



NAPROTEK QUALITY CLAUSES

The following clauses specify Naprotek Quality Requirements for All Suppliers. Exceptions will be noted below specific clauses. The Supplier is responsible for compliance to the identified requirements and shall ask for clarification if needed. These clauses may be in addition to the clauses listed on the Purchase Order.

Note: Changes to this form require all Management's approval.

QR01 – CONTROL OF QUALITY

The seller shall provide and maintain a Quality System that complies with ANSI/ISO/ASQ-Q9000 series, MIL-I-45208A (Inspection System Requirements) or equivalent. Compliance with the provisions of this clause in no way relieves the seller of the final responsibility to furnish acceptable supplies or services.

QR02 – INSPECTION SYSTEM REQUIREMENTS

The Supplier/Contractor's Quality System shall conform to the requirements above and is subject to audit by Naprotek Representatives.

QR03 – CERTIFICATE OF CONFORMANCE

A Certificate of Conformance shall accompany each shipment of material defined in the purchase order. The Certificate of Conformance shall be legible and at a minimum, include the Manufacturer's name, address and cage code, Naprotek purchase order number, part number as specified on the Purchase Order, serial number, date code or quantity and revision letter. When applicable, Manufacturer's heat, lot, batch number/date code and expiration and/or cure date. All supplied raw material shall be of the same lot unless otherwise stated and agreed to per PO. When multiple lots of material are used in completing a shipment, all material lot numbers or mill heat numbers shall be reported and kept separate. When processing is performed against a Naprotek order, parts shall not be mixed and traceability shall be maintained.

QR04 – TEST DATA AND INSPECTION REPORTS (Applies to Made to Print Parts/Fab Suppliers)

Test and Inspection reports, must be a legible document (reproducible condition) of the recorded data, showing evidence of Seller's inspection and verification of conformance, and shall accompany each shipment of deliverable items to Buyer. The format, at a minimum consists of Buyer Order number, Buyer specification/drawing number and revision letter, part number, lot number, serial numbers, date codes of items tested and/or inspected, type of test or inspection performed, total quantity tested/inspected, quantity accepted and quantity rejected, as applicable.

QR05 – RECORD RETENTION

Records created by the supplier or distributor of products produced or delivered to Naprotek, shall be maintained on file for a minimum of 5 years unless otherwise specified. Records include assembly, test, inspection and verification/validation data identifying conformance to each of the requirements specified in the referenced drawing and/or specifications as applicable. Records shall be traceable to the



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Naprotek purchase order number. Records shall be made available to Naprotek and/or government/regulatory representative upon request. Naprotek must be notified prior to destruction of these documents.

QR06 – NONCONFORMING PRODUCT CONTROLS, RECALLS & ESCAPE NOTIFICATION

Subcontractors are required to report any failure, malfunction, or defect in any product, part, process or article that is manufactured and delivered to Naprotek This also includes any departure from drawings, specifications, or other purchase order requirements.

QR07 – PRODUCT QUALITY

Products shall be uniform in quality and condition, sound and free from foreign materials and imperfections detrimental to the usage of product. The product must be of an overall quality consistent with good industry practices and adhere to requested PO requirements without deviation.

QR08 – PRECEDENCE OF REQUIREMENTS

In the case of conflicting requirements, the following order of precedence will apply Naprotek Purchase order, Naprotek Quality Clauses, Drawing, Material & Process Specification then General Terms & Conditions.

QR09 – SURVEY / AUDIT RIGHTS

Naprotek and/or Naprotek customers (Including Government) and Regulatory bodies shall have the right to conduct surveys and perform surveillance of the vendor's and sub-vendor's facilities to evaluate their capability to comply with the requirements necessary to conform to contractual requirements.

QR10 – TRACEABILITY

All parts, material and/or applicable documents must be identified by a manufacturing lot number or batch number by the seller. (A lot or batch number is defined as parts and/or material produced by one manufacturer in one unchanged process, in accordance with the same drawing and/or specification revision.)

QR11 – GOVERNMENT, CUSTOMER OR REGULATORY AGENCY INSPECTION

Government, Customer or Regulatory Agency reserves the right to inspect any or all of the work included in this Purchase Agreement at the supplier's plant prior to shipment. Verification by the customer shall not absolve the supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by customer. Supplier shall be notified prior to shipment if Government, Customer or Regulatory Agency inspection is required.



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QR12 – AGE SENSITIVE MATERIAL (Applies to material such as Loctite, RTV, etc)

C of C for age-sensitive materials shall contain the following as a minimum: Date of manufacture (cure date), shelf life expiration date, and storage conditions to achieve shelf life, if not stated on material package. Shipments with less than 70% of its total shelf life remaining when received by Naprotek will not be accepted.

QR13 – SUBCONTRACTED SERVICES

Requested services are to be performed by the contracted supplier. Supplier is not permitted to flowdown services to a Sub-tier without prior written approval of Naprotek. If/when approved by Naprotek, all Naprotek requirements will be flowed down to the sub-tier supplier(s).

QR14 – SPECIALTY METALS (Applies to Suppliers using “specialty metals” in deliverables to Naprotek)

Raw material or items which contain “specialty metals” (defined as certain steel and other alloys, titanium, and zirconium) shall be acquired from domestic or “qualifying country” sources. Any source for specialty metals melted outside the United States must be disclosed in writing to Naprotek prior to shipment of deliverables.

QR15 – ELECTROSTATIC DISCHARGE CONTROL

Seller shall provide and maintain a program for electrostatic discharge control for all Electronic items furnished on this Purchase Order. Electrostatic discharge control shall be per ANSI/ESD S20.20, latest revision. All electrostatic sensitive devices shall be packaged in static shielding packaging that meet the requirements of ESD STM 11.31, ANSI/ESD S541, latest revision, unless otherwise noted.

QR16 – REINSPECTION OF NON-CONFORMING MATERIAL

Non-conforming material rejected back to the supplier, shall be 100% inspected by the supplier prior to re-shipment to Naprotek

QR17 – FIRST ARTICLE INSPECTION (FAI)

FAI's shall be accomplished at the location specified by the Buyer. Additional shipment shall be held until approval of First Article.

QR18 – MEASURING AND TEST EQUIPMENT

Seller must have a calibration system in place for measuring and testing which complies with ISO 17025, latest revision, and may include ANSI/NC SL Z540-1-1994, unless otherwise notified.



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QR19 – PACKAGING

Preservation, packaging, packing, handling and shipment of items shall be in accordance with appropriate procedures to prevent damage and ensure that original quality is maintained.

QR20 – COUNTERFEIT PARTS

If this part is being purchased from a broker or independent distributor, special requirements are added to this purchase order to assure authenticity. Parts provided must be conforming, original, and authentic. Acquisition traceability certifications leading back to the original manufacturer are required with each shipment. Upon receipt, Naprotek will perform special inspections to verify that material is not counterfeit. If there is indisputable evidence that the parts are counterfeit, Naprotek will not pay for the material, parts may be returned in a “rendered useless” condition, and notification to GIDEP authorities may occur. All exceptions to this clause must be approved in writing by Naprotek.

QR21– NOTIFICATION OF PRODUCT, SUPPLIER, FACILITY SITE AND PROCESS CHANGES

Naprotek Inc. requires the Supplier’s written notification prior to implementation of changes to the design, processes, testing, or acceptance criteria, that affects or can potentially affect form, fit, function or reliability. This includes changes in suppliers or in facility site. The Supplier shall not ship changed product unless notified in writing of change acceptance by Naprotek Inc.

QR22– Awareness

Naprotek monitors its own performance and the performance of its suppliers. The suppliers are required to monitor their performance for quality and delivery and ensure that the persons performing the work are aware of their contribution to product or service conformity; their contribution to product safety and the importance of ethical behavior.

QR23– ITAR

Suppliers of materials designated for ITAR products are required to be committed to corporate policy and directive to comply with the International Traffic in Arms Regulations (ITAR) with the knowledge and understanding of when and how ITAR affect the company. It includes ITAR controlled items and the establishment and implementation to ensure compliance with ITAR.