

Purchase Order Quality Requirements

These Purchase Order Quality Requirements apply to Paragon Precision Purchase Orders issued for raw materials, outside processes, calibrations, and offloaded machining. In cases where the purchase order contradicts this document, the purchase order will take precedent.

1.0 Quality System Requirements:

AS9100D, "Quality System Standard", latest issue in effect, forms a part of this purchase order. The seller's quality system must meet the requirements and be documented to this standard. Paragon Precision does not require registration to **AS9100:2016 / ISO 9001:2015**; we require only compliance with the system standard.

1.1 Requirements: Approval of products, services, procedures, processes, equipment, and qualifications of personnel should be applicable to certifications sent to Paragon Precision Inc.

1.2 Requirements: for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instructions for acceptance by the organization, and as applicable critical items including key characteristics.

1.3 Test Specimens: requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection/verification, investigation, or auditing.

1.4 Notification:

- a) notify the organization of nonconforming products
- b) obtain organization approval for nonconforming product disposition
- c) notify the organization of changes in products, processes, suppliers, or manufacturing
- d) flow down to the supply chain the applicable requirements including customer requirements

2.0 Calibration System Requirements:

ISO/IEC 17025 "General requirements for the competence of testing and calibration", latest issue in effect, forms a part of this purchase order. The seller's calibration system must meet the requirements of this standard.

Certificates and/or Calibrations Reports must clearly show traceability to national measurement standards for the standards used during the calibration. They must also show any adjustment made to the tool being calibrated and that calibration status of the tool after calibration.

Paragon Precision will be notified at the earliest possible time if the equipment is found not to conform to requirements.

3.0 Right of Access:

Paragon Precision Inc., our customers, and/or regulatory agencies reserve the right of entry to any place necessary to determine and verify the quality of contracted work, records, and materials.

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3.1 Sub-Tier Right of Access:

This statement (or words to the effect of) is to be included in all purchase orders for sub-tier suppliers performing work for Paragon Precision Inc.

“We the issuer of this purchase order, our customers, and/or regulatory agencies reserves the right of entry to any place necessary to determine and verify the quality of contracted work, records, and materials.”

4.0 Awareness:

Paragon Precision Inc. requires the seller to be aware of their contribution, reminding them that you are supplying products and/or services that contribute to product and service conformity for types of aerospace products. Ethical behavior and product safety can impact the final products.

5.0 Inspection Sampling

Inspection sampling may be used on this order. Any statistically valid Military or Commercial released sampling plan may be used as long as the sampling plan accepts the lot only if no defects were found in the sample (C=0).

6.0 Rejected Material – Material Review Board Authority

Material Review Board authority is not delegated to this order. If a nonconformance occurs that cannot be reworked to requirements, notify Paragon’s Quality Organization for disposition instructions. If a nonconformance is found after delivery, Paragon Precision Inc. must be notified within 24 hours.

7.0 Record Retention

The seller will retain all quality records (for example: certifications, test reports, manufacturing, and quality plans) for a minimum of ten years or Customer requirement starting at the date shipped to Paragon Precision.

1. Radiographic Film.
2. Non-traceable, non-serialized parts.
3. Traceable parts as identified on the drawing or purchase order.
4. Serialized parts as identified on the drawing or purchase order.
5. Critical parts as identified on the drawing or purchase order.

These records provide evidence of conformity to requirements and the effective operation of our supplier’s quality management system. Procedure(s) must be in place for the control, identification, storage, protection, retrieval, retention and disposition of records.

8.0 Regulatory Compliance

The seller will ensure that all work accomplished under this order is completed in accordance with all applicable codes of the seller’s and/or manufacturer’s city, county, state regulatory, and federal agencies. This includes current governmental and safety constraints on restricted, toxic and hazardous materials; as well as environmental, electrical and electromagnetic considerations.

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9.0 On-time Delivery

100% on time delivery is a requirement of this order. Late deliveries will be on your supplier rating and may affect our companies' business relationship.

10.0 Special Process Sources – Customer Specification

Whenever a specific corporation's process specification is required to be performed on parts for Paragon Precision (e.g., Chem Film per BACXXXX) all such processes shall be performed to current specification revision.

11.0 Certification – Conformance (CoC)

Certification of conformance to applicable specifications is required for all materials and processes performed on this order. The CoC will list the material, process and inspections performed on the part(s) and will also include the required information found in Paragon's Purchase Order. Include on this list the applicable Report/Certification Number(s) and Authorized approval signatures.

12.0 Certification – Special Processes (*Exception: Hardware AN, MS, NAS when not required by the hardware procurement specification*).

Special Processes Certification is required whenever a special process is performed under this order. Special processing includes: coatings, films, heat treating, inspection, non-destructive testing, plating, paint, testing, shot peening, welding, etc. Special Processing shall be performed in strict accordance with the specification and current revision unless otherwise stated on Paragon's Purchase Order.

The certification will include the following:

12.1 For *all processes*:

- Reference to Paragon's Purchase Order Number
- Required information found in the process specification
- The processor's company name who performed the process
- Signature and title of the company's certifying authority
- A description of the process performed
- The process specification and current revision unless otherwise stated on Paragon's purchase order
- Any additional information required by Paragon's Purchase Order

12.2 In addition for *coatings, paint, plating, and films*:

- actual thickness applied.
- results of tests and/or inspections required by the specification.
- performance of any required stress relieved baking required by the specification or drawing.
- Total time baked.
- Temperature parts were baked at.

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12.3 In addition for *heat treatment or stress relieve* processes:

- performance of any required stress relieved baking required by the specification or drawing.
- Total time baked.
- Temperature parts were baked at.

12.4 In addition for *inspections/tests*:

- Results of tests and/or inspections required by the specification.
- Traceability/Serialization of Inspection reports per purchase order instructions.

13.0 Raw Material – Chemical/Physical Analysis Test Report (Metals) *(Exception: Standard Hardware AN, MS, NAS when not required by the hardware procurement specification).*

The seller shall furnish with each shipment with a complete objective Mill Chemical/Physical Analysis Test Report that provides the material's chemical composition and mechanical properties, and their distributions for all metals on this order in accordance with the specification and revision required within Paragon's Purchase Order.

14.0 Change in product and/or process definition

The seller shall notify Paragon Precision before deviating from the specified process or the process definition. Any changes to material or process substitutions and any other changes made to the processes required by or its drawing, specification, procedure or previously designated Fixed or Frozen Process/Planning by Paragon Precision's customer requires approval by Paragon Precision or its customer. Some of Paragon's customers require up to six months to approve said changes. Plans to avoid negative impacts to the customer supply stream such as maintaining additional inventory, and overlapping production schedules may be required.

The seller shall notify Buyer of any potential program, product, or schedule changes promptly as it becomes aware of them.

Seller shall be responsible for all Buyer's cost incurred as a result of changes implemented by Seller.

Seller will flow down this requirement in all its subcontracts and purchase orders for purchased goods of process related services required for the product, whether such goods are supplied to Seller as an end item, a component part of an end item, or an individual piece part.

14.1 Changes in the sellers organization

The seller will notify Paragon Precision if there are changes in:

- the location of the manufacturing facility.
- ownership or senior management
- ISO/AS/another certification / registration / accreditation / or if major audit finding(s) were made by a third party audit. (e.g., new certification, suspension, or expiration)

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15.0 First Article (Casting and Forgings)

A AS9102 or similar form First Article Inspection Report (FAIR) is required for any of the following conditions:

- First production delivery of a new or revised part.
- A First Article has never been supplied to Paragon Precision. Seller's initial internal FAIR may be supplied.
- 2 years of lapse in production. This requires a complete FAIR.
- As evidence that corrective measures have been taken on reported non-conformities. This may be a Delta FAIR.

The Seller's First Article FAIR will show actual dimensions or values of each product characteristic and drawing notes expressed as numeric values. The FAIR will also show evidence of compliance with applicable drawing and Purchase Order notes. Seller shall only submit a FAIR with the parts ordered through a secure portal or other secure means. The First Article product(s) shall be clearly identified by tagging and other positive methods.

16.0 Counterfeit Control, Prevention and Unauthorized Substitutions

(This paragraph is in addition to paragraph 14.0)

The seller may not provide counterfeit products or substituted products, processes or specifications not required on the face of Paragon Precision's Purchase Order. If the product, process, or specification is not able to be supplied the seller will notify Paragon Precision Inc at the earliest practical time (Example; Contract Review). Failure to meet this requirement will cause the product or service to be rejected by Paragon and may affect Paragon's business relationship with the seller. Dependent on the situation notification may have to be made to Paragon's customer and possibly the United States Government.