



QUALITY SYSTEM FORM
QF-0110 Indus Quality Clauses

Revision: A

Effective Date: 10-01-24

Indus Precision Quality Clause List

At Indus Precision Manufacturing, we are committed to maintaining high-quality standards for our products and services. Below are our quality clauses that all suppliers must adhere to when fulfilling purchase orders. The quality clauses contained herein are an integral part of Indus Precision Mfg., Inc.'s purchase orders when incorporated by reference and shall be in addition to and not in derogation of purchase order requirements. Compliance with these quality assurance clauses does not relieve the supplier of the responsibility for furnishing material and services that fully comply with purchase order, drawing, and specification requirements and does not guarantee acceptance of material and services by Indus. Acceptance of material and services will be withheld pending receipt of all required acceptable data and/or documentation. Clauses that begin with IPQC-1xx are navy nuclear specific and supersede any conflicting clauses of a lower number.

IPQC-001.1: Government Source Inspection (FAR Clause 52.246-2 applies)

When specified on the purchase order, government source and/or process inspection is required before shipment. Suppliers must notify Indus Precision in advance to coordinate the inspection with the appropriate government representative. Unless otherwise agreed to in writing, the supplier shall provide the government representative with:

- Ten working days advance notification of readiness for performance or witnessing of government designated inspections or test
- All applicable documents requested and reasonable conditions for conducting or witnessing the inspection or test.

IPQC-001.2: Government Review of Performance (FAR Clause 52.246-2 applies)

Government representatives retain the right to review and evaluate the performance of both the supplier and any of its subcontractors at any stage of the production process. This may include on-site assessments, inspections, audits, or reviews of performance data to ensure compliance with contract requirements, quality standards, and applicable regulations. Suppliers must fully cooperate with government personnel during such reviews and provide access to facilities, documentation, and records as requested.



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IPQC-001.3: Indus Source Inspection

Indus Source Inspection/Test is required prior to shipment from your facility. Notify the Indus Purchasing Department 10 days in advance of when the material is expected to be ready for inspection. Prime contractor personnel shall have the option to accompany Indus personnel. Evidence of Indus source inspection must be supplied with shipment (e.g. copy of Indus report). Mandatory Hold Points (MHP) may be required. Indus may designate MHP defining operations in the supplier's manufacturing and/or inspection sequence that are required to be witnessed by Indus or Indus' customer prior to completion by the supplier. This activity shall be performed in such a manner as to not disrupt normal processing and shall be conducted on a non-interference basis. If any inspection or test requirement is made by Indus and/or Indus' customers, the supplier without additional charge, shall provide a safe place to work and reasonable facilities and assistance for the convenience of Indus and/or Indus' customer(s) in the performance of their duties.

IPQC-002.1: Quality Management System

The supplier shall maintain a Quality Management System that complies with the requirements of AS9100, ISO 9001, or an Indus approved QMS (formal certification by an accredited registrar is preferred). The seller shall notify Indus Precision Mfg., Inc. of any changes to the QMS i.e., certification status, facility relocation, Quality Manager, etc.

The organization shall ensure that persons doing work under the organization's control are aware of their contribution to product safety. The organization shall determine the requirements for the products and services including consideration of personal and product safety. The organization shall plan, implement, and control the processes needed to assure product safety during the entire product life cycle, as appropriate to the organization and the product. These processes include:

- Assessment of hazards and management of associated risks
- Management of safety critical items
- Analysis and reporting of occurred events affecting safety
- Communication of these events and training of persons

IPQC-002.2: Inspection system

The supplier shall maintain a Quality Management System that complies with the requirements of MIL-I-45208 at bare minimum. ISO 9001 or AS9100 certification covers this requirement.



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IPQC-002.3: Calibration system

It is the seller's responsibility to ensure that all equipment; including Customer Furnished Equipment (CFE), and Government Furnished Equipment (GFE), used to test and inspect Indus supplied parts are maintained and traceable to the National Institute of Standards and Technology (NIST) requirements. The calibration system used by the supplier must be in accordance with ISO 17025, General Requirements for the Calibration of Measuring and Test Equipment. Additionally, the supplier shall demonstrate compliance with ISO 10012 Measurement Management Systems – Requirements for Measurement Processes and Measurement Test Equipment.

Note: This requirement does not apply to franchised distributors of Original Component Manufacturers (OCM) selling unmodified commercial off the shelf (COTS) components (e.g. capacitors, resistors, transistors, etc. purchased to an OCM data sheet).

IPQC-003.1: Certification of Conformance (C of C)

Each shipment must be accompanied by a Certificate of Conformance (C of C), signed by an authorized representative, certifying that all materials and processes meet purchase order specifications and that all supporting data and material certifications are available upon request.

Note: Each C of C must contain a statement by the supplier declaring the product or service has met all the requirements of the purchase order. Statements on certification documents must be positive and unqualified. An example of an acceptable statement of compliance/conformance is as follows:

“This is to certify that all items noted are in conformance with the contract, drawings, specifications, and other applicable documentation, and that all process certifications, chemical and physical test reports are on file at his facility and are available fore review by Indus Precision.”

Unless otherwise required per the purchase order, the Supplier's lower-tier supplier/processor C of C's shall be made available to Indus, Indus' customers, authorized government representative, or statutory agency upon request.

COTS Suppliers: The packing slip, provided all packing slip requirements are followed, can be used in lieu of a C of C

Qualified Products list (QPL): One or more of the items of this order may be identified as a QPL part that is required to be produced by a supplier on the Qualified Products List. In these cases, the supplier certifications must contain evidence of manufacture by a QPL source.



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IPQC-003.2: Raw Material Certification

Suppliers must provide chemical and physical certifications for all raw materials, referencing the material specifications, heat and/or lot numbers for traceability. The certification must reference the applicable specification and revision level stated in the Purchase Order.

IPQC-003.3: Rubber or Synthetic Materials

Suppliers must provide certification that the material conforms to specification requirements and includes cure date for all rubber, synthetic or natural.

Note: Rubber products shall be packaged in accordance with the drawing requirement and SAE AMS2817/ SAE ARP5316 as applicable. Packages shall be marked appropriately.

IPQC-003.4: Shelf-life Items

Suppliers must provide manufacturing dates, expiration dates, and remaining shelf life for materials with shelf-life limitations. No materials should be shipped with less than 90% of the full shelf life as determined by the original manufacturer. Materials must meet minimum shelf-life requirements unless otherwise approved by Indus Precision.

IPQC-003.5: Certification for Special Processes

Special processes are defined as any process for production and service provision where the resulting output cannot be verified by subsequent monitoring or measurement and, consequently, deficiencies become apparent only after the product is in use or the service has been delivered.

In addition to any other required certification, suppliers performing special processes (e.g., heat treating, plating, non-destructive testing, finishes, etc.) must provide certifications. Certifications must reference applicable industry standards (e.g., NADCAP) and include lot numbers for traceability.

The supplier shall ensure that all personnel performing special processes such as welding, soldering, plating, non-destructive testing, etc. are certified to perform the special process in accordance with the requirements of the specification, the P.O, or any specifications referenced directly or indirectly therein. The supplier shall ensure the associated equipment used for these processes is certified as appropriate.

This flow-down is applicable to all sub-tier suppliers performing any special process.

Based on the requirements one of these additional clauses will also be present:



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IPQC-003.5.1: Indus Managed Approved of Special Processes

The following special processes shall be NADCAP certified or approved by Indus prior to production; welding, solder, brazing, and any other process called out on the face of the purchase order. Changes to any previously authorized processes require resubmittal, review, and authorization. (This also applies to the following special processes if they are not performed in accordance with an industry specification or Mil-Spec; testing, painting, plating, heat-treating, and conversion & passivation). In some cases, a process procedure may need to be submitted to Indus' customer for approval prior to processing the work. The supplier will be notified of this requirement at the quoting stage.

IPQC-003.5.2: Supplier Managed Approval of Special Processes

The seller shall establish a system to assure that special processes will be performed in accordance with the specification requirements, in adequate facilities, by competent personnel using proper procedures. When critical or special processes are performed outside the seller's facility, it shall be the responsibility of the seller to assure proper performance of all such processes, through surveys, certification, testing, etc.

IPQC-003.6: Weld Wire Certification

All weld wire/rod shipments to Indus must be certified to meet the specifications on the purchase order. Certifications should include chemical/physical analysis, type, and batch or lot numbers.

IPQC-003.7: Certificate of Calibration

All equipment used for testing, inspection, or calibration must be calibrated and traceable to NIST standards, with certificates of calibration supplied, clearly indicating the calibration date, due date, actual readings, and traceability information.

IPQC-004.1: Test/Inspection Data

Inspection data with actual reading is required for all drawing characteristics and shall be identified by part and/or serial numbers as applicable. Dimensions/data that are required to be recorded by a specific drawing note must also be identified by part and/or serial number. This data must accompany each shipment. Pass/Fail results are only acceptable for Test/Inspections performed on GO/NO GO equipment.



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IPQC-004.2: First Article Inspections

First Article Inspections (FAIs) are required for new part production or after significant process changes. FAI reports must document all dimensional and specification verifications, along with material and process certifications. FAI report along with the first part must be submitted to Indus for acceptance prior to release for production. The supplier shall perform the FAI in accordance with the latest revision of AS9102 if one of the following apply:

- First time submission (new part or supplier)
- Revision changes affecting form, fit, or function
- Change in manufacturing source(s), process(es), inspection method(s), tooling, or materials affecting form, fit, function
- Change in manufacturing location (facility)
- A natural or man-made event, which may adversely affect the manufacturing process
- 24 months or longer have passed since the supplier has last produced the part
- As requested by Indus (purchase order supplier quality clauses are not considered requests) Requests will be added as a separate purchase order line item since the part may not meet any of the above criteria requiring a FAIR submittal.

Along with Forms 1,2, and 3, the following documents are required to be attached to the FAIR as applicable:

- Ballooned drawing
- Certificate of Conformance
- Component/Hardware Certificate of Conformance for each item on the Bill of Materials, including COTS items, if applicable
- Raw material C of C for all specified materials
- Finish C of C for all specified materials, if applicable
- Special process certifications (Ref **IPQC-003E**), if applicable
- Process documentation used to manufacture the item, if applicable
- Test and/or inspection reports (IPQC-101), if applicable
- Welding inspection records, if applicable
- Approved Supplier Variation requests (SVRs), if applicable
- Approved Supplier Approval requests (SARs), if applicable
- Any additional documentation required by specific purchase order flow-downs

The seller shall also weigh the completed part and record the weight as a characteristic on Form 3. This shall be done regardless of whether the weight is required by the drawing.



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The seller shall ship the part used for First Article Inspection for verification purposes. The outside of the shipping box shall be marked to indicate it contains a first article part. No further shipments are allowed until the FAIR is approved by Indus.

IPQC-005: Government Furnished/Owned Material

Suppliers handling government property or customer-furnished materials must ensure proper handling, storage, and tracking. Any damage or loss of government property must be reported immediately to Indus Precision. No alterations or repairs are allowed without authorization by purchase order. All repair procedures must be submitted for approval prior to proceeding.

IPQC-006: Traceability

All parts and materials must be serialized and traceable to their original source. Suppliers must provide traceability documentation linking raw materials, special process certifications, and inspection/test data throughout the manufacturing cycle.

IPQC-007: Control and Retention of Records

Suppliers are required to retain quality records, including inspection and test data, for a minimum of 7 years. These records must be made available to Indus Precision upon request. Records should be filed in a manner that will allow access within 24 hours.

The supplier shall notify Indus before the destruction of quality records.

All blank lines on records shall be marked as N/A if not applicable. Corrections shall be made by drawing a single line through the incorrect entry, and the change must be initialed and dated. When additional information is added it shall be initialed and dated. The use of ditto marks and continuation arrows are not acceptable for repeated data, initials, or signatures.

IPQC-008: Nonconforming Material Reporting

Suppliers must immediately notify Indus Precision of any nonconforming materials. Nonconforming materials require prior approval from Indus before shipment, and corrective actions must be implemented to prevent recurrence.



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IPQC-009.1: Mercury Prohibition

The supplies furnished by the seller shall not contain functional mercury. Furthermore, external contamination by metallic mercury or mercury compound shall be cause for rejection. The supplier shall notify Indus prior to proceeding with manufacturing or shipping if the presence of mercury or mercury contamination is suspected.

IPQC-009.2: Other Prohibited Materials

Unless specifically called out by Indus Precision, procurement documents or approved drawings, the materials listed in Table 1 shall not be used in the manufacture of items delivered to Indus Precision.

Exceptions may be made subject to the following notification, evaluation, review, and approval process:

Where there is not suitable substitute material and performance, function, reliability, maintainability, life cycle or cost of the item would be adversely affected, the supplier shall notify Indus Precision in writing prior to production and identify the type, location, and amount of material to be used per the SVR process. The notification shall include an evaluation of all alternatives considered:

Table 1: Prohibited Materials

Adhesive Tape	Liquid masking material (for electrical connectors and socket mounted components)
Aluminum Electrical Conducting Wire	Lithium
Aluminum Alloys	Low Ductility Materials
Antimony and Alloys	Low Melting Point Metals
Asbestos	Magnesium
Barium	Mercury & Mercury Compounds
Bismuth and alloys	Ozone Depleting Substances
Boron Trifluoride	Polychlorinated Biphenyls (PCBs)
Brass w/ Pb > 1%	Polyvinyl Chloride (PVC)
Bronze w/ Pb > 1%	Radioactive Materials
Cast Iron and Cast Aluminum	Selenium
Cadmium and Cadmium Plating	Silicone
Chromium and Chromium Compounds (Including Hexavalent Chromium)	Silver
Cork	Teflon



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Corrosion Inhibitors	Thermal Compound (for electrical connectors and socket mounted components)
Flammable Materials	Thiosulfate
Fragile or Brittle Materials	Tin and alloys
Freon Solvents	Zin, alloys and chromates
Lead and alloys	Zinc Plating, Galvanizing, Hexavalent Chromium, & Plastic Coatings

IPQC-010: DFARs Compliance

Supplier agrees to comply with the Berry Amendment, DFARS 252.225-7014, ALT. 1, Preference for Domestic Specialty Metals. Certifications must be provided per clause 3 as applicable.

IPQC-011: Foreign Object Debris (FOD) Prevention

Suppliers must implement FOD prevention practices during manufacturing and packaging. All products must be delivered free from foreign objects and contaminants.

IPQC-012: Identification, Preservation, and Packaging

Unless otherwise noted on the PO, packaging and packing of all products shall be in accordance with Standard Commercial Packaging Practice per ASTM D3951 (latest Rev). Please use temper-evident packaging (e.g. supplier branded tape). Each packing list shall include, as a minimum, the following information:

- Part number and revision
- PO number
- PO Line Item
- Quantity
- Supplier/Manufacturer’s identification

IPQC-013: Source of Supply

Suppliers are responsible for ensuring compliance of materials used to manufacture parts supplied to Indus Precision. Suppliers shall only purchase material from Original Equipment Manufacturers (OEMs), Original Component Manufacturers (OCMs) or the OEM/OCM Authorized Distributors. If an item is not available from these sources, please notify Indus Precision prior to proceeding. Suppliers shall notify Indus when suspect counterfeit parts have been identified.



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IPQC-014: Moisture Sensitive Components

The supplier shall ensure packaging and handling of all moisture sensitive components, as classified by, and in accordance with IPC/JEDEC J-STD-033 Standard for Handling, Packing, Shipping, and Use of Moisture/Re-Flow Sensitive Surface Mount Devices and IPC/JEDC J-STD-020 Moisture/Reflow Sensitivity Classification for Non-hermetic Solid State Surface Mount Devices, or other documented procedure.

IPQC-015: Eye Examinations

Personnel certified to perform inspection and test functions shall have periodic eye exams (not to exceed 1 year). The standard for acceptance for vision test shall be:

- Natural or corrected near distance acuity such that the inspector/tester is capable of reading J1 letters on the standard Jaegers chart or equivalent for near vision. This requirement shall be met by either one or both eyes.
- Ability to distinguish between colors when required by work

IPQC-016: Supplier Readiness Review

Production kickoff meeting to be conducted after the supplier completes their review of the purchase order, including applicable drawings, quality flow downs, and supplementary documents/specifications. The purpose of this meeting is to perform a detailed review of the flow downs, answer any supplier questions, and address any issues that may have been found during the review of the documentation. There may be a second meeting to review the supplier's documentation, including manufacturing routers/process instructions, to ensure requirements were effectively captured.

IPQC-100: Navy Nuclear Purchasing Requirements

IPQC-100.1: Rights in Technical Data and Computer Software

In addition to Indus Precisions Terms and Conditions, the following clauses and provisions of the FAR and DFARS, as indicated, in effect as of the date of this order, are incorporated by reference, with the same force and effect as if the clause(s) were provided in full text as modified:



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- DFARS 252.227-7013, Rights in Technical Data - Noncommercial Items is changed as follows:
 - o Paragraphs (f) (2) through (f) (5) are deleted and replaced as follows:
 - o Except to the extent explicitly set forth in this order, the only authorized markings will be in accordance with Attachment 1, paragraph 1.
- Paragraph (h) is deleted and replaced as follows: (h) Removal of Unauthorized Markings Notwithstanding any provision of this order concerning inspection and acceptance, Buyer and the Government may correct, cancel, or ignore any marking not authorized by the terms of this order on any technical data furnished hereunder in accordance with "Validation of Restrictive Markings on Technical Data".
- Correction of nonconforming markings is not subject to this clause entitled "Validation of Restrictive Markings on Technical Data". The Buyer and/or the Government may, at the Seller's expense, correct any nonconforming markings. If Buyer or the Government notifies the Seller, and the Seller fails to correct the nonconforming markings within sixty days.
- Paragraphs (l) and (m) are added as follows: (l) Post Award Negotiation
If, after exhausting all reasonable efforts, the parties fail to agree on the apportionment of the rights in technical data furnished under this order by the date established in the order for agreement, or within any extension established by Buyer or the Government, then Buyer or the Government may establish the respective data rights of the parties. Challenges shall be in accordance with this Article (i) DFARS 252.227-7037. However, nothing shall excuse the Seller from proceeding with the order pending resolution of any such challenge.
(m) Technical Data Pertaining to Nuclear Propulsion Plant Systems.

Pursuant to subparagraph (b)(1) of DFAR 252.227-7013, it is agreed that all technical data pertaining to nuclear propulsion plant systems have been, or will be developed exclusively with Government funds, and that all technical data generated under this order, and all technical data required to meet order requirements shall be provided to the Government with unlimited rights.

It is further agreed that promptly after delivery of all purchase order deliverables, or after any termination of all work under this purchase order, the Seller shall submit a letter report to the Buyer listing and providing a brief description of all items of technical data, pertaining to the deliverables developed or prepared under this purchase order. The Seller shall furnish in the Seller's format, and at the cost of reproduction, with unlimited rights, copies of the items of technical data so reported or which should have been reported, as the Buyer may require in writing from time to time. However, nothing in this requirement shall require the Seller to retain any item of such technical data beyond the period provided for in this purchase order, including the specifications, and



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other documents incorporated by reference, applicable to the item or type of technical data involved.

- DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial
 - Computer Software Documentation is changed as follows:
Paragraphs (f) (2) through (f) (5) are deleted and replaced as follows:
 - Except to the extent explicitly set forth in this order, the only authorized markings will be in accordance with Attachment 1, Paragraph 2.
Paragraph (h) is deleted and replaced as follows: (h) Removal of Unauthorized Markings Notwithstanding any provision of this order concerning inspection and acceptance, Buyer and the Government may correct, cancel, or ignore any marking not authorized by the terms of this order on any computer software/computer software documentation furnished hereunder in accordance with the clause of this order entitled "Validation of Asserted Restrictions-Computer Software". Correction of nonconforming markings is not subject to this clause entitled "Validation of Asserted Restrictions-Computer Software". The Buyer and/or the Government may, at the Seller's expense, correct any nonconforming markings if Buyer or the Government notifies the Seller, and the Seller fails to correct the nonconforming markings within sixty days. Paragraphs (l) and (m) are incorporated here the same as added paragraphs (l) and (m) to DFARS 252.227-7013 above, except that all paragraphs (l) and (m) references to "technical data" are deleted and replaced with "computer software and computer software documentation". DFARS 252.227-7030, Technical Data - Withholding of Payment, modified as follows: Subparagraph (a) at the end of the first sentence, delete "or amount unless a lesser withholding is specified in the contract" and insert "or \$100,000.00, whichever is less".

IPQC-100.2: Patent Rights – Ownership by the Government

- [This Article applies only to (i) POs or amendments thereto, regardless of tier, placed with businesses other than small business firms and/or nonprofit organizations (ii) for the performance of experimental, developmental, or research work (includes "design" and "design and furnish" scopes of work). With regard to this latter condition, if any part of this order or amendment is for the performance of experimental, developmental or research work then this clause applies.]
- The Government shall retain the Patent Rights set forth in FAR 52.227 13, Patent Rights
- Acquisition by the Government.



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IPQC-100.3: Patent Rights - Small Business Firm or Nonprofit Organization

- This Article applies only to (i) POs or amendments thereto, regardless of tier, placed with small business firms and/or nonprofit organizations (ii) for the performance of experimental, developmental, or research work (includes “design” and “design and furnish” scopes of work). With regard to this latter condition, if any part of this order or amendment is for the performance of experimental, developmental or research work then this clause applies.
- Patent rights shall be retained under this order as set forth in FAR 52.227 11, Patent Rights
- Retention by the Contractor (Short Form).

IPQC-100.4: Fraud or Falsification

- This Purchase Order and activities hereunder are within the jurisdiction of the Department of Energy and/or the Navy. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent, or fictitious statement or representation in connection with the performance of work under this Purchase Order may be punishable in accordance with applicable Federal Statutes.
- Seller agrees that all employees engaged in the performance of this Purchase Order will be, if they have not been previously, informed in writing prior to commencing performance of work under this Purchase Order that there is a risk of Federal criminal penalties associated with any falsification, concealment, or misrepresentation in connection with work performed under this Purchase Order. Seller agrees that a signed statement shall be, if it has not been previously, obtained from said employees prior to their commencing performance of work under this Purchase Order that they have been so informed. Such statements shall be retained by the Seller for at least three years after final payment on this Purchase Order. An acceptable form for such a statement is substantially as follows:
 - "This company/division/department/branch performs work under contracts which are within the jurisdiction of departments of the United States Government. Some of the work performed under these contracts affects the national security of the United States and the requirements of these contracts are designed to ensure that essential attributes of the work are carefully checked or inspected and that records accurately reflect the results of all work. Any falsification, concealment, or alteration of any material fact, or any false, fraudulent or fictitious statement or representation in connection with the work under any contract within the jurisdiction of the Government is not only prohibited by company policy but may also be punishable under Federal Law. Please acknowledge by your signature that you have read and understand the above."
- Seller must also agree to include the following statement preprinted on each



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manufacturing, inspection or test record used in conjunction with the subject subcontract:

Note: *The recording of false, fictitious, or fraudulent statements or entries on this document may be punishable as a felony under Federal Statute.*

- Seller shall include all provisions of this Article including this sentence in all lower-tier contracts under this Purchase Order. Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to the Buyer.
- The Buyer provides goods and services in support of the Department of Defense of the United States of America. As such, Seller warrants that Seller's employees visiting or performing services at Buyer's facility shall be U.S. citizens or naturalized U.S. citizens and do not represent a foreign interest or foreign company. Visits or performance of services by Seller's employees who are not U.S. citizens requires prior written approval by the Buyer's Facility Security Officer and if approved, will require a Buyer appointed escort.

IPQC-100.5: Disclosure of Information

- General Requirements. The Seller shall not release to anyone outside the Seller's organization any unclassified information, regardless of medium (e.g., film, tape, document, display brochure, etc.), regardless of purpose (e.g., P.O. Performance, advertising, promotion, etc.) pertaining to any part of this Purchase Order or any program related to this Purchase Order unless:
 - The Buyer has given prior written approval; or
 - The information is otherwise in the public domain before the date of release.
- Request Format and Timing. Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose of the release. The Seller shall submit its request to Buyer at least forty-five days before the proposed date for release.
- Exception/Approval. In accordance with Paragraph (a) (1) above, approval is granted to Seller so that, as necessary, it may disclose unclassified information, including sensitive unclassified information, to entities under subcontract either actually or prospectively, (including sub-tier orders), regardless of tier, under the Purchase Order for the provision of Naval Nuclear Propulsion Program (NNPP) supplies or services, entities of the Federal Government; and other entities performing NNPP work. This authority does not authorize Seller to release any information under or related to the subject Purchase Order to any entity not specified above, or not specifically affiliated with Seller under the subject purchase order through a contractual or prospective contractual relationship. Moreover, approval for release of information to sub-tiers and other entities with



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- which Seller has a contractual or prospective contractual relationship does not extend to those entities who, regardless of relationship, do not have in place proper safeguards and procedures for receipt and handling of the sensitive information. The requirements of paragraph (a) and (b) above remain in effect as set forth and Seller must receive approval for release to any entity not covered by the authority set forth in this paragraph (c).
- **Litigation.** Should any information described in (a) above be requested, subpoenaed, or otherwise sought by a court or other judicial or administrative authority, this should be promptly brought to the attention of the Buyer to permit appropriate measures to be taken to protect the information.
 - **Under no circumstances** should information, other than paragraph (a) (2) information, be released to such authority without prior notification to, and agreement of, Buyer.
 - **Survivability.** Seller agrees that the requirements of this Article, to include Seller's obligation to obtain prior Buyer approval of any release other than a paragraph (a) (2) or (c) release, shall survive the Purchase Order and that Seller shall not for a period of twenty years subsequent to the issuance of the purchase order either directly or indirectly issue any such release without the requisite approval of Buyer, its successors or assignee.
 - **Mandatory Pass Down.** Seller shall include all provisions of this clause in all sub-tier orders under this Purchase Order. Sub-tier requests for authorization to release information shall be submitted through Seller to Buyer.

IPQC-100.6: Cost Support and Certification Relative to Amendments:

- (Applicable only to POs Equal to or exceeding \$650,000 where cost or pricing data may be required in support of the U.S. Naval Nuclear Program)
 - Except where Seller demonstrates upon sufficient evidence that a FAR 15.403- 1(b) exception applies, Seller shall furnish cost or pricing data at the threshold specified in FAR 15.403-4 (a) (1) via a properly executed NN-P47, Contract Pricing Proposal Cover Sheet, for (i) any proposed amendment to this order with a price impact aggregating in excess of this threshold; (ii) in support of final price agreements or termination settlement agreements which exceed this threshold.
 - Seller shall furnish properly executed SFs 1428 through 1440 in support of final price agreements and termination settlement agreements.
 - Upon completion of negotiations relative to the proposals described in a (i) and (ii) above, Seller shall, within five working days, submit an updated NN-P47 and an NN- P34, Certificate of Current Cost or Pricing Data.

IPQC-100.7: Naval Nuclear Information

- NN-801 – Control and Protection of Unclassified Naval Nuclear Propulsion



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Information

- NN-802 – Control and Protection of Classified Naval Nuclear Propulsion Information
- NN-817 – Naval Nuclear Propulsion Information (NNPI) Guide

IPQC-101: Data Deliverables:

The Supplier shall provide a copy of any data deliverable for each item in the supplier's format or as authorized by a representative by the supplier's Quality function with each shipment.

The Supplier shall ensure that all personnel performing special processes, inspections and testing are certified to perform the function in accordance with the requirements of the referenced PO, and any specifications referenced directly or indirectly therein. The Supplier shall ensure the associated equipment and laboratory used for these processes is certified, as appropriate.

IPQC-101.1: Data Deliverables: Non-Destructive Test report:

(X-Ray, Ultrasonic, Liquid Penetrant, Magnetic Particle)

IPQC-101.2: Data Deliverables: Critical Dimension Report:

If any critical/interface dimensions are specifically identified on the drawing or purchase order, the supplier shall measure 100% of these dimensions for each unit supplied, record the measurements taken on a Critical Dimension Report, and provide this report with each shipment.

IPQC-101.3: Data Deliverables: Full Dimension Report:

The supplier shall provide a Full Dimension report as specified in this Purchase Order.

IPQC-101.4: Data Deliverables: Acceptance Test Procedure/Test Data Sheets:

This ATP and any subsequent changes must be submitted for approval thirty (30) days prior to testing deliverable end items.

Completed Data sheets must contain at a minimum, identification of the item being tested (Part number, description, revision, and serial numbers, if applicable); the specification requirement; minimum and maximum limits; the actual recorded result; indication of pass or fail; the person performing the test/inspection and the date the test/inspection was performed.

IPQC-101.5: Acceptance Test Plan:

A detailed Acceptance Test Plan must be submitted to Indus for review and approval. This plan shall consist of a test plan and a list of equipment employed. Changes must be approved by Indus prior to first delivery against the Purchase Order.

IPQC-101.6: Data Deliverables: Repair Reports:



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The Supplier shall provide a repair report, authorized by Indus Precision and the Supplier's Quality function, that documents the materials, reason for repair and activities utilized in returning the equipment to fully functional status.

IPQC-101.7: Data Deliverables: Inspection reports:

The data must include the actual measured value and be traceable to the product lot code or serial number.

Dimensional Inspection data for all critical/major characteristics defined by the drawing and /or PO and indication of acceptance for minor characteristics shall be included in an inspection report on items delivered under this Purchase Order.

All Inspection records submitted are subject to Indus review and approval prior to acceptance.

IPQC-101.8: Data Deliverables: Certificate of Analysis (C of A):

C of A is required to accompany all materials supplied to an individual purchase order.

For metallic materials:

- Include chemical, mechanical and all test results required per applicable material specification(s) unless otherwise specified.
- The C of A will include:
 - Customer Name
 - Manufacturer's Name
 - Country of origin/melting/smelted
 - Specification number (and revision, when invoked by Indus purchase order)
- Material generic alloy, condition, type, size, shape/form
- Heat lot, number

For non-metallic materials:

- Include test results required per Indus purchase order requirements and applicable specification(s).
- The C of A will include:
 - Customer Name
 - Specification number (and revision, when invoked by Indus purchase order)
 - Detailed information required by Indus purchase order (example: test report number, manufacturer's name, date code, batch number, Indus part number, Indus purchase order number, etc.)

IPQC-101.9: Not Utilized

IPQC-101.10: Data Deliverables: Welding Certifications:

The supplier shall provide Welding Certifications as specified by this Purchase Order.



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IPQC-101.11: Not utilized

IPQC-101.12: Not utilized

IPQC-101.13: Data Deliverables: Supplier Inspection & Test Plan:

Supplier shall prepare a detailed inspection plan including all measurement and testing methods. The plan shall include name, type, accuracy and calibration date of measuring and test equipment, as well as measuring record forms that are required for in-process and/or final acceptance of product. For measurement or testing of parts performed in-process, plan shall include process flow. The inspection plan requires Indus approval prior to delivery of the first product.

IPQC-101.14: Data Deliverables: Qualification Test Reports:

The supplier shall provide Qualification Test Reports as specified in this Purchase Order.

IPQC-101.15: Data Deliverables: Certificate of Test (C of T):

All parts supplied to this purchase order will be accompanied by a C of T. The C of T will be dated and signed by the responsible company representative certifying the supplied parts meet all purchase order, specification, and drawing requirements from the buyer. Certifications must include the following:

- Indus PO Number
- Indus Part Number, Revision, Serial Numbers and Date/Lot Codes where applicable
- Purchase Order Quantity
- Quantity Shipped
- Name of approved lower-tier supplier and descriptions of service provided (if applicable)
- Authorized signature and date
- Name and Address of the tester or independent laboratory
- Date and run time, if applicable

IPQC-101.16: Not Utilized

IPQC-101.17: Not Utilized

IPQC-101.18: Data Deliverables: Certification of Special Processes:

The supplier shall provide a Special Process Certification as specified in this Purchase Order.

IPQC-101.19: Not Utilized

IPQC-102: Machined Parts



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When the following parts, characteristics or processes are required by drawings, the supplier shall comply with the following additional instructions:

- Serial Numbers: The supplier must contact the Indus Purchasing Representative and request serial numbers before manufacturing begins. Serial numbers are controlled and issued by Indus to avoid duplication and meet specification requirements.
- Anodize: When MIL-A-8625 Anodic Coatings for Aluminum and Aluminum Alloys is invoked by drawing, the sealing must be done only in boiling, deionized water to provide natural appearance when performing compliance to Paragraph 3.8.1.1 of the standard unless otherwise specified by the drawing.
- Machined springs: Three extra slugs, suitable for hardness testing are to be heat treated with the lot of parts and delivered with the shipment.
Note: *These should be made by cutting one rough machined slug into three (3) approximately equal pieces. The Certificate must list the hardness and three (3) slugs.*

Additional requirements per “Detector Parts” also apply as follows:

- Detector Parts: IPQC104 applies to: Bodies (most are machined from forgings), Core Guides and Fittings and/or End caps, including parts that become assembled to the body or guide (aka “Internals”).
- Revision Controls: Revisions listed in the applicable Mil-Spec Index apply to the specifications invoked by the drawings and procedures for detector parts. The supplier must comply with these revisions. The majority of specifications affect raw materials and processes including but not limited to include, stainless steel, anodizing, heat treating, dye penetrant, ultrasonic testing, etc. The Supplier must contact the Indus Purchasing Representative and request the applicable revision controls before manufacturing begins.

Note: *Cleanliness: Pay special attention to the bottom of Blind or Tapped holes.*

Note: *This clause does not apply to COTS Items.*

IPQC-103: Material Control System (MCS-6B):

When the part number listed on the Purchase Order contains the suffix “MCS6B” then the supplier, and their subcontractors, are required to control raw materials and parts at all times, to maintain traceability to the material certifications, test data, inspections and any processing performed. Serial numbers and codes are controlled. Supplier must contact the buyer to request serial numbers before manufacturing begins. Supplier shall generate records that document clear, unquestionable traceability from serial numbers (S/Ns) to test data and inspections performed. Objective evidence of traceability control shall be on file and may be subject to Indus review and/or



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audit. Parts are to be shipped in “MARKED” containers supplied by Indus. Additional requirements per “Detector Parts” also apply per IPQC-104.

IPQC-104: Critical Control Systems:

This applies to “Detector Parts” per IPQC102. The Supplier shall establish and maintain a manufacturing, inspection, and test program, audited, and approved by Indus as meeting the requirements of MIL-STD-2041 Control of Detrimental Materials; MIL-STD-1370 (Controlled Distribution) Materials and Process Standard for Instrumentation and Control Equipment; MIL-STD-1308 Material Application and Processing Requirements, and/or as otherwise invoked in the purchase order. Any changes to programs must be submitted to Indus Precision for review and approval prior to implementation in accordance with the purchase order.

This **Indus Precision Quality Clause List** outlines the critical requirements for our suppliers to ensure the highest level of quality and compliance with industry standards. These clauses will be referenced on all purchase orders, and we expect full adherence to these requirements.

For any questions or clarifications, please reach out to your buyer.