



The following clauses are supplemental requirements to any purchase order. Only the clauses or sub-clauses specified on a particular PO are applicable to that PO, a requirement of that PO and considered part of the purchase order. If there are any sections/clauses that a supplier cannot comply with, it is the supplier's responsibility to notify Karas Engineering to discuss waivers and deviations from requirements. Please contact Karas Engineering Purchasing Specialist or Karas Engineering Process Engineer with questions.

1.0 Right of Access to your facility for Karas Engineering and its Customer Representatives

Karas Engineering and its customers, including regulatory agencies, have the right to inspect any or all of the work included in this order at the supplier's facility and the sub tier supplier's facility. Karas Engineering and its customers has the right of access to the facility, sub tier's facility, all records and documents and may review/audit any facility and system contracted on this purchase order to establish conformance to applicable program requirements.

2.0 Quality Management System Compliance Requirements

The supplier is required to comply with the following Quality Management System requirements. Certificate of third party accreditation shall be submitted to Karas Engineering upon request.

- 2.1 MIL-I-45208
- 2.2 ISO9002
- 2.3 ISO9001
- 2.4 AS9100
- 2.5 MIL-STD 45662
- 2.6 ANSI-Z 540
- 2.7 ISO 10012
- 2.8 ISO 17025

3.0 Karas Engineering Audit/Source Inspection Hold Point Prior to Shipment

3.1 The supplier is subject to Karas Engineering Quality Management System audit prior to shipment against this purchase order.

3.2 This purchase order is subject to Karas Engineering source inspection hold point prior to shipping. The supplier shall not ship until source inspection is performed or waiver of source inspection is provided.

Verify Correct Revision Prior to Use – Reference QL 4.2.3-1		
Section/Owner:	Purchasing and Material Control/Purchasing Specialist	
Reviewed and Approved by:	Denny Karas/President	Date: 9/01/09



4.0 Technical Requirements

The following technical requirements are applicable to this purchase order

4.1 Preference for Domestic Specialty Metals (DFAR 252.225-7014)

Preference for Domestic Specialty Metals applies for this order in accordance with DFAR 252.225-7014. Any specialty metal incorporated in articles delivered to Karas Engineering shall be melted in the United States; its possessions, or a qualifying country. "Qualifying country" means any country set forth in subsection 225.872-1 of the Defense Federal Acquisition Regulation Supplement. Contact Karas Engineering Purchasing Specialist if more information is required.

This requirement shall be flowed down to all sub tiers' raw material sources. Prior approval is required if specialty metals does not meet the requirements of this clause, or are planned for use in articles delivered under this contract (PO) to Karas Engineering, See Clause 5.0.

The supplier is required to submit raw material certifications containing country of origin with shipment.

4.2 ITAR - This Order is Subject to U.S. ITAR Export of Technology Controls

This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, USC, Sec 2751, et seq.) or the Export Administration Act of 1979, as amended (Title 50, USC, App. 2401 et seq.). It may not be shared with Foreign Persons unless under prior written approval of the US Department of State or Commerce. Violations of these export laws are subject to severe criminal penalties. The supplier must submit their Technology Control Plan to Karas Engineering for approval.

If the supplier intends to send any information pertaining to this purchase order to a non U.S. company or a parent or subsidiary division which is located outside of the US, the supplier needs to ensure the following:

- The supplier's sub tier supplier, subsidiary or parent company must also comply with the ITAR requirements as stated above.
- Fax is not permitted to a company outside of the US.
- Email to a non-U.S. company is permitted provided that the receiving company has a DSP-5 license or that a TAA is in effect; and, the email must be "ZIP", encrypted and password protected



4.2.1 ITAR Registration Required

The supplier specified on this purchase order must be registered under the Arms Export Control Act (Title 22, USC, Sec 2751, et seq.) or the Export Administration Act of 1979, as amended (Title 50, USC, App. 2401 et seq.) as ITAR compliant in accordance with the above paragraph. The supplier must provide the ITAR registration number on the certification (C-of-C).

The supplier will need to show evidence of the above, and must provide ITAR registration numbers for any sub tiers and subsidiaries on their C-of-C.

4.3 Special Processes Controls Required

The following special processes are required on this purchase order and must be performed by a Karas Engineering approved special process provider – Reference QL 7.4.1, Approved Supplier List.

- a. Passivation
- b. Chemical Conversion
- c. Anodize
- d. Alodine
- e. Irridite
- f. Painting
- g. Heat Treat
- h. Welding
- i. Non-destructive Testing

4.3.1 NADCAP Accreditation Required – Special processes on this purchase order is to be performed by NADCAP accredited supplier.

4.4 Special Services Required

The following special services are required on this purchase order and must be performed by a Karas Engineering approved special service provider – Reference QL 7.4.1, Approved Supplier List.

- a. Calibration
- b. Material Testing



4.5 **Traceability of Material to Inspection and Test Reports Required**

The items supplied on this purchase order are traceable by heat and/or lot number. All documentation supplied shall provide such traceability to Karas Engineering purchase order number and part number.

4.6 **Source Change Control Requirements Apply**

No changes in design, manufacturing processes, relocation of critical manufacturing machinery within the supplier's facility or re-location of the manufacturing facility of this product or process is permitted without the specific written approval of Karas Engineering. Upon discovery of any process changes, the supplier shall immediately notify Karas Engineering by submitting Form QF 7.4.2-3, Supplier Waiver/Deviation Request to the Purchasing Specialist. (See Clause 5 below).

4.7 **Packing & Packaging Requirements Apply**

Items are to be pack and packaged for delivery to Karas Engineering in accordance with the following requirements.

- a. Best Commercial Practices – Mark outside of box with Karas Engineering Purchase Order, Line Item number and Part Number,
- b. Wrap and/or protect each item individually prior to packaging.

5 **Special Nonconforming Material Control and Disposition Requirements Apply**

The supplier shall not ship any material or parts, which do not conform to all drawings, specifications and purchase order requirements, to Karas Engineering or their designated receiver without prior approval from Karas Engineering Purchasing Specialist. All material submitted for Material Review Board (MRB) approval must be submitted in writing through the Karas Engineering Purchasing Specialist on Karas Engineering Form QF 7.4.2-3, Supplier Waiver/Deviation Request. All discrepancies must be clearly and accurately described listing drawing dimensions, tolerance and actual dimensions of discrepancy. Karas Engineering will not approve any request unless acceptable corrective action to preclude future discrepancies accompanies request. Request must show purchase order number, part number; number of discrepant parts and be assigned a Supplier Waiver/Deviation Request number by the Karas Engineering Purchasing Specialist.

The Supplier is required to notify Karas Engineering Purchasing Specialist within two (2) days in writing (i.e. letter or email) after the discovery that nonconforming material/product has been delivered to Karas Engineering.



6 Special Document Submittal Requirements

The following documents are required to be submitted with the shipment of product.

6.a Special Certificate of Conformance to be Supplied with Shipment

Each item and shipment of articles defined in the purchase order shall be accompanied by one (1) copy of a Certification of Conformance to specifications and compliance with process controls. The seller shall verify conformance with all applicable requirements, specifications, drawings and listed quality clauses as stated on the purchase order. The supplier shall list drawings, specifications and revision levels utilized on the Certificate of Conformance.

As a minimum, the following information shall be included in the C-of-C:

- Karas Engineering part number, Purchase Part Number and revision levels
- Purchase Order Number
- Manufacturer's/Supplier's Part Number (If different from above)
- Date, Authorized Signature and Title
- Special Process Specification and Revision Level
- Special Process Provider

For distributor supplied parts, Karas Engineering requires that the distributor submit OEM manufacturer certifications.

The certification shall be signed by someone who has management responsibility (or designated other) for the production of the product and assurance of conformance for all applicable requirements.

Unless otherwise specified by the purchase order, the revision level on any specification or document is the revision level that is in effect at the time of the purchase order date.

6.b Certificate of Analysis to be Supplied with Shipment

Each shipment of material defined in the purchase order shall be accompanied by a Certificate of Analysis, (complete Chemical and Physical Properties as required by Military Specification, drawing, purchase order, or any applicable specification), for each lot, batch or heat number as applicable. OEM raw material certifications, tests reports, heat/batch/lot identification and C-of-C's are required for submittal (i.e., mill, foundry reports, etc).

Transcription of results from original test lab report/certifications is not allowed



6.c First Article Inspection Report in accordance with AS9102 to be Supplied with Shipment

Supplier to provide a First Article Inspection Report in accordance with AS9102. Supplier is to uniquely identify (balloon) each drawing dimension and drawing note and provide evidence of compliance for each unique characteristic on the appropriate form.

6.d Certificate of Calibration (per applicable calibration program identified in section 2.0 of this document) to be Supplied with Shipment

Supplier to provide a Certificate of Calibration for each individual piece of Monitoring and Measuring equipment utilized to verify key characteristics or key process.

6.e Test Report in accordance with Applicable Test Procedure to be Supplied with Shipment/Invoice

Supplier to provide a test report documenting the results of testing in accordance with Section 4.4. b above

7.0 Record Retention Policy Applies

Supplier is required to maintain all quality records supporting compliance to the requirements of this contract for a minimum of ten years. You must notify Karas Engineering Purchasing Specialist of your intention to destroy quality records (i.e. inspection and test results, process control data, supplier purchase orders and Certificates of Conformance/Analysis) applicable to Karas Engineering purchase orders before the required retention period prior to their destruction.