

Purpose: Thor Precision Incorporated purchase order quality clauses are imposed as part of a purchase order requirement team process to contribute to product conformity, product safety, as well as showing evidence of ethical behavior to give confidence to our customers that they are getting requested products meeting all requirements.

Purchase order applicable requirements are stated on page 2 of this document based on the product/service type.

Note 1 – Quality System:

The supplier shall implement and maintain a quality system which conforms, as a minimum, to the requirements of ISO 9001: 2000/2008/2015, AS9100C/D, ISO/IEC 17025 and/or as accepted by TPI as part of our supplier evaluation process.

Note 2 – Right of Entry:

Thor Precision Incorporated (TPI) and its customers may request the right of entry into your facility and/or as specified in the purchase order your sub-tier suppliers facility at any time during the performance of contract/purchase order to perform process approval, process monitoring, inspections, and audits related to the contract/purchase order requirements.

Note 3 – Material Processing and Nondestructive (NDT) Test Reports:

Each shipment shall be accompanied by one (1) signed legible and reproducible copy of a test report certifying that the materials furnished have been tested and/or inspected to the requirements of the purchase order and applicable specification(s). The test report shall include the number(s) and revision(s) of the specification(s) to which the fasteners and/or materials were tested to; the identification of the material heat/lot numbers which apply; the supplier's name and address, contract/purchase order number; and the authorized signature and title of the person performing the test.

NOTE 3a: All submitted test reports documentation shall be traceable back through all sub tier suppliers.

NOTE 3b: In reference to Thor Precision Incorporated (TPI) purchase order specified NDT procedures TPI-3010-1 & TPI-3020-1; there is no TPI approval required if the supplier or their sub tier supplier is Nadcap certified for the applicable NDT process shown in paragraph section 2.0 in both documents, with current Nadcap certification records made available.

Note 4 – Raw Material Physical and Chemical Test Reports:

For class A and class B items, based on the Raw Material specification, each shipment must be accompanied by one legible and reproducible copy of the Physical and Chemical test reports identifiable with the material submitted. These reports must contain the heat number, signature, and title of the authorized representative of the supplier performing the tests, to assure conformance to specification requirements.

NOTE 4a: All Physical and Chemical material test report documentation shall be traceable back through all sub tier supplying distributors.

NOTE 4b: A process for the validation of raw material test reports must be in place and made available as requested for items defined as a critical item.

Note 5 – Certificate of Conformance:

5a: With each shipment, the supplier shall submit a certification of compliance (COC) in accordance with the applicable specification or part number, for each raw material heat/lot/batch number, finished product(s) by line item, instrument and gages (with serial number), and the Thor Precision Incorporated purchase order number for traceability.

5b: As directed by purchase order and for purchase orders deemed as critical items COC's will be required from all sub-tier suppliers through to Thor Precision traceable by material heat/lot/batch number (reference Note 4 for raw materials).

5c: Packing list must be included identifying the products shipped.

Note 6 – Non-Conforming Material/Corrective Action:

Thor Precision Incorporated submitted Supplier Corrective Actions (SCAR's) must be responded to within 15 days of request. Contact the buyer for requested extensions or questions. Suppliers system must make provisions for prompt, containment, identification, documentation, & submittal to the Thor Precision Incorporated buyer for disposition of any non-conforming product found during manufacturing or inspection operations, and a system to implement effective corrective action to prevent recurrence. In those instances where it is indicated that non-conforming products may have been shipped, the system shall provide for prompt buyer notification. Nonconforming products must be segregated (pending disposition, i.e., scrap, rework, etc.) to prevent return to production or shipment.

Note 7 – Inspection and Test Reports:

The supplier shall submit an inspection report listing the drawing, revision, and inspection results for all characteristics affected by the process being conducted by the supplier unless otherwise specified on the purchase order. The inspection report shall list the applicable tolerances and ranges of measured characteristics, sample sizes, listing and copies of any nonconformance(s), and identification of responsible inspection personnel. **Key Characteristics** and **Critical Items** will be defined within the purchase order with specific inspection, testing, and control requirements to be performed by the supplier specified.

7a: Nonconforming gages found during calibration reported on the calibration report.

Note 8 – Packaging, Preservation, & Shipping:

Supplier shall assure that all items are adequately protected from damage, loss, deterioration, degradation, substitution, and/or as specifically required in the Purchase Order. Each container must be properly marked or labeled to maintain content identity, its origin, & destination.

8a: As required by purchase order the supplier will need to be aware of supplying counterfeit parts that do not meet specification requirements. Thor Precision will be monitoring for counterfeit parts that may be reportable to our customers. If the supplier has found that they have supplied Thor Precision counterfeit parts that will be considered a nonconformance process, see Note 6.

8b: Adequate packaging to assure that products will arrive undamaged in any level of commercially recognized packing process or as required internationally.

8c: The supplier must be aware of foreign object debris (FOD) that can affect the product(s) being delivered that fall outside the necessary preservation requirements. FOD can consist of burrs, metal filings/chips in holes, over plating/painting in required masked areas, and corrosion & rust.

Note 9 – Quality Records:

The supplier shall maintain quality records for a minimum of ten (10) years that the item identified in this order has been produced in accordance with applicable instructions, specifications, and drawings. The evidence shall be made available to Thor Precision Incorporated or its customer upon request.

Note 10 Order of Precedence:

The order of precedence for documents is as follows:

- a) Purchase Order
- b) Drawings and specifications
- c) Miscellaneous paperwork and/or notes

Note 11 Supplier Contract Requirement Flow down:

Supplier is required to flow down all applicable purchase order requirements to sub tier suppliers and special processors. Flow down requirements may include customer requirements (see Note 2).

Note 12 – Product Process Changes:

The Thor Precision Incorporated buyer shall be notified for approval when the supplier makes any process or product definition changes to the product.

Note 13 – Delegated Thor Precision verification activities of products: Any Thor Precision verification delegated activities will be specifically authorized in detail, defined clearly as a "Delegated Verification Activity" through purchase order requirements agreed upon by both parties. Thor Precision and/or the customer or regulatory authorities will be monitoring all delegated verification activities thru other subsequent inspection and testing activities that may include process monitoring (see Note 2) as defined in the purchase order.

The following is a listing of applicable quality requirements base on the type of products being purchased:

- 1. Off-the-Shelf, commercially available product: Notes 5c, 8b, 10**
- 2. Rotor Hardware Raw Materials: Notes 1, 2, 4, 4a, 5a, 6, 8, 9, 10, 12**
- 3. Aerospace Raw Materials: Notes 1, 2, 4, 4a, 4b, 5a, 5b, 6, 8 (basic), 9, 10, 11, 12**
- 4. Rotor Hardware Manufactured Product/Parts: Notes 1, 2, 3, 3a, 3b, 4, 4a, 5a, 6, 7, 8 (basic), 9, 10, 11, 12**
- 5. Aerospace Manufactured Products/Parts: Notes 1, 2, 3, 3a, 4, 4a, 4b, 5a, 5b, 6, 7, 8, 8a, 8c, 9, 10, 11, 12, 13**
- 6. Rotor Hardware Special processing of products/parts (e.g., NDT, Heat Treat, Shot Peen, Coating/Plating):
Notes 1, 2, 3, 3a, 3b, 4, 4a, 4b, 5a, 5b, 6, 7, 8(basic), 9, 10, 11, 12**
- 7. Aerospace Special processing of products/parts (e.g., NDT, Heat Treat, Coating/Plating, Dry Film Lube):
Notes: 1, 2, 3, 3a, 5a, 5b, 6, 7, 8, 8c, 9, 10, 11, 12**
- 8. Calibration Services: 1, 2, 5a, 6, 7a, 8(basic), 9, 10, 12**