



CASTLE INDUSTRIES INC. of CALIFORNIA **Procurement Quality Clauses**

The following clauses, as indicated on the face of the purchase order, constitute contractual requirements that apply to the noted purchase.

1. **BASIC INSPECTION SYSTEM REQUIREMENTS** Seller shall establish and maintain a documented inspection system that includes provisions for:
 - a. **CONTROL OF SUBTIER SOURCES** All products scheduled for delivery to Buyer and procured by Seller from subtier sources shall comply with all applicable drawings, specifications and other requirements of Buyers Purchase Order. Seller system shall assure that only subtier sources currently approved to Boeing D1-4426 are used to procure products or services.
 - b. **RECEIVING INSPECTION** Product(s) purchased by Seller for use in Buyers Purchase Order shall be inspected by Seller upon receipt to the extent required to assure conformance to all applicable requirements. Inspected and accepted product(s) shall be adequately identified and/or controlled to prevent commingling with other product(s). Buyers furnished materials shall be inspected to the extent necessary to assure damage was not incurred during transit and shall be identified and segregated for use only in Buyer's Purchase Order.
 - c. **MANUFACTURING CONTROLS** Seller shall employ a system for controlling, documenting and maintaining required product quality levels throughout the manufacturing process whether performed by Seller or Seller's subtier sources. This may be accomplished using a manufacturing plan or outline, shop traveler or routing, or other suitable method which defines the step-by-step sequence of manufacturing and inspection requirements. Seller shall provide objective evidence that resultant product(s) conform to the specified requirements.
 - d. **CONTROL OF TOOLING AND MEASURING TEST EQUIPMENT (M&TE)** Seller shall maintain suitable tools, gages, and M&TE of required accuracy for use during manufacturing and inspection operations to verify product conformance to specified requirements. Such tooling and M&TE shall be calibrated at scheduled intervals, against certified standards which have known valid relationships National or International Standards. Seller's system for control and calibration of such tooling and M&TE shall be documented and include provisions for compliance to National or International calibration system standards to the extent necessary to maintain required levels of accuracy and assure product conformance to applicable requirements. Control of tooling and M&TE furnished by the buyer shall be responsibility of Seller.
 - e. **CONTROL OF NONCONFORMING PRODUCTS** Seller shall establish a system for prompt identification, segregation, documentation and submittal to Buyer for disposition of any nonconforming product(s) found during Seller's manufacturing or inspection operations. Seller shall maintain a system to implement effective corrective action to preclude recurrence. The corrective action system shall provide for prompt notification to Buyer if it has determined that nonconforming material may have been shipped to Buyer.

Castle Industries, Inc.
601 South Dupont Avenue
Ontario, CA 91761-1502 USA
909-390-0899 FAX: 909-390-0898



- f. **PREPARATION FOR SHIPMENT** Seller shall assure that product(s) are to Purchase Order requirements and that all manufacturing and product inspection and acceptance requirements have been satisfied prior to shipment. Seller shall assure that product(s) are packaged in accordance with applicable requirements and are accompanied by the required certifications.
2. **SPC FLOWDOWN** This order contains items which have features that have been identified as key characteristics, or processing variables which have been identified as key process parameters. Seller is required to perform statistical analysis of the indicated item and submit results to CIIC. Control plan or equivalent and chart type may be subject to CIIC approval.
3. **CASTLE INDUSTRIES INC. OF CA. RIGHT OF ACCESS** Castle Industries Inc. and its customers, shall be allowed entry right of access. All work performed on this order is subject to surveillance by CIIC and it's Customer. This surveillance includes, but is not limited to product, processes, procedures, facilities, systems, and personnel qualifications.
4. **SOURCE INSPECTIONS** All work performed on this procurement is subject to CIIC Quality Assurance inspection at the supplier's facility prior to shipment to CIIC. The supplier shall make available acceptable equipment, facilities and assistance as needed to complete the inspection(s).
5. **FIRST ARTICLE INSPECTION** Concurrent with delivery of first production product(s) and First Article sample(s), Seller shall submit to Buyer a First Article Inspection Report documenting the results of Seller's First Article test and/or inspection. The First Article Inspection Report shall show the actual dimensions or values obtained by Seller for each specified characteristic and evidence of compliance to all engineering drawing requirements.
6. **FURNISHED TOOLING, GAGES AND TEST EQUIPMENT** CIIC tooling, gages and / or test equipment furnished with this order are subject to a calibration program per MIL-STD-45662 (latest revision) or equivalent. It is the responsibility of Seller to monitor the calibration due date.
7. **CERTIFICATION OF COMPLIANCE** Seller shall include with each shipment three (3) copies of a certificate of compliance signed by Seller's Quality Assurance representative. The required statement shall constitute certification by Seller that the articles are in full compliance with the purchase order requirements and that Seller holds documented evidence of such compliance available for review. Records shall be retained by seller for a period of seven (7) years, unless otherwise specified in the purchase order, and be available to the buyer for examination at any time during that period. The certificate of compliance shall contain the purchase order number, part number, drawing revision, quantity of articles, serial or lot number when applicable and heat or melt number when applicable.
8. **MATERIAL TRACEABILITY** Each shipment shall be accompanied by three (3) legible copies of the material certification which identifies the producer / manufacturer of the material furnished. Certification shall also include the heat number, or melt number, which shall be traceable to the raw material manufacturer.
9. **RAW MATERIAL ORIGIN** Raw materials (sheet, strip, bar, plate, etc.) furnished to CIIC, or raw material procured by the seller for the production / fabrication of articles for sale to CIIC, shall be of domestic origin only. Raw materials of foreign origin shall not be acceptable unless specific written approval of acceptability is granted by CIIC prior to shipment of the material or article to CIIC.
10. **SPECIAL PROCESS CERTIFICATION** Each shipment shall be accompanied by three (3) legible copies of the certification for special processes used under the terms of this purchase order. Special processes include, but are not limited to, heat treating, welding, magnetic particle inspection, radiographic inspection, penetrant inspection, ultrasonic inspection, brazing and plating. The certification shall list all applicable specifications,

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including the revision letter or number to which the process conforms, the type or class (if applicable), the date, CIIC's purchase order number, CIIC's part number, quantity, and material traceability (such as job number,) as a minimum.

11. **CHEMICAL/PHYSICAL TEST REPORTS** Materials furnished in fulfillment of this purchase order must be accompanied by three (3) legible copies of certified test reports of the chemical/physical properties of the material. Producer / mill test data is preferred. Certified test data from an independent laboratory is acceptable. Test reports must be traceable to the material heat number.
12. **INSPECTION REPORTS** Inspection reports identifiable with the process and materials purchased herein and showing evidence of acceptance by the supplier's quality organization shall be submitted to the buyer prior to or with each shipment.
13. **NONCONFORMING PRODUCT** When delivered items are found to be nonconforming by CIIC, a request for corrective action may be issued to the supplier. The response must be received by the CIIC Buyer within seven (7) days. The response shall contain the root cause of the non-conformance, corrective actions implemented by the supplier, and affectivity of corrective action by date or lot. The corrective action response is subject to approval by the CIIC quality organization. Non-conforming material that is returned to Seller shall be at Seller expense. Non-conforming material that has been reworked by the Buyer shall be charged backed to seller. Scrap shall be charged to the Seller at actual cost to the point of scrap.
14. **LIMITED SHELF LIFE MATERIAL(S)** On each container of, and on the certification for, material(s) having a limited or specified shelf life. Seller shall show the cure or manufacture date or shelf life, lot or batch number and when applicable, any special storage or handling conditions. The information shall be in addition to the normal identification requirements of the drawing, specification and/or purchase order. Time lapse between cure or manufacture date of such material(s) and date of scheduled receipt by buyer under the Purchase Order shall not exceed one-sixth (1/6) of the shelf life for the material without prior written waiver from the Buyer for each shipment.
15. **CONTROL OF FASTENERS CERTIFICATION** With each shipment of fasteners, Seller shall furnish documentation that identifies the fastener manufacturer and the manufacturer's production lot or batch number. In addition, Seller shall certify that the manufacturer (or other source) of the fasteners is not currently listed as a "debarred, suspended or ineligible contractor" on the current issue of the "list of parties" published by the U.S. Government General Services Administration (GSA). For additional information or resolution of question, contact Buyer.
16. **FLAMABILITY TESTING** With each shipments of non-metallic materials, Seller must certify compliance with material flammability requirements per FAR 25.853 (a) Appendix F Part 1 (a) (1) (ii).
17. **HAZARDOUS MATERIALS** Seller shall supply a Material Safety Data Sheet (MSDS) with the initial shipment of hazardous material as required in 29CFR 1910.1200, OSHA Hazard Communication Standard. All hazardous materials shall be properly labeled, tagged or marked in accordance with 29CFR 1910.1200.

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