dated. When parts are serialized, serial numbers must appear on the report with the control number. Ultrasonic inspection shall only be performed by a level II or III technician as certified by NAS 410 or ASNT SNT-TC-1A. The ultrasonic inspection report shall be furnished with each shipment.

QC 24. FOREIGN OBJECT DEBRIS/DAMAGE (FOD) PREVENTION

The External Supplier shall establish and maintain an effective FOD prevention program to control and eliminate FOD and/or contamination assuring work is accomplished in a manner preventing foreign objects or material from entering and remaining in deliverable products. The External Supplier's program shall utilize effective FOD prevention practices. NAS 412 may be used as a guide to establish and implement the External Supplier's FOD program.

Maintenance of the work and control of tools, parts, and materials shall preclude the risk of FOD incidents. Prior to closing inaccessible or obscured areas and compartments during assembly, the External Supplier shall inspect for foreign objects/materials. The written procedures or policies developed by the External Supplier shall be subject to review and audit by Contour Machining Inc., Inc. Quality Assurance and approved or disapproved when the External Supplier's procedures or policies do not accomplish their objectives.

QC 25. CUSTOMER / GOVERNMENT FURNISHED TOOLING PROPERTY

CONTOUR MACHINING INC.

Material provided directly or indirectly to the supplier by CMI will be inspected prior to use in the manufacture or fabrication of the product required by this purchase order. Provided tooling shall remain the property of CMI. and indelibly marked per Purchase Order or drawing requirements. As a minimum, the supplier will conduct receiving inspection of all material to ensure suitability for its intended

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REVISION HISTORY		
REVISION	RELEASE DATE	SUMMARY OF CHANGE / REASON
A	11-01-2018	Added as new