



## QUALITY ASSURANCE PROCUREMENT CLAUSES

It is the policy of Kaydon Corporation to purchase only from those Suppliers who consistently meet its requirement for quality, delivery, and reliability. Failure to comply with any requirement invoked by the purchase order may be cause for automatic rejection of the material and /or processing of material included in the Purchase Order.

### MANDATORY CLAUSES:

**The following eleven clauses are invoked for every purchase order issued by Kaydon for direct material or direct material outside process purchases:**

- M 1. Inspection System Requirements:** The Supplier shall, in performance of this Purchase Order maintain a Quality System that meets the following requirements
- A. Meets the intent of ISO 9001:2000 or equivalent, or be approved by Kaydon.
  - B. Provides records that indicate dates of inspection, Inspector name or number, characteristics inspected and whether or not the characteristics were acceptable or nonconforming.
- Kaydon reserves the right to audit or review the Suppliers Quality System or records as deemed necessary. Kaydon may upon request and during regular business hours, conduct a survey of the Supplier's facility to evaluate its ability to comply with Purchase Order requirements.
- M 2. Quality and Inspection Records:** Quality and Inspection records must be maintained for a period of seven (7) years minimum unless otherwise stated on Purchase Order or drawing.
- M 3. Compliance to P.O. Requirements:** Objective evidence validating the conformance of purchased items to P.O. requirements shall be kept on file and shall be made available for examination by Kaydon upon request.
- M 4. Certificate of Compliance:** Certificate of Compliance: The Supplier must furnish with each shipment a Certificate of Compliance. The certificate must contain the company logo or the name of either the Quality Assurance Manager or the responsible company official certifying compliance. This shall constitute certification by the Supplier that the articles were manufactured, inspected, and / or tested in accordance with the Purchase Order, specifications and / or drawings as applicable. If a specification is superseded or different than what appears on Kaydon's documentation, the Supplier shall state that the specification is equivalent to and / or superseded by what is specified on the Kaydon PO.
- M 5. Government Contract:** When indicated on the Purchase Order the Government Contract Number and Rating must appear on the Certificate of Compliance.
- M 6. Traceability:** The Supplier shall maintain a system of traceability on all raw material, purchased components, and manufactured parts used to supply items on this purchase order. Traceability can be in the form of batch or lot numbers and shall be listed on the product label or provided on the required documentation.
- M 7. Identification:** Material shipped to Kaydon shall be identified with the Kaydon P.O. Number. Additional marking and / or identification shall be as required by specification, drawing or contract.
- M 8. Deviations / Discrepancies:** Any departure from drawing specifications or other Purchase Order Requirements must be submitted to Kaydon Purchasing Department. Disposition of such deviations / discrepancies must be approved by the appropriate Kaydon function prior to shipment. A copy of this approved disposition must accompany each affected shipment. Any rejected material that is being resubmitted by a Supplier shall be clearly identified as such on the shipping documentation and must reference Kaydon's rejection document.



- M 9. Required Specifications:** The Supplier is responsible for obtaining all specifications needed to complete the Purchase Order. The Kaydon Buyer indicated on the face of the Purchase Order will, upon request, furnish any Kaydon Specifications needed and may assist in obtaining any other specifications required. All materials supplied to a specification must meet the latest published revision of the issuing agency.
- M 10. Resubmitted Material:** Any material rejected by Kaydon and resubmitted by the Supplier must be clearly identified as such on the shipping document. The Supplier shall reference the Kaydon non-conformance number and make available, upon request, evidence that the initial cause for rejection has been corrected. Suppliers shall re-certify PO requirements. (i.e., clause 4, 14, 15, and 17 if applicable)
- M 11. Right of Entry:** Kaydon, its customers, and applicable regulatory agencies reserve the right to witness the manufacture or processing of any items on this Purchase Order to determine and verify the quality of work, records, and material at any place including the Supplier facility. Kaydon reserves the right to limit access to 3<sup>rd</sup> party visits when proprietary design / tooling / processing / manufacturing techniques are employed. A Kaydon representative shall be present during these visits.

**SUPPLEMENTAL CLAUSES:**

**The following clauses are required only when specifically invoked on the Purchase Order:**

- S 1. Government Source Inspection:** Government Inspection of the purchased items or services is required prior to shipment from your plant. Upon receipt of this order, promptly notify the Government Representative who normally services your plant, so that appropriate planning for GSI can be accomplished.
- S 2. Kaydon Source Inspection:** Kaydon Inspection of the purchase items or services is required before shipment from your plant. Contact the Buyer listed on the Purchase Order at least 10 days prior to the time that the items will be ready for Kaydon Inspection. Acceptance by Kaydon shall not be construed as evidence of effective Control of quality by the Supplier and shall not absolve the Supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by Kaydon or its customers.
- S 3. Material Certifications:** Metallic components: Material delivered under this Purchase Order shall be accompanied by a report of the actual chemical and physical test results and must provide traceability data as required by the applicable specification. The country where the raw material was melted must be indicated either on this report or on the Certificate of Compliance supplied to Kaydon.
- Non-Metallic components: Material delivered under this Purchase Order shall be accompanied by a copy of the material certification which must state the material name required by Kaydon and provide lot traceability data. If the Kaydon drawing allows an equivalent material, and if the test report supplied references a product name other than what is specified by Kaydon, the Supplier shall state that the product name indicated on the material certification is equivalent to the material specified by Kaydon.
- S 4. Test / Inspection Data:** Certified test data, or a true copy thereof, on stationary of the organization performing the testing shall be supplied with each shipment. This report must contain all factual information necessary to demonstrate conformance to the requirements reflected on the blueprint or in the Purchase Order. The test data shall show quantitative test results versus qualitative requirements and permissible tolerances for all values measured. When specifically allowed by the Purchase Order or Kaydon Specification, statistical data may be provided.
- S 5. First Article Inspection Required:** The First Article Piece and Inspection Report shall be submitted to Kaydon Quality Assurance with the first shipment of the first production run whenever one or more of the following conditions exist:
- A. First time production of the 13- digit part number by your firm.
  - B. Significant break (36 months or more) in production.
  - C. Process change.
  - D. Change in manufacturing plant location.
  - E. 2nd tier direct material changes as defined and flowed down in conditions A-D above.



First Article documentation shall include as a minimum: [1] Item-by-item listing of all dimensions for each drawing characteristic and the actual inspection or results; [2] The method of inspection, i.e., type of instrument, visual, etc. including calibration dates of these instruments; [3] date performed; [4] Purchase Order number; [5] Inspector signature/stamp; [6] Supplier verification of all attributes reflected in the Kaydon drawings and / or requirements; and [7] the unique marking that identifies the First Article part. The preferred method of format is the AS9102 form.

- S 6. Life Dated Product:** Any material supplied on this purchase order that has a specific or certified usable life must have the "Date of Manufacture" and the "Shelf Life" or the "Expiration Date" of the product indicated on supplied certificates or on each individual container. This includes but is not limited to: Lubricants, Adhesives, Chemicals, and Rubber products. If the product has a batch or lot number then it should be included on the certificates or the container.
- S 7. Kaydon Approved Processes:** Prior to fabrication a Manufacturing / Process Control Flow Plan shall be submitted by the supplier to the Buyer for review by Kaydon Engineering and Quality Assurance. This Flow Plan shall list, in sequence, the manufacturing and special process operations to be performed and all inspections and tests that will be conducted. Kaydon must approve the plan and any subsequent changes, prior to implementation.
- S 8. Nadcap Approved Processes:** The following aerospace services are considered special processes by Kaydon Corporation. Special process suppliers are required to have Nadcap registration prior to processing any items on this order: Heat Treat, Chemical Processing, Welding, Shot Peen, Non-Destructive Testing, Plating and Coating.
- S 9. Process Changes:** Seller agrees that work performed internally and / or the work procured from sub-tier suppliers shall comply with the following requirements unless a documented request for change is approved by Kaydon Purchasing Department.
- A. Work shall not be moved from the original location of manufacture to another location of manufacture within a production facility or to any other production facility.
  - B. Where First Article is required, work shall not be moved from the original location where the product was produced at the time of First Article inspection acceptance.
  - C. No changes shall be made to design, manufacturing processes, materials or activities that affect fit, form, or function.
  - D. A fit, form, or function analysis shall be performed, documented, and included with any request for change.
  - E. A documented process shall be in place to review, identify, and submit a request for changes to the Kaydon Purchasing representative.

A documented request for change shall be submitted to the Kaydon Purchasing representative prior to planned implementation. The change will not be implemented unless approved by Kaydon.

- S 10. Raw Material Source:** DFAR Clause 252.225-7014 Alt 1, Preference for Domestic Specialty Metals, is invoked on this order. Raw material used to produce the items being ordered must be melted in the U.S. or a qualified country as defined in DFAR Clause 225.872-1. If raw material certifications do not indicate country in which material was melted, it must appear on the Certificate of Compliance supplied to Kaydon.
- S 11. Bearing Component Source:** DFAR Clause 252.225-7016, Restriction on Acquisition of Ball and Roller Bearings, is invoked on this order. Finished bearing components must be wholly manufactured in the U.S. or Canada. The country of manufacture must be indicated on the Certificate of Compliance supplied to Kaydon.

Approved by Department Head and Date: Craig Bechtel 2/20/08

Approved by Divisional President and Date: J. Manzagol 2/25/08