

**CALIFORNIA GASKET AND RUBBER CORP.**  
**533 W. Collins Avenue**  
**Orange, CA 92867**

**PURCHASING TERMS AND CONDITIONS**

1. Measurement and Test Equipment

All test and measurement equipment used to check product components and systems, materials used in a product, or control of the processing of a product, shall be checked against standards traceable to National Institute of Standards & Technology (NIST).

2. Training

The supplier shall develop, implement and document training programs in the areas of quality, purchasing and manufacturing. Training programs shall include equipment, inspection and test equipment, methods of procurement, inspection, test, quality, statistical process control, packaging and handling and other requirements for the qualification of personnel.

3. Quality Management System

The supplier shall establish and maintain a system that complies with applicable industry or regulatory standards and is deemed acceptable by California Gasket and Rubber Corporation Quality Assurance. When registered, a copy of the approval certificate from a third party shall be forwarded to California Gasket and Rubber Corporation Quality Assurance including all renewals and/or updates. The supplier is responsible for informing California Gasket and Rubber Corporation when there are changes to the approval status. Quality records must be retained for a period of ten (10) years and shall be made available for California Gasket and Rubber Corporation for evaluation upon request within five (5) working days.

4. First Article Inspection (FAI)

Submit first article inspection report and sample for first build, revisions, and after two (2) year lapse in production. The FAI report shall include the California Gasket and Rubber Corporation drawing/part number reflecting actual measurement readings that show compliance to all drawing characteristics.

5. Certificate of Conformance

The C of C shall specify the California Gasket and Rubber Corporation purchase order number, revision letter, part number, quantity shipped, lot number, identification of the part and/or material certifications referencing applicable specifications.

6. Physical and Chemical Test Reports

Materials delivered under purchase order shall be accompanied by physical and chemical test reports for each lot which validates conformance of the material to the specification requirements.

## 7. Acceptance Test Reports

All tests reports shall reference the purchase order number, supplier's name, part number, part name, lot number, serial number, and date of the tested units must accompany each shipment.

## 8. Calibration System

The calibration system shall be established and maintained in accordance to ISO 10012 or ANSI/NC SL Z540-1.

## 9. Test Specimen Requirements

- (a) Weldment Samples - With the initial shipment, supplier shall submit two (2) weldment samples representative of the welding performed on the items shipped and in accordance with applicable specifications.
- (b) Test Bars - With each shipment, supplier shall submit one (1) raw disc representative of the entire heat or melt suitable for spectrographic test and two test bars from the melt, heat forging lot, etc. from which the items supplied came. Test bars shall be identified and correlated to certifications supplied with the shipment.
- (c) Test Coupons - With each shipment, supplier shall submit two (2) test coupons representative of the coating/finishing process performed on items shipped and in accordance with the applicable specifications.

## 10. Shelf Life

Supplier shall identify all materials and articles, which have definite characteristics of quality degradation with age and/or environment. Supplier shall furnish the date of manufacture and the shelf life expiration date on each container shipped. The identification shall include the storage conditions, such as temperature, humidity, etc. The supplier shall not deliver articles with less than 75% of shelf life remaining at the time of delivery.

## 11. Nonconforming Material and Corrective Action

- (a) Supplier shall implement and maintain a system for the identification, documentation, segregation and disposition of nonconforming material and shall ensure effective, positive corrective action is taken.
- (b) Authority to ship nonconforming material must be obtained through California Gasket and Rubber Corporation. Nonconforming material shipped without prior approval is subject to return at the supplier's expense.
- (c) Notify California Gasket and Rubber Corporation of changes in product and/or process definition and, where required, obtain approval.

## 12. Material Review Board (MRB)

MRB authority for use-as-is and repair dispositions is not granted on California Gasket and Rubber Corporation products. The supplier may request a deviation and/or clarification to a requirement.

13. Facility Relocation/Process Change Notification  
The supplier shall not change any processes, design or relocate any California Gasket and Rubber Corporation approved production, manufacturing and/or facilities during performance of work specified in the purchase order. California Gasket and Rubber Corporation shall be notified in writing of any intended changes prior to the performance against the purchase order and afforded an opportunity to examine and approve changes for compliance with quality requirements. If a specific test facility was previously approved by California Gasket and Rubber Corporation as provided for in the purchase order, supplier shall not change a test facility, or use another test facility to meet specification/drawing requirements without written approval from California Gasket and Rubber Corporation. Supplier shall also notify California Gasket and Rubber Corporation in writing when a significant change in management or ownership has occurred.
14. Right of Entry  
The supplier shall include in their contracts provisions necessary to allow California Gasket and Rubber Corporation customers and regulatory agencies the right to inspect any and all work included on the purchase order.
15. Flow Down To Suppliers and Sub-tier Suppliers  
The applicable requirements in the purchasing documents including key characteristics are required.
16. Preference for Domestic Specialty Metals, Alternate I  
Supplier shall comply with Defense Federal Acquisition Regulation Supplement DFAR 252.225-7014 and Alternate I, Preference for Domestic Specialty Metals when this clause is specified in the purchase order. Suppliers shall flow down this requirement to their sub-tier suppliers.
17. Mercury Exclusion  
Each shipment must contain a statement certifying that the item(s) supplied contain no metallic mercury or mercury compounds.
18. Foreign Object Damage (FOD) Prevention  
The supplier shall maintain a FOD control program assuring work is accomplished in a manner preventing foreign objects or material from entering and remaining in deliverable items.
19. RoHS Compliance  
The Restriction of the Use of Certain Hazardous Substances (RoHS) Directive, 2002/95/EC was enacted by the European Community to minimize the impact of end-of-life electrical and electronic equipment in the environment. The Directive restricts the use of Lead (Pb), Mercury (Hg), Cadmium (Cd), Hexavalent Chromium Cr(VI), Polybrominated Biphenyls (PBB), and Polybrominated Diphenyl Ethers (PBDE) in electrical and electronic products sold in the European Union beginning July 1, 2006. Supplier is requested to certify the RoHS compliance status of the items supplied under this purchase order and provide information as needed to confirm process compatibility and traceability.