



## QUALITY CLAUSES

- 1.) Continental Heat Treating, Inc. (CHT) has established a Quality Policy which reads "Providing Quality Thermal Processing, Reliable Service and Continuous Improvement to Satisfy Our Customers". It is CHT's expectation that Suppliers provide products and services which support CHT's commitment to our customers and adherence to our Quality Policy.
- 2.) CHT maintains an approval list for suppliers and those products, services, methods, processes and equipment provided by each Supplier. CHT shall communicate status to Suppliers upon completion and approval of Self-Survey.
- 3.) Supplier shall have implemented a Quality Management System (QMS) acceptable to CHT. Preference will be given to MIL-Q-9858, MIL-I-45208, ISO 9000, AS 9100, D1-9000, AC 7004, ISO 17025. Any substantive changes to the QMS or accreditation shall be communicated to CHT in writing.
- 4.) CHT shall communicate requirements for processes, products and services to be provided, and release of products and services, via written blanket or individual purchase orders (PO's). PO's include identification of relevant technical data (i.e. specifications, drawings, process requirements, work instructions, special requirements, critical items or key characteristics, etc.), test, inspection and verification (including production process verification), competence, including any required qualification of persons. Supplier shall comply with all PO requirements.
- 5.) CHT PO's may contain and/or reference documents subject to U.S. Export Control Regulation (e.g. ITAR). Supplier shall not export, release or disclose this information to foreign nationals without first complying with all export license requirements.
- 6.) All interaction/communication between CHT and Suppliers regarding products and service provision requirements shall be confirmed in writing (paper, email, fax, etc.). CHT controls and monitors Supplier performance via methods appropriate to each type of Supplier/product/service provided including but not limited to on-site audits, review of Self-Survey response, on-time delivery, compliance to PO requirements, nonconforming product, corrective actions, etc. Unsatisfactory performance may result in removal from CHT approval list.
- 7.) Prior to commencing work, Supplier shall communicate with CHT and resolve any contract or order requirement differences from those previously defined.
- 8.) Suppliers are not authorized to:
  - a.) provide test specimens for inspection/verification;
  - b.) use external providers, including process sources (i.e. special processes) or exercise delegation authority;
  - c.) use statistical techniques for product acceptance unless specifically authorized by PO;
  - d.) exercise MRB authority.



### QUALITY CLAUSES (CONTINUED)

- 9.) Suppliers shall:
- a.) prevent use of counterfeit parts/materials;
  - b.) notify CHT of changes to processes, products and services, including changes of location of manufacture and obtain CHT's approval;
  - c.) ensure that all test specimens supplied by CHT are properly identified and retained and processed with order;
  - d.) notify CHT of nonconforming processes, products and services as soon as practicable and obtain approval for their disposition prior to shipment to CHT;
  - e.) notify CHT immediately of nonconforming processes, products and services already shipped accompanied by a clear statement of the extent of the nonconformance;
  - f.) allow verification or validation activities. CHT and our customer, their representative and regulatory agencies retain the right to determine and verify the quality of work, product or service conformance to specified requirements and applicable records and material at any place and at any level of supply chain including Supplier plant;
  - g.) provide test specimens or remnants for investigation or auditing;
  - h.) provide packaging and preservation in accordance with best commercial packaging methods to ensure against damage, deterioration or loss, and to eliminate shipping damage;
  - i.) comply with delivery date specified on PO. If unable to comply with delivery date, Supplier shall notify CHT of best possible delivery date. All deliveries shall be considered on-time if no delivery date specified on PO.
  - j.) retain documented information for 15 years minimum and notify CHT prior to destruction.
- 10.) Certificates of conformance and/or test reports shall accompany each order and include part number, PO number, quantity, revision level of all specifications and a signature and/or stamp of responsible representative.