

GLOBAL METAL SOLUTIONS' QUALITY TERMS AND CONDITIONS

1.0 PURPOSE:

This document establishes requirements applicable to products or services ordered under the Purchase Order of which this form is a part to assure that such products or services are of the required quality and reliability. It contains general requirements for product assurance, which are applicable unless expressly excluded in the Purchase Order.

Supplier's Quality Management System is subject to initial survey and approval by Global Metal Solutions. Surveys or audits may be conducted before or after the release of a purchase order. The supplier shall be notified of deficiencies and shall follow-up and ensure that deficiencies are promptly corrected. Corrective actions shall be subject to review and approval by Global Metal Solutions Quality Assurance. Subsequent surveillance or periodic review of the system may be performed as deemed appropriate for the items being purchased.

2.0 GENERAL REQUIREMENTS:

- 2.1 The Processes, products and services must be provided to the identified relevant technical data, such as specifications, drawings, process requirements, work instructions and part numbers, as called out on the Purchase Order;
- 2.2 The approval of products, services, methods, processes, equipment and the release of products and services, are subject for approval by Global Metal Solutions;
- 2.3 Supplier shall ensure all processes, products and services are provided by competent personnel, which include any required qualification of persons;
- 2.4 Supplier's interactions with Global Metal Solutions are deemed confidential and shall not be divulge with 3rd parties without the written consent of Global Metal Solutions;
- 2.5 Global Metal Solutions shall control and monitor the Supplier's performance based the ability to deliver products or services that meet the following requirements: Quality of goods or services, credibility and reliability of delivery and willingness to solve quality problems. For additional information regarding the implemented grading system, contact Global Metal Solutions. In the event that Supplier falls below the satisfactory grade for the product and/or service provided, Global Metal Solutions will communicate the actual results as a means to allow the supplier an opportunity to correct their actions. Any supplier that does not meet the satisfactory grade shall be placed on probationary status and shall run the risk of loss of business;
- 2.6 In the event that Global Metal Solutions or its customer intends to perform any verification or validation activities at the suppliers' premises, it shall be communicated in writing via means of the Purchase Order. Supplier shall notify Global Metal Solutions when performing work that produces characteristics which cannot be verified upon receipt at Global Metal Solutions, as this may be subject to source inspection;
- 2.7 The Supplier is responsible for the design and development control of any manufactured products and/or services provided to meet the intended purpose required by Global Metal Solutions;
- 2.8 Global Metal Solutions shall communicate any special requirements, critical items or key characteristics in writing via means of the Purchase Order;
- 2.9 In the event that Global Metal Solutions requires test, inspection and verification (including production process verification) to be performed by the supplier, it shall be communicated in writing via means of the Purchase Order. Supplier shall perform and submit a First Article inspection report that will comply with any potential areas of concern, when required by Global Metal Solutions;
- 2.10 In the event that Global Metal Solutions requires the use of statistical techniques for product acceptance, it shall be communicated in writing via means of the Purchase Order;
- 2.11 In the event that Global Metal Solutions requires the Supplier the need to implement a quality management system, it shall be communicated in writing via means of the Purchase Order;
- 2.12 In the event that Global Metal Solutions requires the Supplier the need to use customer-designated or approved external providers, including process sources, it shall be communicated in writing via means of the Purchase Order;
- 2.13 The Supplier shall notify Global Metal Solutions of nonconforming processes, products or services and obtain approval for their disposition;
- 2.14 The Supplier shall prevent the use of unapproved parts and/or counterfeit parts and shall take appropriate actions to remove them from circulation. Supplier shall have a system in place that prevents the unintended use of Counterfeit Parts and Materials from being delivered to Global Metal Solutions;
- 2.15 The Supplier shall notify Global Metal Solutions of changes to processes, products or services, including changes of external providers or location of manufacture, and obtain their approval;
- 2.16 The Supplier shall flow down to their external providers all applicable requirements including, Global Metal Solutions' customer requirements;
- 2.17 The Supplier shall provide test specimens for design approval, inspection/verification, investigation or auditing, this includes the requirement to perform a 100% inspection of product. Supplier is required to notify Global Metal Solutions of any other inspection practice for approval. Certifications on work performed shall be supplied with shipment. Mill certifications are required for raw material and hardware. Lab certifications will not suffice;
- 2.18 The Supplier shall retain documented information, including retention periods and disposition requirements, this include the requirement to maintain records identified and maintained properly, to assure protection from reasonable anticipated hazards in a manner which allows retrieval and access to these records, for a minimum of 10 years;
- 2.19 The Supplier shall grant right of access to Global Metal Solutions, their customer and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;
- 2.20 The Supplier shall ensure that persons within their organization are aware of their contribution to compliance and product safety and of the importance of ethical behavior.

3.0 ADDITIONAL REQUIREMENTS:

- 3.1 Supplier shall establish a program that prevents Foreign Object Debris/Foreign Object Damage from being shipped to Global Metal Solutions. The objective of FOD Prevention Program is to promote product safety.
- 3.2 Items should arrive at Global Metal Solutions' facility on required "Due Date" shown on Purchase Order.