




CONSOLIDATED METCO INC.

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SUPPLIER QUALITY STANDARD

	SUPPLIER QUALITY STANDARD	Rev. 07
AUTHORIZATION		
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	Date: 03/22/10	

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Chronology of Revisions to This Document

Date of Change	Revision No.	Description of Change
0 3/31/04	00	Initial release.
10/06/06	01	<ol style="list-style-type: none"> 1. Added Supplier Chargeback policy. 2. Added Off-Shore Supplier requirements. 3. Deleted reference to forms. 4. Deleted reference to a ConMet Supplier website.
01/29/07	02	Revised Cpk requirements for suppliers to match the requirements in ConMet specification 10003805 Rev. C.
04/02/08	03	<ol style="list-style-type: none"> 1. Revised the list of ConMet manufacturing plants. 2. Changed "Certified Suppliers" to "certified parts." 3. Added sections on the ConMet Supplier APQP/PPAP Workbook. 4. Revised the Supplier Performance section to including Supplier Scorecard (page 7).
09/26/08	04	<ol style="list-style-type: none"> 1. Added <S> symbol for safety critical items. 2. Added a provision for assigning Quality Improvement Plans to selected suppliers; and changed Scorecards for multi-plant suppliers. 3. Added Level III inspection criteria. Revised Cpk acceptance criteria. 4. Added Supplier "Significant Production Run" and ConMet "Pilot Run" requirements. 5. Added ConMet record retention requirements for supplier quality data.
10/22/09	05	Changed several location addresses. Added REV level to label requirement (Page 8).
03/22/10	06	<ol style="list-style-type: none"> 1. Revised ConMet plant locations (page 3). 2. Added that suppliers will provide an annual notification to ConMet on their quality

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		<p>certification status (page 5).</p> <ol style="list-style-type: none"> 3. Added a reference to the ConMet Supplier Customs Compliance Standard (page 11). 4. Added comments about SCAR response time (page 7). 5. Added ppm goals for suppliers (page 8). 6. Added penalties for early shipments (page 8). 7. Added resin to the Material Certification paragraph (page 8). 8. Added heat treated pallets to Packaging (page 9). 9. Added notes on prohibition of mixed parts and lots on pallets (page 9- Packaging).
<p>10/15/10</p> <p>CHANGES IN BOLD TYPE</p>	<p>07</p>	<ol style="list-style-type: none"> 1. Modified policy for suppliers without ISO 9001 certification. 2. Deleted supplier ratings (Page 5). 3. Added GR&R requirements. 4. Added Cpm requirements for bearings. 5. Modified Inspection Levels to coincide with ConMet specification 10003805. 6. Added MDS requirements for materials. 7. Added supplier Labeling requirements for incoming shipments to ConMet.



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Introduction

At Consolidated Metco we believe that continually improving our products and processes is a key to survival and success. Reducing variation and optimizing parameters results in long-term gains for our suppliers, our customers and ConMet. Since the products supplied to us play a vital role in the ultimate quality of our products, we have established criteria to help ensure conformance to specifications, adequate manufacturing process control, and continual improvement of those processes.

Consolidated Metco, Inc. uses the international automotive standard Quality System Requirements TS16949 as the basis for developing quality operating systems. Consolidated Metco, Inc. expects all suppliers to have a formal quality management system. See Appendix 1 for a flowchart describing the ConMet quality system.

Purpose

The purpose of this manual is to provide a standard to all suppliers for quality system management and performance. Suppliers of production related materials and services are subject to the requirements of this standard. The requirements covered by this manual are provided as a supplement and are an extension of the terms and conditions covered by Consolidated Metco, Inc. Purchase Orders.

This standard defines the minimum Quality System Requirements suppliers are expected to use in their internal processes to control the quality of the products and services provided to Consolidated Metco, Inc. This manual explains procedures intended to build and sustain a mutually beneficial relationship with our suppliers. We anticipate that the standardized requirements will improve the quality of products and services provided to Consolidated Metco, Inc. and our customers.

About ConMet

Consolidated Metco (ConMet), one of the Amsted Industries, is a manufacturer of lightweight aluminum, plastic, iron and steel components for the heavy-duty transportation industry. ConMet is headquartered in Vancouver, WA and has six manufacturing facilities throughout the United States and Mexico.

ConMet's expertise in casting and advanced design technologies positions the company as the industry leader in the production of lightweight, high performance products. ConMet manufactures components using Permanent Mold and Low Pressure Aluminum Casting, Die Casting, and Structural Plastic Injection Molding. Products include: aluminum and iron hubs, truck suspension components, brake rotors and drums, truck instrument panels, and more.

ConMet Quality Policy

Consolidated Metco will provide cost effective and reliable products and services at a level of quality that meets or exceeds our customer's expectation. Our goal driven teams strive for continuous improvement in quality, service, technology, and product safety.

Supplier Responsibilities and Expectations

The supplier shall resolve all questions relating to fulfillment of the contract before accepting a purchase order. The supplier is responsible for acknowledging agreement of order requirements. Acceptance implies that the supplier understands the purchase order terms and specific requirements and indicates agreement to the requirements, including the requirements in this Standard.

The supplier shall provide and maintain a control system, which shall assure all materials conform to purchase order requirements, through their processes or their subcontractor's processes. Suppliers shall perform all inspections and tests required to substantiate product conformance to drawings, specifications, and purchase order requirements. See Appendix 2 for a flowchart of the ConMet purchasing process.

Suppliers are required to be in compliance with the quality system requirements defined within this Standard. ConMet has adopted the Quality System Requirements described in ISO/TS 16949 latest revision along with any ConMet/Customer specific requirement called out in drawings and engineering specifications. Suppliers may purchase copies of the ISO/TS-16949 from the Automotive Industry Action Group: www.aiag.org.

Unless specifically waived, ConMet requires suppliers to be in compliance to ISO/TS16949 Quality System Requirements and be third party registered. For those suppliers whose quality systems are not currently registered, conformity with ISO 9001 is the first step in achieving the goal of TS16949 registration.

Small suppliers* that are not currently registered to at least ISO 9001 will have until December 31, 2012 to become certified to that standard. This is a business requirement. ConMet Supplier Quality will assist with the development and implementation of a plan and a timetable to achieve a satisfactory quality management system. ConMet will give consideration to the size and significance of the supplier within our supply chain to determine "small supplier" designation.

***The following categories of suppliers are exempt from the above ISO 9001 requirement:**

- Paint shops that have certifications with ConMet customers
- Heat Treaters or Metal Finishers with A2LA (or equivalent) testing labs
- Calibration labs certified to A2LA/ISO 17025
- Bulk resin, paint, raw materials, or similar suppliers
- Tooling/pattern shops
- Any supplier exempted by a ConMet customer



- **Suppliers with no ConMet business in the past 12 month**

Supplier Assessment and Qualification

New Supplier Evaluation

A new ConMet supplier will be assessed on its ability to provide quality products by one or more of the following processes: by on-site audit, by survey, and/or a self-evaluation including the supplier's quality system certification. ConMet reserves the right to conduct an on-site quality systems audit to determine the supplier's capability of meeting all requirements. Suppliers capable of meeting requirements will be placed on an Approved Supplier List.

Supplier Survey

The supplier will be required to submit a survey that includes information on the company's quality system and important contact information. Suppliers are requested to update this information annually, including notifying ConMet on their quality certification status.

Qualified Suppliers

A supplier is considered qualified if it receives a survey/audit score greater than 70% and the supplier demonstrates satisfactory quality performance. A supplier is considered as "conditionally qualified" if the survey result is less than 70% and the supplier agrees to a plan to correct the survey deficiencies. Suppliers must show documented evidence of corrective actions taken to meet requirements prior to being resurveyed.

Certified Parts

Superior performing suppliers may be designated as providing "Certified parts" and be granted a reduction in the quality documentation normally required with each shipment. Certified part requirements:

1. Supplier has a Quality Management System registered to TS 16949-or ISO 9001 and has demonstrated the ability (at least 12 months and a minimum of 10 lots) to deliver products with key characteristics having Ppk greater than or equal to 1.33, and
2. Supplier has a record of acceptable quality performance that permits acceptance with no receiving inspection or skip-lot sampling.

.APQP Requirements

Suppliers are expected to have a formal system for quality planning new production activities such as the automotive industry standard of Advanced Product Quality Planning (APQP). The ConMet Supplier APQP/PPAP Workbook provides reference for quality planning and the submission requirements to ConMet for PPAPs. The Workbook is based on the requirements and criteria found



in the AIAG APQP and PPAP manuals. For further reference they may be obtained from AIAG at www.aiag.org.

Suppliers who are using APQP on a new part will need to assign a team “champion” for the project and coordinate their milestone progress with ConMet Supplier Quality.

ConMet’s Production Part Approval Process (PPAP)

ConMet’s component qualification process shall be conducted in accordance with the ConMet Supplier APQP/PPAP Workbook **or the PPAP requirements that have been provided to the supplier at the beginning of the project**. This workbook is based on requirements found in the Production Part Approval Process (PPAP) manual published by the Automotive Industry Action Group (AIAG). The purpose of this section is to define ConMet’s specific requirements that are not defined within the PPAP manual.

The supplier is responsible for manufacturing the components with the same production processes that will be used to manufacture the approved PPAP quantities.

The PPAP manual defines when ConMet is to be notified when a supplier initiated process change is planned and when a PPAP qualification is required. For ConMet designs of new or revised components, notification will be made by a ConMet Purchasing Department or Corporate Procurement of the requirement for PPAP submission and the PPAP submission level, the location to send the PPAP and the due date in the Purchase Order notification sent to the supplier.

ConMet will specify the PPAP submission level in the Purchase Order sent to the supplier. As defined in the ConMet Supplier APQP/PPAP Workbook, the supplier must complete all applicable inspections and tests, retain supporting documentation on file, and submit to ConMet per the following:

- Level 1 – Warrant only and Appearance Approval Report, if applicable.
- Level 2 – Warrant with product sample and limited supporting data.
- Level 3 – Warrant with product sample and complete supporting data.
- Level 4 – Warrant and other requirements as defined by ConMet.
- Level 5 – Warrant with product sample and complete supporting data available for review at the Supplier’s manufacturing location.

(Reference PPAP Manual Retention/Submission Requirement Table for additional information.)

ConMet requires the use of the North American Truck Industry Part Submission Warrant available in our ConMet Supplier APQP workbook or from AIAG at www.aiag.org

Unless specified during new product development activities, ConMet does not formally sign-off on PFMEAs and Control Plans submitted for PPAP approval.

ConMet Significant Characteristics (designated with these symbols on ConMet drawings: **< >**, **< I >**, **or, < II >**) or designated key/critical characteristics from our customer’s drawings require the supplier to conduct and submit a short-term capability study. When a preliminary process capability study is required, as part of the PPAP process, the supplier must produce a minimum of 30 pieces using

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production processes and then inspect, record, analyze, and submit a report. Unless otherwise specified, the minimum acceptable short term C_{pK} results shall be > 1.67 for ConMet designated Significant Characteristics, and Long term P_{pK} capability requirements results shall meet or exceed > 1.33 . If the supplier's process is not capable to these levels, the supplier must provide a corrective action plan that includes recording interim actions in their control plan.

The supplier must draw its PPAP samples from a "Significant Production Run" (30 to 300 parts as defined in AIAG PPAP Manual and purchase order) using production tooling and processes, unless specifically waived by ConMet. (See ConMet Pilot Runs below for further instructions).

ConMet Pilot Runs

ConMet will usually specify an order of the supplier's Significant Production Run parts to conduct its own Pilot Run. This will be done to validate machineability and/or assembly at ConMet prior to fulfilling ConMet customer orders. Full PPAP approval may be delayed until satisfactory completion of the Pilot Run at ConMet, including function verification and sign-off.

Corrective Action

All ConMet suppliers must establish and maintain documented procedures for implementing a system of corrective and preventive action with disciplined problem solving methods. This shall be used when a nonconformance to specification or requirements occurs.

ConMet will notify the supplier when non-conformances are identified. If the issue is determined to be significant in nature a Supplier Corrective Action Request (SCAR) will be initiated and sent to the supplier quality representative. Once the SCAR request is made the supplier is expected to perform a disciplined problem solving technique (8D or equivalent) that addresses each of the items below:

- Primary Contact Information
- Supplier Problem Description
- Immediate Containment Action
- Root Cause
- Similar Product Impact
- Permanent Actions
- Short & Long Term Verification
- Prevention
- Supplier Approval
- Corrective Action Effectiveness Verification

Responses are to include adequate detail and supporting data to assure ConMet that appropriate system corrective actions have been taken. The Supplier Corrective Action Request can be closed after ConMet reviews and agrees with the response. The supplier is expected to respond to ConMet's SCAR within 24 hours as an acknowledgement; provide preliminary results within 10 calendar days; and close out the SCAR within 30 cal days (or as agreed to by ConMet).



Supplier/ConMet Continual Improvement

The purpose of the continual improvement program is to encourage supplier-initiated cost reduction and improvement suggestions. ConMet will work with its suppliers to develop mutually beneficial programs intended to reduce costs and improve processes.

Supplier Performance

ConMet has initiated a quarterly Supplier Scorecard to report supplier performance. ConMet will send a quarterly Scorecard report to its suppliers. Strategic suppliers that supply more than one ConMet plant will receive a combined Scorecard that rolls up performance from each of those plants. Supplier performance will be evaluated and reported regularly using the criteria listed below:

- Corrective Actions
- PPM Rate for suppliers. A 50 ppm max goal is set for high volume components (Examples include fasteners, clips, bearings, and seals); and 500 ppm max goal for low volume components (Examples include iron hubs, rotors, and brake drums)
- Third Party Certification
- PPAP Acceptance & Timeliness
- On-Time Delivery and Premium Freight incidents (Early shipments may be refused and counted against OTD score)
- Warranty performance and/or others, if applicable (Warranty is not currently a feature of the Scorecard, but may be separately reported)

Suppliers that fail to achieve satisfactory performance on Scorecards may be selected for Quality Improvement Plans coordinated through ConMet Supplier Quality.

Additional Supplier Requirements:

Traceability

Suppliers are required to establish a lot traceability system that provides for positive identification of product and material throughout the manufacturing operation. Lot identification is to be provided on all shipments.

The ConMet part number, REV level and the applicable lot number must be displayed on all shipping labels, unless other agreements have been made.

Material Certification

A chemical analysis by lot number is required for aluminum and resin suppliers per the Purchase Order. Certification requirements for other materials or processes will be specified on the purchase order, as needed.

ConMet has new customer requirements to participate in the International Material Data System (IMDS). Accordingly, suppliers should be prepared to provide MSDS sheets or create MDS sheets within IMDS for their materials and components.

Packaging

Suppliers are responsible for using appropriate packaging to preclude damage to product. Packaging requirements or materials will be specified on the purchase order as needed. Different part numbers and manufacturing lots of wheel end components cannot be mixed on the same pallet.

Heat treated pallets may be required under certain circumstances. Contact your ConMet buyer for guidance.

Labeling

ConMet label requirements on incoming shipments should conform to AIAG B-10 Trading Partner Labels Implementation Guidelines, unless otherwise specified by the ConMet plant.

Nonconforming Material

Suppliers are responsible to establish a system to assure nonconforming product is identified and segregated from acceptable product.

ConMet nonconforming parts – If the nonconforming parts are the result of the ConMet process, those parts are to be clearly identified as nonconforming, segregated from the acceptable parts and shipped to ConMet for disposition.

Supplier nonconforming parts – A deviation must be obtained from ConMet prior to shipping any product. The deviation will specify the quantity of product involved and a time expiration of the deviation. A corrective action plan to prevent further deviations may also be requested.

Supplier Charge-Backs for Nonconforming Material

Supplier Charge-Backs may be applied for delivery of defective/ non-conforming contract products and quality incidents, caused by the supplier's products.



Due to the increasing administrative costs for defective contract products, suppliers to ConMet agree to the following simplified process for reimbursement of costs caused by defective products. ConMet may choose to apply this Simplified Process to any incident described in this Supplier Quality Standard. Examples include:

- A non-conformance related to the component specification (e.g. drawing, environmental specification...)
- A delay or error in delivery which results in disturbances for ConMet operations of its manufacturing plants (except if there is evident inadequacy between determined and real delivery requirements)
- PPM/ Quality level over committed target
- A non-satisfying response to a complaint (e.g. no response in time, no efficient containment action, no response to sorting request...)

For any of these incidents, a complaint may be issued including, but not limited to, a quality alert, a request for containment, and a Rejection Report. An 8D Report with defined corrective actions, as requested by the ConMet representative, is required.

An incident may have a financial impact according to the cost matrix specified below:

Non-Conformance Costs					
	Delivery	Factory	OEM	Field	
Administrative Costs Per incident	Facility specific	Facility determined	Facility determined	Facility determined	
ConMet Product Costs		Variable ¹	All applicable OEM charges	All applicable OEM charges	
Part Cost	Actual Part costs	Actual Part costs	Actual Part costs	Actual Part costs	
Scrap generated by supplier part	Actual	Actual	Actual	Actual	
Sorting Time	Actual	Actual	Actual	Actual	
Down Time	Actual	Actual	Actual	Actual	
Rework Time		Actual	Actual	Actual	
Analysis		Actual* ²	Actual* ²	Actual* ²	
Expedited shipping charges to replace non-conforming material at ConMet or customer.	Actual* ²			Actual* ²	
Field Repair	Actual	Actual	Actual	Actual	
Customer Charge-back Cost	Actual	Actual	Actual	Actual	



*1 Up to 100% of finished goods product cost	*2 Location-specific flat fees agreed between ConMet and supplier may apply			

After the occurrence of an incident that will require additional effort or actions (e.g. Sorting in production, Field review, Containment, Handling, etc.), ConMet will issue an alert to the supplier.

Upon final completion of the Non-Conformance Case, ConMet will issue a Supplier Charge Back Report stating the Non-Conformance Costs incurred by ConMet, Inc. The supplier will have 10 working days to respond to the report. In case the supplier does not respond within the defined time frame, the report will be deemed to be accepted by the supplier and ConMet will automatically deduct the costs specified in the report.

These costs and flat rates are only to recover ConMet Non-Conformance related costs, and are neither punitive nor profit generating.

Customs Compliance

Suppliers who import/export to any ConMet facility and have “cross border shipments” must comply with the ConMet Supplier Customs Compliance Standard (www.conmet.com).

Standards

Consolidated Metco identifies Control Characteristics with the enclosed bracket “<>” symbol on all product drawings. Control Characteristics are items that can affect the proper mating of components or have a direct effect on performance. Statistical verification techniques are required for these items. The symbol <s> is used to denote safety critical processes or features. Control of <s> features should be approved by ConMet Supplier Quality or Engineering.

Inspection Levels

Control Characteristics are designated as level I, level II or level III. For level I items, the supplier must include inspection records with each lot shipped. For level II and III items, the supplier must make available, upon request, run charts or inspection results. Level III characteristics showing low Cpk will be accepted by ConMet if statistical data is supplemented with 100% inspection. The level for each Control Characteristic is defined in the table and corresponding figure found in the Control Characteristic List. Control Characteristic Lists are separate specifications, and are designated on the product drawings.

Control Characteristics are defined below¹

- < I >: Statistical capability required with $Ppk \geq 1.33$. A histogram or inspection report must be sent with each lot.**
- < II >: Statistical capability required with $Ppk \geq 1.33$. A histogram or inspection report must be created and retained. Reports must be submitted to ConMet upon request.**
- < III >: 100% inspection required unless $Ppk \geq 1.33$. An inspection report must be created and retained. Reports must be submitted to ConMet upon request.**
- < s >: Safety-critical feature. Control must be specified on drawing or the Control Plan.**
- < >: Refer to control characteristics lists for inspection level. Where control characteristics lists do not exist, treat as < II >.**

¹Cpm is required for bearings. See below.

Demonstrated Process Capability & Statistical Process Control

SPC may be required on selected part characteristics. ConMet is responsible to identify those items requiring SPC. Suppliers are responsible to use SPC on those items identified by ConMet. Objective evidence of the use of SPC (control charts, Cpk data) may be required to be submitted with product at the time of shipment per ConMet requirements.

Short-term:

The requirements for short-term capability are a minimum of 30 parts to be measured using 100% inspection. The acceptance criteria shall be according to the table below and the population must show evidence of normality. Kurtosis can be used for the normality check.

Result

Interpretation

Cpk Quality index > 1.67	The process meets acceptance criteria
$1.33 \leq Cpk \text{ Quality index} \leq 1.67$	The process may not meet acceptance criteria. Supplier Quality or Engineering approval required. Corrective action &/or 100% inspection may be required in production.
$1.0 \leq Cpk \text{ Quality index} < 1.33$	Supplier Quality or Engineering approval required. Corrective action & 100% inspection shall be required. SPC data may be required with production shipments.
Cpk Quality index < 1.0	The process is not acceptable for level I or II Characteristics. Level III characteristics permissible with 100% check. Supplier Quality or Engineering approval required.

Long-term:

After the process has been found to be stable or capable of meeting requirements for short-term capability, a long-term study may be performed. In order to conduct the long-term study approximately 200 - 300 parts should be used. 100% inspection is required, except for ongoing production where several data samples should be collected in such a way as to include all expected sources of variation. Acceptance criteria for long term study data and for ongoing production data is defined below:

Result

Interpretation

Ppk Quality index ≥ 1.33

The process meets acceptance criteria

Ppk Quality index < 1.33

The process may not meet acceptance criteria. Supplier Quality or Engineering approval required. Corrective action, 100% inspection, downstream inspection or process checks should be considered. SPC data may be required with production shipments. Level III characteristics permissible with 100% check

Restriction placed on less than capable processes may be waived at discretion of ConMet Supplier Quality Assurance after ongoing evidence of acceptable capability.

Process capability requirements for bearings

For bearings, Cpm is the quality index required and defined as:

$$Cpm = \frac{(USL - LSL)}{6 \cdot \sigma_{Cpm}}$$

USL=Upper specified tolerance limit
LSL=Lower specified tolerance limit

$$\sigma_{Cpm} = \sqrt{\sum_{i=1}^n \frac{(x_i - T)^2}{n-1}}$$

x_i =individual value of one component.

n=number of individual measurements including all readings in all subgroups of the lot, or the sum of all readings of a short-term or long-term study

T=Target value. (The middle of the tolerance range)

Ongoing Statistical Verification

In order to monitor the process that is required, ConMet requires that the supplier will use statistical techniques for all Control Characteristics. Acceptable monitoring techniques include X bar and R charts, histograms, P charts, etc. ConMet requires documentation for level I characteristics with each shipment lot. With the exception of overseas and new suppliers, ConMet does not normally request statistical data with each shipment for level II or III characteristics. The supplier should, but it does not require the supplier to supply statistical data for level II characteristics with each shipment lot. The supplier must, however, be able to produce this documentation for each lot upon request.

Targeting of average values and capability of the entire lot is of primary importance. Efforts shall be made to maintain statistical control and targeting. Evidence of statistical control includes:

1. Subgroup (within) standard deviations and overall standard deviations are approximately equal.
2. Run charts show no points beyond control limits.
3. Out-of-control patterns are not present on run charts, data is randomly scattered.

Specific Requirements for Level I items

For each lot shipment shipped to ConMet, the supplier will include a histogram or SPC run chart showing the results for each characteristic marked level one (I). Included will be a calculation for X bar, standard deviation, and the calculated Cpk capability index. Acceptance criteria for long term capability studies apply.

Lot control is a requirement for all Control Characteristics. For bearings, spacers and machined hub, drum & rotor features, unless otherwise agreed with ConMet Supplier Quality or Engineering. If runs are mixed, this will produce wider variation, and adversely influence the C_{pk} index. A "Lot" will consist of no more than a quantity of parts completed in a 24-hour period. Each lot shall have its own capability data.

The capability data shall be representative of the entire lot. An adequate amount of data during production start-up or at times of process changes which may affect targeting or capability shall be gathered. Alternatively, start-up components and components after process interruptions such as tool changes, tool dressing, etc., can be discarded from the lot as scrap. The sampling rate and amount of measurements per lot shall also consist of a minimum amount to make the data representative of the lot.



Overseas and New Suppliers

Overseas suppliers are defined as those where ocean transportation is required or where typical shipping times are greater than 7 days.

New suppliers are defined as those whose capability to produce reliable, defect free product has not yet been confirmed by ConMet.

In addition to requirements listed in sections above, all overseas and new suppliers must, unless otherwise agreed upon and documented in purchase order or quality records, include 100% in process inspection of all critical or control characteristics for 1 year following full PPAP approval of the given part number. Inspection records of Level I characteristics must be included with each lot shipment, while inspection records of level II & III characteristics shall be retained by supplier and made available for review by ConMet personnel upon request. It is preferred that inspection records be logged in the form of histograms and used in Cpk/Ppk capability index calculations. Release of supplier from this requirement will be based on proven record of capability for a 12 month period and a minimum of 10 lots.

Hazardous Materials/MSDS

The Supplier is responsible for complying with and satisfying all Federal, state, local and international requirements on all materials used in product manufacture. Where applicable, the supplier will furnish one copy of the material safety data sheet for hazardous materials directly to ConMet.

ConMet has new customer requirements to participate in the International Material Data System (IMDS). Accordingly, suppliers should be prepared to provide MSDS sheets or create MDS sheets within IMDS for their materials and components.

Verification of Purchased Product

ConMet reserves the right to verify the quality of purchased product at the supplier's premises. The right to verify at the supplier's premises shall also be extended to include ConMet customer, if required by customer contract.

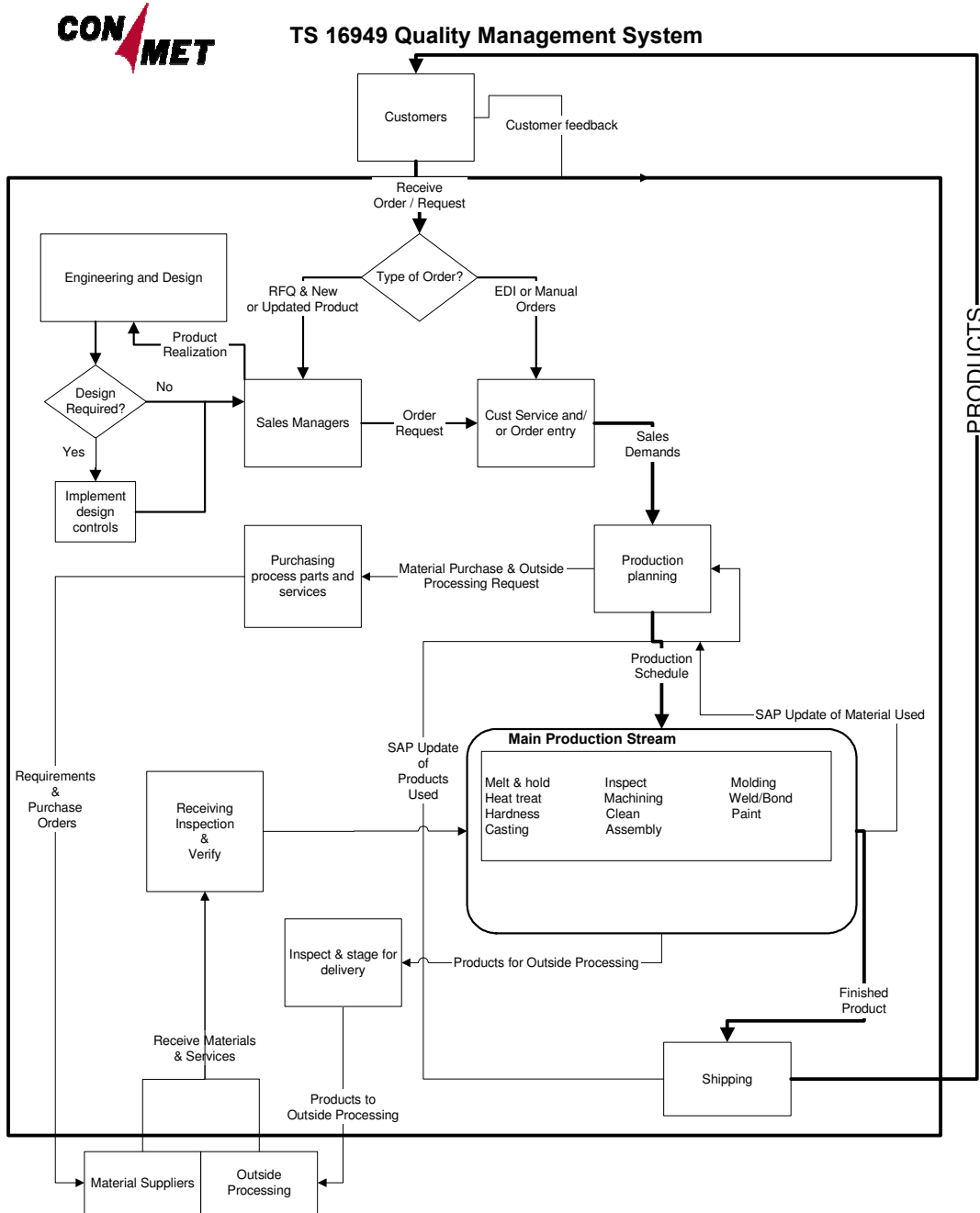
The type of product, its complexity, criticality, and previous quality history determine the degree and level of verification activities imposed.

Confidentiality and Document Control

The supplier must keep ConMet and its customer' drawings and specifications secure at all times to protect their confidential nature.

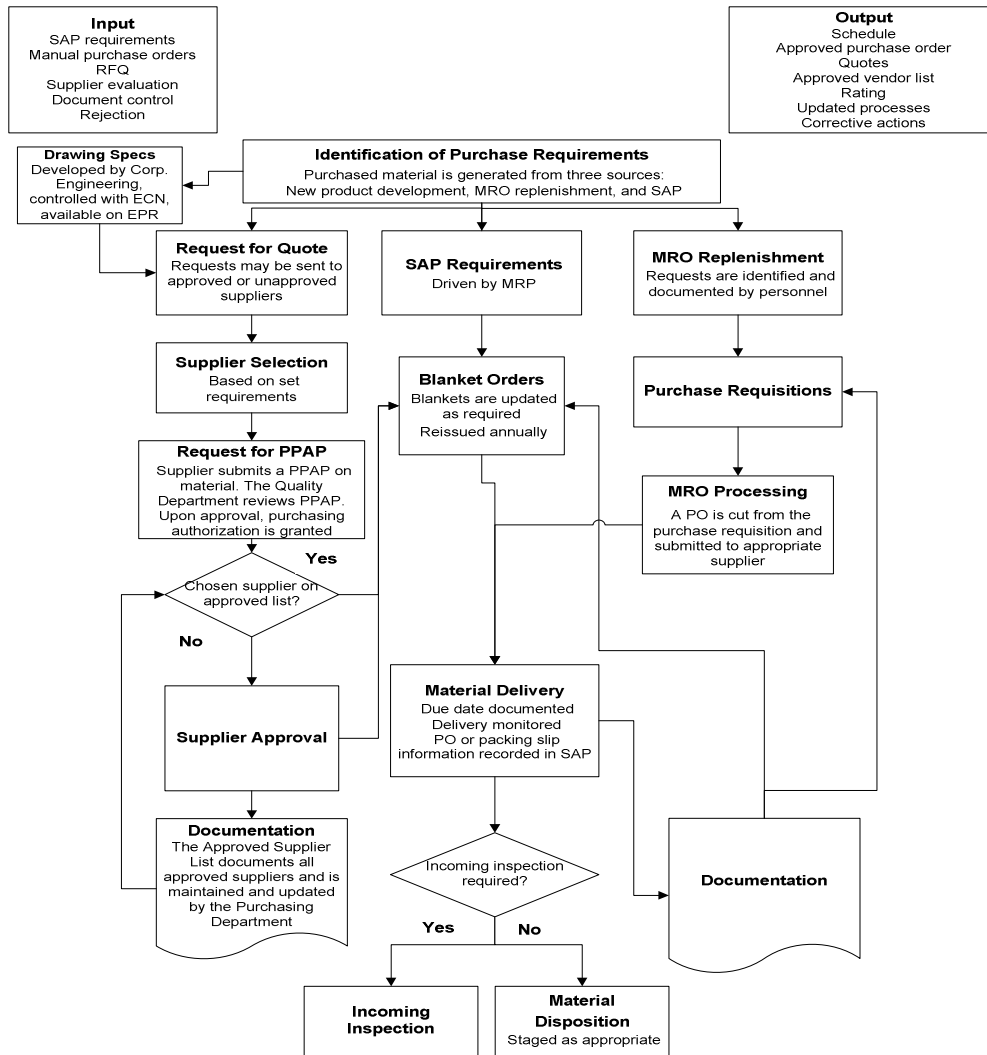
ConMet requires 10 years record retention for supplier quality data.

ConMet Quality System Flowchart



Appendix 1

ConMet Purchasing Process Flowchart



Appendix 2