

# CONTINENTAL PRECISION, INC.

## Purchasing Terms and Conditions

The following Terms and Conditions affect all Continental Precision Inc. Purchase Orders.

PTC-1	Cancellation rights remain the right of the buyer and may be initiated at any time.
PTC-2	All parts and or processes are subject to our inspection and approval.
PTC-3	If shipment of parts will be delayed for any reason or you are unable to complete this order as written, notify Continental Precision immediately.
PTC-4	All quality requirements must be flowed down to all sub-tier suppliers.
PTC-5	Continental Precision and/or its customer's representative shall be granted the right to verify at the subcontractors premises that subcontracted product and/or processes conform to specified requirements or perform onsite inspection.
PTC-6	By acceptance of this purchase order, supplier agrees to reimburse Continental Precision for all costs (labor and materials) associated with supplier non-conformances and damages.
PTC-7	The supplier shall retain records for a minimum of 11 years unless otherwise stated on the purchase order.
PTC-8	All drawings furnished with purchase orders contain technical data and shall not, without written permission of Continental Precision, be released or disclosed in whole or in part to outside parties.
PTC-9	Notify Continental Precision immediately of any problems or quantity discrepancies that prohibit you from processing all parts on this order. Do not return parts unprocessed without our authorization.
PTC-10	Please confirm the "Date Required" upon receipt of the order. If you are unable to meet the required date, please notify us immediately.
PTC-11	Packaging and Protection of the product shipped shall be in accordance with Continental Precision purchase order or best practice to prevent damage.
PTC-12	Rework of any kind is prohibited without the written consent of Continental Precision. Supplier is to notify Continental Precision when nonconforming material is identified or is in an unacceptable condition.
PTC-13	Prevent the use of counterfeit parts (see 8.1.4 of the AS9100D / ISO 9001:2015 Standard)
PTC-14	Ensure that persons / employees are aware of: <ul style="list-style-type: none"><li>- their contribution to product or service conformity</li><li>- their contribution to product safety, and</li><li>- their contribution to the importance of ethical behavior</li></ul>

## Quality Assurance Terms and Conditions

The following Quality Terms and Conditions affect all Continental Precision Purchase Orders as applicable

QTC-1	Current NadCap certification is required for all processes listed on this purchase order. Contact Continental Precision immediately if you are not NadCap certified before performing any work.
QTC-2	Process per specification on print using latest revision. Do not supersede.
QTC-3	Finished parts shall be accompanied with a signed, dated Certificate of Conformance by a responsible representative of the supplier stating that the items produced or shipped were processed in accordance with all purchase order requirements, engineering drawing with the revision, and specification requirements. Also required are the supplier name, purchase order number, part number with revision and quantity accepted.
QTC-4	Parts that require racking for the plating operation are not to be racked in areas with a critical finish (32 mis finish or better)
QTC-5	CPI furnished gaging is for final acceptance and must be returned with the parts.
QTC-6	This is a Government rated order certified for national defense use under the specified contract number(s). This rated contract takes priority over all non-rated orders in your facility. You are required to follow all of the provisions of the defense priorities and allocations system (DPAS) regulation (15 CFR part 700).
QTC-7	This part has been classified as a military item subject to ITAR regulations. You are required by law to comply with all ITAR regulations including the flow down of this note to all subcontracted suppliers.
QTC-8	Work to be accomplished in performance of this purchase order is directly related to a Lockheed Martin Aeronautics company purchase order and must be accomplished in accordance with the process specification on purchase order and Lockheed Martin Aeronautics appendix QJ.
QTC-9	Each lot of raw material shall be accompanied with a legible and reproducible actual mill test report showing chemical and physical test results. The certification shall state the applicable specification requested on the purchase order and shall be signed by a responsible representative for the supplier.
QTC-10	Preference for domestic specialty materials (DFARS 252.225.7014) required. Acceptable countries of origin: Australia, Belgium, Canada, Denmark, Egypt, Federal republic of Germany, France, Greece, Israel, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Spain.
QTC-11	First Article Inspection (FAI) is required. Supplier shall provide Continental Precision with one copy of the FAI report identifying requirements and actuals. This report must be shipped with the completed parts.
QTC-12	Supplier shall maintain a calibration system consistent with ANSVNCSL Z540 or ISO 10012-1 or equivalent.
QTC-13	Government source inspection is required on this order at your facility. Upon receipt of this order, promptly notify the government representative who normally services your facility so that appropriate planning can be accomplished. In the event that we have already been contacted by our local DCMA inspector, we will pass this information on to you, so arrangements can be made for the inspection.
QTC-14	Foreign Object Debris/Damage (FOO). A FOO program IAW NAS 412 Foreign Object Damage/Debris Prevention is required.
QTC-15	Supplier must be Boeing approved for the processes requested on this Purchase Order.

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