



## PURCHASE ORDER CLAUSES

### I. These requirements apply to all suppliers:

- Q1. **Flow Down Requirements** - All requirements specified in Avatar Machine's Purchase Order Clauses Q1 – Q11 and the applicable product-specific clauses shall be flowed to sub-tier suppliers.
- Q2. **Right of Entry** – Avatar Machine, Avatar Machine's customers and their customers or any applicable regulatory agency shall have right of access to all facilities involved in the order at any level of the supply chain and to all applicable records.
- Q3. **Quality System** - The supplier shall maintain a quality system meeting the requirements of the ISO 9001 family of standards unless otherwise agreed-to by Avatar Machine. The supplier shall control sub-tier procurements to the extent necessary to ensure conformance to the quality requirements of the purchase order.
- Q4. **Notification of Nonconforming Product** – The supplier shall immediately notify Avatar Machine when it is suspected or known that nonconforming material has been produced or delivered. The notification must include a clear description of the actual or suspected nonconformance. Approval of disposition is required. The supplier shall maintain a **counterfeit avoidance, detection, quarantine, disposition, and reporting** program sufficient to ensure that counterfeit or suspected counterfeit materials do not enter the product stream.
- Q5. **Notification of Inability to Ship** – The supplier shall notify Avatar Machine as soon as it has been determined that supplier is not able to ship as contracted.
- Q6. **Changes in Product, Processes, Suppliers, Manufacturing Location** – The supplier shall notify Avatar Machine of any changes in product or process definition, suppliers, or location of the manufacturing facility and obtain Avatar Machine's approval.
- Q7. **Use of Customer Approved Special Process Sources** – The supplier shall use and direct sub-tier suppliers to use Avatar Machine or Avatar Machine's customer's designated suppliers as instructed on Avatar Machine's purchase order.
- Q8. **Packaging & Preservation** – The supplier shall ensure that packaging and preservation is adequate to prevent damage or deterioration during shipment to Avatar Machine.
- Q9. **Records** – Supplier shall retain and maintain quality records pertaining to the purchase from deterioration for a minimum of seven years unless otherwise specified by purchase order.
- Q10. **Hazardous Material** – The supplier shall furnish applicable Material Safety Data Sheets for products designated by industry, state, or federal agencies as hazardous materials.
- Q11. **Release of Information** – Except as required by law, no public release of any information, confirmation or denial of the subject matter of this purchase order shall be made without prior written authorization by Avatar Machine or its customer. Access to the information contained in this order shall be provided only to employees or suppliers "with the need to know" (for the performance of this order) and who are under obligation to hold such information in confidence.
- Q12. **FOD Prevention** – The supplier shall maintain a Foreign Object Debris (FOD) prevention program appropriate to the sensitivity to the products on order and in compliance with NAS 412, *Foreign Object Damage, Foreign Object Debris Prevention*.

*Please see additional product related quality requirements on page 2.*

**PURCHASE ORDER CLAUSES**

**II. Additional product-specific requirements.**

- Q13. OEM or OCM's Certificates of Analysis** - Mill or product certificates denoting chemical and physical properties shall accompany each lot/shipment.
- Q14. Domestic Specialty Metals** – Raw materials shall not be procured from foreign agencies or produced in non-domestic mills unless previously approved by Avatar Machine or its customer. Specialty metals identified in DFARS Clause 252.225-7014 which have been melted outside the United States, its possessions, or Puerto Rico are prohibited and must be approved by Avatar Machine or its customer prior to shipment. If approval is granted, an independent laboratory analysis may be required.
- Q15. Certificate of Conformance** – (a)The supplier shall submit 1 copy of the supplier's Certificate of Conformance with each shipment. (b) If Special Process - Special Process Certifications may be on the supplier format & shall include the following information:  
Avatar's Order Number, Part number(s), Serial and/or lot numbers of the hardware processed (if applicable), material process specification & revision, a statement saying that the special process was performed per the applicable drawing/specification requirements, Processing Organization's name & address. Each certificate must be signed and dated by a company official.
- Q16. Required Test Specimens** – The supplier shall provide test coupons or specimens as requested by Avatar Machine's purchase order.
- Q17. Required Test, Inspections, & Related Instructions** – The supplier shall perform or obtain tests and/or inspections and provide the resulting data to Avatar Machine prior to shipment or with shipment of the product, as instructed on Avatar Machine's purchase order.
- Q18. Inspections** - A dimensional inspection report is required.
- Q19. Inspections**- First articles must conform to AS 9102.
- Q20. Calibration Services** - Calibration certificate traceable to NIST.
- Q21. Export Compliance** – Supplier shall maintain procedures to prevent the disclosure of technical data and products in this purchase order in written, oral or visual form to any foreign national without prior export authorization from the U.S. Department of State (Reference 22CFR Part 120-130 International Traffic in Arms Regulations (ITAR) and 15CFR Part 730-744 Export Administration Regulations (EAR)).

*These clauses apply to the commodities shown below. The purchase order provides further clarification and additional information, if necessary.*

TYPE OF PURCHASE	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20	Q21
<b>Raw Material</b>	X	X							
<b>Machining</b>			X			X	X		X*
<b>EDM</b>			X			X			X*
<b>Grinding/Honing</b>			X			X			X*
<b>Finish Processing</b>			X						X*
<b>Heat Treat</b>			X		X				X*
<b>Hardware</b>	X*		X*						
<b>Calibration</b>								X	
<b>Castings/Forgings</b>		X	X	X	X				X

\*When identified in the purchase order