



Modern Industries Inc.

Original Equipment Manufacturer Purchase Order Notes

1. Supplier shall notify MII's Purchasing Department when;
 - a. The PO price and suppliers quoted price are different, no price on the PO or are unable to comply with all PO and Quality Requirements. Non-Compliance may render the product unfit for use.
 - b. Any non-conformance from the requirements of the drawing specification, delivery or purchase order requirements must be reported with cause and corrective action in writing. All non-conformances shall be documented within shipping documents and individual parts specifically identified as non-conforming.
2. Modern Industries maintains a 3-day ship window on all shipments. Any shipment arriving outside this window is subject to refusal of shipment and returned to supplier at the supplier's expense.
3. Verbal agreements or instructions are strictly prohibited.
4. Supplier shall;
 - a. Have a Quality System compliant to ISO 9001 or AS 9 100 and Calibration per ISO 10012-1 and ISO 10012-2 to the extent necessary to comply with requirements of this PO.
 - Calibration of Inspection and Test Equipment
 - Contract Review
 - Control of Customer Supplied Material
 - Control of Nonconforming Product
 - Control of Quality Records
 - Control of Raw Material
 - Corrective Action
 - Final Inspection
 - Internal Audit Program
 - Provision for the Prevention, Detection, and Removal of Foreign Objects

- Receiving Inspection
 - Written Work Instructions
- b.** Not change or modify without MII's written approval operations, process, or an approved technique sheet that has been identified as being Fixed, Frozen or Significant.
 - c.** Comply with all requirements of "Copy Exact" as defined by Applied Materials.
 - d.** Control their sub-tiers and ensure all PO requirements are flowed down.
 - e.** Maintain All Quality Records for a minimum of seven years or forward All Quality Records to MII with shipment.
 - f.** When applicable; Maintain Test Specimens used for testing to assure process of product conformity as required by governing specification
 - g.** Provide First Article Inspection Report for each new part number and new revision level.
 - h.** Furnish Certificate of Conformance for each piece / lot shipped.
 - i.** Part(s) must meet customer drawing, specifications and current revision level. Inspection and Tests shall be completed by Qualified Personnel as applicable.
- 5.** Packaging – Metal-to-Metal contact is prohibited. Product must be packaged to protect from damage.
 - 6.** MII, its Customers and Regulatory Agencies reserve the right of access to the supplier's premises to determine quality of work, records and material on parts and processes noted herein.
 - 7.** In the event of a failure including, but not limited to, form, fit or function; the supplier shall provide a written and detailed failure analysis with appropriate objective evidence upon request.
 - 8.** EXCEPTIONS: Items that have NOT been identified as Critical by either Modern Industries, Inc. or Applied Materials may:
 - a.** Take exception to Paragraph **4.g.** IF the part number has an Applied Materials prefix equal to or greater than 0500-. However, the supplier shall maintain the First Article Inspection Report and must be in full compliance with all requirements of Applied Materials "Supplier First Article Inspection Requirements" AMAT Document No. 2-60.1. FAI shall be subject to inspection at Modern Industries upon Modern Industries, Inc. request.
 - b.** Take exception to Paragraph **4.h.** However, the supplier shall maintain all Quality Records including Certificate of Conformance, Inspection Records and Test Record and must be in full compliance with all requirements of Applied Materials "Certificate of Compliance and Final Inspection Report Requirements" AMAT Document No. 0250-36352. Quality Records shall be subject to inspection at Modern Industries upon Modern Industries, Inc. request.

REVISION LIST:

DATE	CHANGE DESCRIPTION
08/11/2006	Initial release
02/15/2010	Revised format and removed the revision level from the ISO 9001 and the AS 9100