

PDC Manufacturing  
35886 Lakeland Blvd.  
Eastlake, OH 44095

### Quality Terms and Condition for Purchase Orders

The following terms apply as indicated by the Quality Term Number on the face of the Purchase Order. In the event any term cannot be met, notify PDC MANUFACTURING, INC. Buyer immediately.

1. PDC MANUFACTURING, its Customers, and any regulatory agencies reserve the right of inspection to determine and to verify the quality of workmanship and materials at all stages of production at Supplier's facilities.
2. Customer Mandatory Source Inspection: Source Inspection by PDC MANUFACTURING, INC. Customer is required on this contract.
3. PDC MANUFACTURING, INC. Final Source Inspection: All work performed under this contract requires PDC MANUFACTURING, INC. inspection and test verification at the Supplier's facility. Notify the PDC MANUFACTURING, INC. Buyer at least seventy-two (72) hours in advance of the item being ready for final source inspection.
4. All requirements stated on the purchase order that are applicable to sub-tier suppliers, shall be flowed down via purchasing documents, including any key characteristics that have been identified.
5. Specific Conformance: The Supplier shall specifically sign and certify that all parts, materials, processes and finished items supplied under this contract were inspected, tested and found to comply with the requirements of this order. Inspection and test data shall be maintained and are subject to PDC MANUFACTURING, INC.' examination. All applicable drawings and/or specifications and their revisions shall be referenced.
6. First Article Inspection: The Supplier is required to perform 100% inspection/test and to record the actual data for the first item of this contract. The records shall identify each characteristic, the allowable tolerance limits, and the actual value measured. The First Article Inspection Report must accompany the first part shipment.
7. Inspection and Test Reports (Actual): The Supplier shall submit signed material, chemical and physical tests' inspection reports with actual results proving conformance to the applicable drawings and specifications for items shipped under this contract.
8. When PDC MANUFACTURING, INC. Supplies material for processing, no material substitution is allowed. If damage occurs or replacement material is required for any reason, contact PDC MANUFACTURING, INC. immediately. Any change in product and or process must be communicated to PDC MANUFACTURING, INC. for approval prior to proceeding.
9. Shelf Life Data: Data shall be provided for items or materials, which are susceptible to quality degradation with age. The Supplier shall provide a signed statement with the starting date, shelf life, expiration date and special storage requirements, if any, to maintain stated shelf life. All shelf life limited items shall have 75% or more of their shelf life remaining at the time of delivery to PDC MANUFACTURING, INC. If the item has unlimited shelf life, the signed statement shall specify (unlimited).
10. Calibration: Test and Measuring equipment, which is used for process control or inspection, must be appropriately calibrated with traceability to the National Institute of Standards and Technology or National Standards. The Supplier may use a calibration system complying MIL-STD-45662/ and or ISO 10012-1 .

11. The supplier shall maintain an inspection in compliance to MIL-STD 45208 and or ISO 9000. 12. Quality System Requirements: Supplier is required to provide and maintain a quality control system to an industry recognized Quality Standard and in compliance with any other specific

quality requirements identified by PDC MANUFACTURING, INC.' purchase order.

13. Traceability: All items furnished on this contract shall have documentation on file to permit traceability from the delivered item back through its manufacture and inspection to the procurement records on its constituent parts and materials. These records shall be sufficient to prove conformance to all applicable specifications and drawings and shall provide means for identifying all like items. Records shall be retained for a period of time specified in applicable item specifications or ten (10) years if not otherwise specified in this contract.
14. Record Retention: Retain all item records pertaining to materials or services provided under this contract for a period of ten (10) years.
15. Hazardous Material Data: A Material Safety Data Sheet (MSDS) meeting OSHA regulations shall be provided with hazardous material when delivered to PDC MANUFACTURING, INC.. If material is not hazardous, a signed statement to that effect is acceptable. If you provided an MSDS for this product to PDC MANUFACTURING, INC. in the twelve (12) months prior to the date of this purchase order and no changes occurred in the data, this requirement has been met.

The hazardous material shall be labeled with:

1. Chemical name, common name or trade name;
  2. Appropriate hazard warnings, including exposure health hazards and first aid and emergency procedures; and
  3. Name, address and phone number of the manufacturer or other responsible party.
16. Part Identification, Packaging and Shipping: All items and sub-packages, including raw material (plate, bar, extension, sheet, etc.) supplied under this contract shall be identified with complete nomenclature and part number as specified by the applicable drawing, specification, catalog, purchase order, etc. Materials shall be packaged, handled and transported adequately to maintain the reliability and achieve their damage-free delivery to PDC MANUFACTURING, INC. or other designated location. Containers shall be identified on the outside with the PDC MANUFACTURING, INC. Purchase Order Number.
  17. Preference for Domestic Specialty Metals: Supplier must comply with DFAR 252.225-7008/ DFAR 252.225-7009/ DFARS 252.225-7014, ALT 1 clause. This clause prohibits a prime contractor and all of its sub-tier suppliers from incorporating "specialty metals" (as defined in the clause) into military parts, components and/or end item deliverable, unless the specialty metals have been melted in the United States, its outlying areas or a qualifying country listed in DFARS 225.872-1. All shipments to PDC MANUFACTURING, INC. must have country of melt identified on the raw material certification and must accompany the shipment. Not meeting the requirement of this clause will result in rejection of parts sent.
  18. Early Delivery Acceptable: Early delivery is acceptable. Partial delivery is not acceptable without prior approval from PDC MANUFACTURING, INC.' purchasing agent.
  19. Early Delivery NOT Acceptable: PDC MANUFACTURING, INC. will not accept deliveries that are received more than three days prior to the desired "receive on date" noted on the purchase order.
  20. International Traffic in Arms regulations (ITAR): Specifications, drawings or other information

provided as part of the purchase contract are not to be placed in the public domain, exported from the U.S., or re-exported, without the prior specific written authorization of INFITECH INDUSTRIE and the U.S. Department of State.

21. Vendor agrees to comply with Section 1502 of the Dodd-Frank Act, regarding “Conflict Materials.” Vendor shall immediately notify the buyer if material or manufactured product is affected by this requirement.

Date: Nov. 2015 IIIPOC-001-Rev. 3