



A Handbook for SF&E Providers

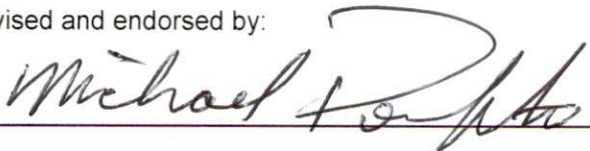


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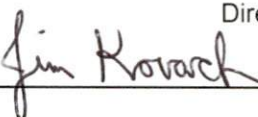
Please visit:
www.stainlessfoundry.com

Revised and endorsed by:



Director of Quality

Date: 5/17/2018



Purchasing Manager

Date: 6/5/2018

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Our Vision

By investing in technology and employee development, we will maintain the casting expertise to consistently produce defect free castings for all levels of quality with the most competitive lead time in the industry.

Our Goal

Our goal is to remove any frustration typically associated with purchasing castings, by making the entire process hassle-free, efficient, and customer friendly. We are dedicated to enhancing our customers' feeling of security by producing the finest casting in the world, delivering them on-time, and at a competitive price.

Our Mission

It is the objective of Stainless Foundry & Engineering, Inc. to provide on-time delivery of castings, machined components, and services at a competitive price which conform to or exceed our customers' requirements and legal obligations the first time, every time.

To Our Customers:

A partnership based upon loyalty, honesty, and mutual success. Value added products and services. Continuous quality improvement in products, services, and all aspects of our business.

To Our People:

A culture based upon mutual trust, respect, dignity, responsibility, and accountability. Opportunities and resources to achieve personal and professional growth. A healthy and safe workplace supported by individual commitment and a comprehensive Safety and Health Program.

To Our Corporation:

The highest level of business ethics in all of our activities. Continuing growth and profitability through resourceful marketing and product development.

To Our Providers:

A relationship based upon mutual trust, respect, and fair competition resulting in the highest quality of goods and services.

To Our Community:

A standard of corporate citizenship and responsibility, which recognizes the needs of the global community and the environment.

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Introduction

This handbook is provided in the interest of strengthening the partnership between Stainless Foundry & Engineering, Inc. and our providers of raw materials, outside production, and testing services. We hope to answer your questions about who Stainless Foundry & Engineering, Inc. is, and to acquaint you with our people, products, and our policies. We hope you will maintain this handbook as a reference and share this information with your employees who are working with Stainless Foundry & Engineering, Inc.

About Stainless Foundry & Engineering, Inc.

Few companies have a more fascinating or more typically American story of growth and development than Stainless Foundry & Engineering. It is a story of progress that results when employees, management, and providers work together toward achieving a common goal.

Stainless Foundry & Engineering, Inc. was founded in the fall of 1946 as a partnership between John McBroom Sr. and Harvey W. Kutchera.

The operation began as a sand foundry employing a handful of people at the present site on 35th Street in Milwaukee. By 1980, the plant and warehouse facilities grew from 12,600 to 120,000 square feet and more than 250 people were on the payroll.

During the initial stages of growth, Stainless Foundry & Engineering quickly established a reputation with its customers for producing quality stainless and high alloy sand castings and providing dependable service.

In 1953, we purchased the assets of The ILLIUM Corporation, formerly the Burgess-Parr Company of Freeport, Illinois. This purchase gave us ownership of the registered name, ILLIUM, and patents covering a series of special corrosion-resistant alloys.

The company was incorporated under the laws of Wisconsin in 1954 and eight years later John McBroom Sr. purchased all the stock of Harvey Kutchera.

In July of 1968, to meet demand for precision castings, an investment casting division was added to Stainless Foundry & Engineering. This division was instrumental in helping us to attract additional business and provide value added services to our customers.

In the 1980's foreign competition caused hundreds of American foundries to close down. Stainless Foundry & Engineering met this competition by investing profits in modernizing our equipment and improving working conditions.

The need for fully and partially machined castings led Stainless Foundry & Engineering to add a machining division in the late 1980's. This division was instrumental in helping us to attract additional business and provide value added services to our customers.

In October, 2007 SFE changed ownership; currently owned by Guard Hill Holdings (GHH). Stainless Foundry continues to privately held and independently own by GHH.

During the course of our company's history, there have been setbacks and to maintain an overall pattern of steady growth.

Our objective is to produce profits needed to support our continued growth, while keeping in mid the needs of our employees, customers and community.

The Industries That We Service:

Stainless Foundry & Engineering, Inc. produces products in the raw cast form, as well as fully machined performs that services the following industries:

- Nuclear
- Safety related products
- Aerospace
- Pressure Vessels
- Military
- Petro-Chemical
- Food and Dairy
- Flow Metering
- Pulp and Paper
- NAVSEA
- Pumps and associated components
- Valves and associated components as well as many others

What Is A Casting?

Investment casting — A process where a wax pattern is invested in (surrounded by) a slurry then sand mixture that dries into a ceramic shell; the wax pattern is then melted or burned out, leaving a cavity into which molten metal is poured. After solidification, the ceramic shell is shaken away from the casting.

Sand casting — A sand and binder mixture is packed around halves of a pattern constructed from wood, metal, or plastic. When the pattern is removed from the sand, an impression or mold of the desired casting remains. Cores may be installed to form internal passages, and then the two molds halves are assembled. Molten metal is then poured into the mold cavity. After solidification, the sand is shaken away from the casting.

Both Sand and Investment castings require many cleaning and upgrading operations to complete the casting process. This is where many of the vendors who this manual has been created for come into play. Many operations are highly technical in nature and many third party specifications come into play prior to shipment of goods.

Partnering

The Stainless Foundry & Engineering, Inc. Purchasing Department encourages "partnering". We believe that building a provider partnership goes beyond the traditional buyer and seller roles. We encourage you to help us in achieving:

- Mutual commitment
- A continuing long-term relationship
- Clearly defined intents
- Technology exchange
- Common objectives
- Shared risks
- Mutual gain
- Open communications

Our Purchasing Department will be glad to talk to you about any of these partnering subjects and how, together, we can achieve a close working relationship at all levels of our companies.

Our Mutual Obligations

SF&E's provider policy is defined by our Mission Statement. To our providers, we will endeavor to provide a relationship based upon mutual trust, respect, and fair competition resulting in the highest quality of goods and services. Our providers are our partners and we recognize that we have obligations to you:

- To maintain the highest ethical standards in our business relationships.
- To clearly define our needs and expectations through written purchase orders, drawings, and personal contact. We will respond to your questions, concerns, and suggestions in a prompt matter.
- We encourage your suggestions and criticism as an aid to our continuous improvement efforts.
- We will honor your invoices in a prompt manner.

In turn, we expect our provider partners to:

- Respond promptly to requests for pricing and quotations.
- Furnish product or services, which meet purchase order requirements.
- Adhere to purchase order delivery dates.
- Furnish the quality documentation requested by the purchase order.
- Communicate; keep SF&E advised of problems, which would affect your production or delivery.

The Provider Selection Process

SF&E providers are selected based upon their quality capabilities, production capabilities, and basic business information. As a minimum, providers are expected to maintain quality systems as listed below. SF&E prefers that its providers maintain a quality system certified by a third party to a national or international standard. In the initial selection process, a potential provider will be requested to complete a Quality System questionnaire and provide basic business information. Depending on the nature and complexity of the purchased product and/or services, potential providers may be requested to allow an on-site quality survey and meet, at their facility, with SF&E Engineering, Quality, or purchasing management. After initial provider approval and listing on the "Approved Provider's List", provider will be requested to provide up dated quality and business information at three (3) year intervals.

The Purchasing Department

All purchases are made by the SF&E Purchasing Department based upon your quotation. Quotation requests may be generated by Engineering Department Estimators or by Purchasing Department Buyers. Purchasing Department Buyers are the only individuals authorized to place a purchase order for raw materials, production services, and provides on behalf of Stainless Foundry & Engineering, Inc. All verbal agreements are confirmed by a written purchase order. Any purchase order changes are made by a written change order.

- Stainless Foundry & Engineering, Inc. purchasing "Terms and Conditions" are printed on the front and reverse side of each purchase order.
- Each purchase order will contain the quantity, item, description, drawing or part number, revision level, specification, and/or description of the work to be done.
- Overruns in excess of the ordered quantity will not be accepted unless authorized in writing by the buyer.
- When applicable, a current drawing will be included with each purchase order. File copies or previous drawings, which may still be in your possession, **SHOULD NOT** be used, as they may not be the current revision.
- Drawing options are required only when they are specified by the purchase order.
- Sub-tier providers may not be used without prior SF&E Purchasing and Quality Department approval.
- Invoices are processed for payment after materials have been received and accepted by Quality Management receiving inspection.

All of us at SF&E are here to help, to clarify, and to assist you in providing acceptable product, which meets purchase order requirements and quality expectations.

- We ask that you coordinate your questions and requests through the Purchasing Department. Purchasing will direct your questions to the appropriate department. Engineering and QM personnel will gladly answer questions about drawing interpretation and quality acceptance criteria.
- Depending upon the nature and complexity to the product, we will meet with you in a pre-production planning meeting to review any specific or unusual quality requirements.
- Comply with all requests of Stainless Foundry & Engineering, Inc.'s Terms and Conditions as applied in Appendix M.

The Purchasing Department hours are 7:30 a.m. - 12:00 p.m. and 1:00 p.m. - 4:30 p.m. Central Time.

Purchasing Phone	414-535-6084
Purchasing Fax	414-462-7303
Quality Management	414-535-6028
Metallurgy	414-535-6071

To visit us, an appointment is preferred. "Drop-in" will be seen only if schedule permits.

The Quality Management Department

The QM Department and system at SF&E is multifaceted to meet the ever-evolving needs our customers require. In turn it is important that you as a provider understand the standards that SF&E works to everyday and the potential additional requirements that may be passed along to you to support this effort.

The SF&E quality management system has been audited and registered to the requirements of:

- **ISO 9001:2015**

Basic specification overview: It is an overview and model with expectations for Quality Management systems requirements as used in production, installation and servicing industries. A provider must be able to have

Scope of applicability at SF&E: This is the cornerstone of the entire quality program at SF&E. Every job that goes through the foundry and machine shop follows the policies set forth by the quality policy manual and the quality management procedures (QMP's) that support it. SF&E has upgraded our Quality System to ISO 9001:2015 edition requirements.

- **European Directive 97/23/EC and 2014/68/EU for Pressure Equipment (PED)**

Basic specification overview: The European member states have ratified directive 97/23/EC and 2014/68/EU, called the Pressure Equipment Directive (PED). It specifies that all pressure components with service pressures that exceed 0.5 bar meet specific technical parameters as specified in the directive. It mandates that a manufacturer have a quality system such as ISO 9001. There are harmonized standards for materials and special processes mainly pertaining to heat treatment, non-destructive testing, and metallurgical testing but are not limited to these activities.

Scope of applicability at SF&E: Castings are produced as specified to the 97/23/EC, 2014/68/EU, PED/CE per the customer's contract for use on pressure equipment or components destined for the European market place.

We encourage our providers to practice quality improvement and stand ready to share our experiences as an aid in evolving provider quality programs to a higher level.

Inspection

All purchased product/service is subject to inspection and QM Department acceptance. SF&E and SF&E's customer may request inspection at the provider's facility. When source inspection is required, this will be stated in the purchase order and/or coordinated by the SF&E Quality Management Department. Acceptance during source inspection does not relieve the provider of their quality responsibilities nor does it preclude product from being found nonconforming in later processing stages.

Handling and Packaging

Handling or shipping damage can have a detrimental effect upon performance. We ask that our providers adhere to the following:

- Finished parts which are shipped to a provider for special processing must be returned to SF&E in the same way they were received.
- Processing at a provider may be cause for increased packaging requirements meant to maintain the finish and quality as completed at the provider prior to shipment

Shipping

The preferred method of shipping or a specified carrier will be stated on the purchase order when required. If there are any questions or concerns about shipping finished product or in what condition product has been received, the Purchasing Department should be notified. SF&E will provide assistance in initiating claims or corrective action with the carrier.

Incoming Receiving Documentation

When receiving inspection is performed at SF&E's plant:

- A sampling inspection plan will be used based upon AQL 1.0. This means that we will inspect a minimum of thirteen parts or items for any lot size up to 150 pieces, and a proportionately larger sample for lots in excess of 150 pieces. In this sampling plan, the acceptance number is always zero non-conformances.
- All features and dimensions of samples of machined parts will be inspected. Other types of product will be inspected in accordance with written inspection plans which may include workmanship, condition, or verification of functional characteristics.
- Any product, which does not conform to requirements, will be documented on a Non-Conformance Report.

- Quality documents such as CMTR's, certificates of conformance, or inspection data are requested to accompany the shipment. All documents must be legible and reproducible, as copies are frequently requested by SF&E customers. When providing certificates of compliance to a specified standard such as NDT or special processing, please reference the standard number and revision letter in the certification.
- Stainless Foundry & Engineering, Inc. maintains inspection records for a minimum of five years. If SF&E's customer imposes longer retention requirements on a SF&E provider, this will be stated in the purchase order.
- When non-conforming product is identified in Receiving Inspection, providers may be requested to perform investigation to determine the root cause of the non-conformance and provide permanent corrective action. Corrective Action requests are made based upon the severity of the non-conformance, its impact upon SF&E, and our customer, or where there appears to be a breakdown in the provider's quality system.

On-Time Delivery

Stainless Foundry & Engineering, Inc. monitors our provider's on-time delivery performance and uses past delivery data as a factor in releasing new purchase orders. If circumstances arise so that this delivery date cannot be met, we request that our buyer be notified and a new date proposed. There is no penalty for early delivery unless otherwise specified.

Provider Quality Management Requirements

The following Provider Quality Management Requirements may be referenced on either the Purchase Order and/or (if applicable) the Quality Assurance Attachment for Additional Requirements sheet that accompanies annual blanket Purchase Orders to specific providers. The Provider Quality Management Requirements are an integral part of orders placed by Stainless Foundry & Engineering, Inc. Compliance with these requirements is a condition for part or service acceptance. Additional requirements not listed in the applicable appendices will be identified in the text of the purchase order and/or the bill of lading.

Appendix A — Heat Treatment and Thermal Processing

The provider requests specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements:

- Performance of calibration to be performed to appropriate and applicable standards and codes.
- The requirements of NIST traceable activities are required as applicable.
- Heat Treatment shall be performed in temperature surveyed and calibrated furnace or the heat treating shall be controlled by thermocouples in contact with the material or attached to blocks in contact with the material or by calibrated pyro metric instruments. Heat treating shall be performed under furnace loading conditions such that the heat treatment is in accordance with the material specification and the rules of the applicable sub-section on the ASME code. Certification shall include the last calibration dates for the furnace, instrumentation, and/or thermocouples. This requirement does not apply for material that has been purchased in the heat treated condition from the material manufacturer.
- Performance of heat treatment to be performed to appropriate and applicable standards and codes.
- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents as required.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the provider's facility upon request.
- Purchase orders may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III, Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix B – Calibration Services

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider requests listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements:

- Performance of calibration to be performed to appropriate and applicable standards and codes.
- The requirements of NIST traceable activities are required as applicable.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or microfilmed and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the provider's facility upon request.

This purchase order may be amended or canceled at any time. ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.

This purchase order may be amended or canceled at any time. ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements: (cont.)

- No subcontracting of manufacturing or processing is allowed without prior written Stainless Foundry & Engineering, Inc. approval. (This does not apply to Stainless Foundry & Engineering, Inc. audited and approved ASME certificate holders or providers that have a 10CFR50, Appendix B program that perform on-site facility audits of those providers utilized on this order). If subcontracting is permitted, the provider shall pass down all pertinent quality requirements from this purchase order to its sub tier providers, as applicable.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50 Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.
- The purpose of this specification is to clarify the required business ethics and standards of conduct. These requirements apply to all aspects of work performed by direct providers, including manufacturing, inspection, and services.

All providers providing product or services to SF&E acceptable code and standard requirements.

Providers (management and employees) are contractually obligated and expected to meet all purchase order requirements. Providers are required to inform sub-tier providers hired by the provider that they are likewise contractually obligated and expected to meet all purchase order standards.

Providers and sub-tier providers shall be aware and vigilant for Malpractice and False and Fictitious (F&F), as it affects contract compliance. All parties associated with product and services destined for ultimate delivery to the Purchaser must be aware that Malpractice and False & Fictitious are grave and serious matters. The act of Malpractice or False & Fictitious has the potential for severe and costly damages.

This purchase order may be amended or canceled at any time. ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements: (cont.)

It is the responsibility of all parties to avoid the slightest possibility or appearance of impropriety or malpractice and to report known or suspected occurrences to SF&E's QM department. All personnel working within the program must be aware of malpractice and false & fictitious, methods to eliminate potential situations, and purchaser expectations of provider's, their employees, and subcontractors.

Providers must ensure that employees and sub-tier providers are provided documentation and information necessary to perform assigned and contracted work correctly. Employees and sub-tier providers must follow established work procedures and contract documents to perform best possible effort within the program.

Any party aware of, or having reason to suspect, malpractice or false & fictitious is obligated to report this violation anonymously or in person to SF&E's QM department.

False allegations of malpractice and false & fictitious are likewise serious matters and subject to federal investigation and prosecution. It is imperative that persons making allegations be knowledgeable and truthful with the facts and not be with vindictive or spiteful intent.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix C — Metallurgical Testing and Evaluation

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B). The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements:

- Performance of calibration to be performed to appropriate and applicable standards and codes.
- The requirements of NIST traceable activities are required as applicable.
- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the provider's facility upon request.
- This purchase order may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements (cont.):

- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- No subcontracting of manufacturing or processing is allowed without prior written Stainless Foundry & Engineering, Inc. approval. (This does not apply to Stainless Foundry & Engineering, Inc. audited and approved ASME certificate holders or providers that have a 10CFR50, Appendix B program that perform on-site facility audits of those providers utilized on this order). If subcontracting is permitted, the provider shall pass down all pertinent quality requirements from this purchase order to its sub tier providers, as applicable.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III, Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6.
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50, Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements: (cont.):

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix D — Machine Shops

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- Performance of calibration to be performed to appropriate and applicable standards and codes.
- The requirements of NIST traceable activities are required as applicable.
- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- This purchase order may be amended or canceled at any time.
- Each shipment for this order shall include evidence of acceptance by the seller's QM organization. This evidence shall be a document using the seller's format. The document will list the inspection and test performed to support this evidence. The seller shall authorize their QM representative who shall review, and approve the records/reports. The QM representative shall show his approval by placing his signature, title, and date of acceptance on the document. The acceptance document may be in the form of actual inspection/test results. When the provider uses sampling, the provider shall list the plan/APL.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix Requirements: (cont.)

- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Compliance to the applicable portions of ASME BPVC, Code Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix E — Weld Filler Material and Supplies

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI supervisor shall be afforded right of access to the provider's facility upon request.
- This purchase order may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The vendor shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements: (cont.)

- No subcontracting of manufacturing or processing is allowed without prior written Stainless Foundry & Engineering, Inc. approval. (This does not apply to Stainless Foundry & Engineering, Inc. audited and approved ASME certificate holders or providers that have a 10CFR50, Appendix B program that perform on-site facility audits of those providers utilized on this order). If subcontracting is permitted, the provider shall pass down all pertinent quality requirements from this purchase order to its sub tier providers, as applicable.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- ASME code material identification requirements:
- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III, Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6.
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50, Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L - NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix F — NDE/NDT

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

General Requirements –

- All radiographic inspections require incoming records to include a report, technique sheet, and radiographic shooting sketch (RSS) unless otherwise arranged by SF&E's QM Department.

Commercial Requirements –

- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the provider's facility upon request.
- This purchase order may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.

ASME BPVC, Section III, Division I, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements: (cont.)

- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- ASME code material identification requirements
- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6.
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50, Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix G – Passivation and Pickling

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the vendor's facility upon request.
- This purchase order may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements : (cont.)

- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.
- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III, Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6.
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50, Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L - NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix H — Welding Fabrication

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- All documentation shall be legible and be capable of being photocopied and/or scanned and shall accompany shipment of material. All documentation shall be traceable to the Stainless Foundry & Engineering, Inc. purchase order.
- Stainless Foundry & Engineering, Inc., its customers, and/or the Authorized Nuclear Inspector (ANI) and/or ANI Supervisor shall be afforded right of access to the vendor's facility upon request.
- This purchase order may be amended or canceled at any time.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements:

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements – (cont.)

- Items on this purchase order are classified as SAFETY RELATED, therefore, the Code of Federal Regulations 10CFR21 applies to this order. Any defects or non-compliances associated with this order discovered during or after shipment of this order shall be documented in writing to Stainless Foundry & Engineering, Inc. Quality Management Department.
- The requirements of 10CFR21 apply to this purchase order and should be certified referencing compliance to 10CFR21.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.

ASME code material identification requirements:

- Heat traceable Certified Material Test Reports (CMTR) in accordance with ASME BPVC, Section III, Division 1, NCA-3862 or 3867.4 are required with each shipment of material.
- Physical marking of material/part supplies shall comply with the applicable Material Specification and ASME BPVC, Section III, Division 1, NCA-3856 or 3866.6.
- Code material that is either repaired in accordance with the applicable material specification or receives code nondestructive examination shall be uniquely serialized.
- This purchase order is to be processed in accordance with the quality program in your facility that has been audited and approved by SF&E. This program meets the requirements of NCA-3800, as well as 10CFR50, Appendix B and is applicable to this purchase order. All certifications must list the revision and date of the written program to which the service was performed. Your certification must contain a statement that verifies that the order has been processed in accordance with the requirements of this purchase order.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix I — Processing and Specialty Gases

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- This purchase order may be amended or canceled at any time

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The vendor shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix J — Foundries and cast products

The provider codes specified below are broken into two categories, commercial or nuclear/safety related ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; or 10CFR50, Appendix B. The provider codes listed under 10CFR21; ASME BPVC, Section III, Division 1, NCA-3800; or 10CFR50, Appendix B are used when the castings that service is performed on is for safety or nuclear application. These reference code sections are to be enforced when bills of ladings specify nuclear or 10CFR21.

In addition to the general requirements specified in the previous sections of this manual the following additional requirements are to be followed and performed for services provided for SF&E.

Commercial Requirements –

- Performance of calibration to be performed to appropriate and applicable standards and codes.
- The requirements of NIST traceable activities are required as applicable.
- Material and/or services shall be heat and/or lot traceable to the applicable Certificate of Conformance/Certified Material Test Report (CMTR) or inspection documents.
- All non-conformances to requirements shall be reported to Stainless Foundry & Engineering, Inc. for review and approval prior to implementation.
- This purchase order may be amended or canceled at any time.
- Authorized Quality Management representatives of the buyer shall have the right to maintain cognizance over the Quality Management inspection system imposed on the seller. Accordingly the seller is expected to grant the designated representative access to his facility at all reasonable times and access to areas where the production of the item(s) covered by this purchase order is taking place. Where these areas infringe on seller's proprietary processes of a sensitive nature, or involve security with respect to other seller products being fabricated, mutually satisfactory arrangement shall be made with the buyer.
- Acceptance of this purchase order obligates the seller to perform, upon request, a corrective action investigation when discrepant material is received by the buyer. A written report shall be furnished, within a reasonable time period, which is specific and conclusive to prevent a recurrence of the discrepancy.
- Unless otherwise specified in the purchase order, the seller is expected to use the latest revision, including notices and amendments, of any specification required by the purchase order. If the seller has any question regarding this requirement, they should contact SF&E as soon as possible.

Commercial Requirements – (cont.)

- Each shipment for this order shall include evidence of acceptance by the seller's QM organization. This evidence shall be a document using the seller's format. The document will list the inspection and test performed to support this evidence. The seller shall authorize their QM representative who shall review, and approve the records/reports. The QM representative shall show his approval by placing his signature, title, and date of acceptance on the document. The acceptance document may be in the form of actual inspection/test results. When the provider uses sampling, the provider shall list the plan/AQL.
- Traceability of unique identification numbers must be maintained throughout the manufacturing process.

ASME BPVC, Section III, Division 1, NCA-3800; 10CFR21; and/or 10CFR50, Appendix B Requirements

- Material shall be processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 compliant Quality System Program when Nuclear is specified. This program shall be reviewed and approved by Stainless Foundry & Engineering, Inc.'s Quality Management department. Any changes to this program shall be submitted to Stainless Foundry & Engineering, Inc.'s Quality Management department for review and approval.
- A Certificate of Conformance to procurement requirements shall accompany shipment. The provider shall certify that material provided has been processed in accordance with an ASME BPVC, Section III, Division 1, NCA-3800 Quality System Program that has been approved by Stainless Foundry & Engineering, Inc. when Nuclear is specified. The certificate shall reflect either the ASME QSC certificate number and expiration date, or when no QSC certificate applies the applicable Quality System Program revision and date.
- Compliance to the applicable portions of ASME BPVC, Section III, Division 1, NCA-3800, and 10CFR50, Appendix B when specified.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix K – False and Fictitious/Contract Compliance and Awareness of Malpractice: Appendix L applies to this appendix as applicable specified on Purchasing documentation.

Prevention –

- It is the responsibility of all parties to avoid the slightest possibility or appearance of impropriety or malpractice and to report known or suspected occurrences to SF&E's QM department. All personnel working within the program must be aware of malpractice and false & fictitious, methods to eliminate potential situations, and Purchaser expectations of provider's, their employees, and subcontractors.
- Providers must ensure that employees and sub-tier providers are provided documentation and information necessary to perform assigned and contracted work correctly. Employees and sub-tier providers must follow established work procedures and contract documents to perform best possible effort within the program.
- Any party aware of, or having reason to suspect, malpractice or false & fictitious is obligated to report this violation anonymously or in person to SF&E's QM department.
- False allegations of malpractice and false & fictitious are likewise serious matters and subject to federal investigation and prosecution. It is imperative that persons making allegations be knowledgeable and truthful with the facts and not be with vindictive or spiteful intent.

Contract compliance and Awareness of Malpractice -

To demonstrate contract compliance with this specification, SF&E is required to perform, and maintain records for, the following:

- Alert all employees to this (Contract Compliance and Awareness of Malpractice Prevention) Appendix during new hire indoctrination
- Annually provide refresher training to this (Contract Compliance and Awareness of Malpractice Prevention) Appendix for all employees.
- Include verification and diligence during internal quality audits that malpractice and false & fictitious training is performed and reminder notices are posted.
- Include an awareness in audit requirements that auditors be alert for malpractice and false & fictitious during internal and external quality audits.
- Perform periodic and independent over checks of final inspections and testing.
- Alert all sub-tier providers of malpractice and false & fictitious by pass down of this specification in provider purchase orders.

Contract compliance and Awareness of Malpractice -

- While performing on-site quality audits at provider's facilities, confirm and verify sub-tier awareness of malpractice prevention.
- NAVSEA and Nuclear order requests are to follow Appendix L.

NAVSEA Requirement:

Appendix K - False and Fictitious/Contract Compliance and Awareness of Malpractice and Appendix L – NAVSEA and Level I General Provider Requirements, apply to the all of the above NAVSEA requirements.

Appendix L - NAVSEA and Level I General Provider Requirements.

- Providers who procure material used in Level 1 applications from sub-tier providers shall assure their sub-tier providers for such materials are compliant with the material control and traceability requirements of the purchase's purchase order. On-site audits, although not specifically required, are recommended and may be requested by the purchaser.

Items or material requiring traceability to Objective Quality Evidence (OQE) shall be stored and processed such that positive identity is maintained. Each piece of material shall be individually and permanently identified. During in process manufacturing when individual marking is not practical totes, bags, or boxes identified properly and accompanied by a properly identified process traveler, are a suitable alternative to permanent marking provided the identity is maintained at all times.

Unless the purchase order specifically identifies the area where permanent marking on an item should be applied, it shall be marked in an area that is readily accessible and unlikely to be obliterated during installation.

When material is worked or heat treated, resulting in changes to its mechanical properties, the mechanical properties shall be re-determined and the material shall be uniquely re-identified to provide traceability to the final heat treatment and mechanical properties certified for that material.

Unless specifically authorized in the purchase order, only seamless pipe and tubing shall be used in items I components provided. The provider's material control system must assure that seamed pipe and tubing is controlled such that it cannot be mixed with seamless pipe and tubing. This material control requirement must be passed on to the provider's mill or distribution sources and sub-tier providers.

Permanent marking methods shall be in accordance with MIL-STD-792

Examples of malpractice and false & fictitious –

- Issuing a procedure or instructions known to contain unauthorized deviation(s) to contractual requirements.
- Knowingly waiving or eliminating a contractual requirement without authority to do so.
- Deliberately accepting unsatisfactory work.
- Intentionally performing unacceptable work.
- Failing to report problems or unsatisfactory conditions in one's own workmanship.

Examples of malpractice and false & fictitious – (cont.)

- Verifying by signature that an action was taken, knowing in fact the action was not taken, or not performing the required checks or verifications to assure the action was taken.
- Verifying performance of action based on hearsay, not personal observation.
- Tampering with calibrated instruments to avoid rejection of work.
- Falsifying dates on records to comply with frequency or deadline requirements.
- Falsifying data to cover-up a procedure or drawing deviation.
- Falsifying data to have work accepted, thereby avoiding further work or rework.
- Concealing or not reporting information on malpractice, fraud, or falsification known to have been committed by others.

Customer Contract Compliance and Awareness of Malpractice Prevention –

- The purpose of this specification is to clarify the required business ethics and standards of conduct. These requirements apply to all aspects of work performed by direct providers, including manufacturing, inspection, and services.
- All providers providing product or services to SF&E acceptable code and standard requirements.
- Providers (management and employees) are contractually obligated and expected to meet all purchase order requirements. Providers are required to inform sub-tier providers hired by the provider that they are likewise contractually obligated and expected to meet all purchase order standards.
- Providers and sub-tier providers shall be aware and vigilant for Malpractice and False and Fictitious (F&F), as it affects contract compliance. All parties associated with product and services destined for ultimate delivery to the purchaser must be aware that Malpractice and False & Fictitious are grave and serious matters. The act of Malpractice or False & Fictitious has the potential for severe and costly damages.
- NAVSEA and Nuclear order requests are to follow Appendix L.

Appendix M – Terms and conditions

Thank you for purchasing products from Stainless Foundry and Engineering. All products are sold subject to the following Terms and Conditions: Acknowledgement – Controlling Provisions

Stainless Foundry & Engineering, Inc. ("SF&E") acknowledges the order of addressee of this acknowledgement ("Customer") and both parties expressly agree to sell the goods described herein only on the terms hereof (as well as the terms of documents specifically referenced herein), notwithstanding any language of Customer's purchase order, if any, or other writing previously or hereafter received by SF&E purporting to amend, modify, or replace the terms of this acknowledgement with any different or additional terms or reciting that states that any action or inaction by SF&E constitutes agreement to additional or different terms. Further, there shall be no oral modification of the terms and conditions of sale.

Incorporated Documents

This document expressly incorporates all provisions of the SF&E quote agreed to by the Customer, the SF&E Quote Terms and Conditions, and the SF&E Supply Agreement.

Warranty of SF&E

(a) SF&E warrants that its products, so far as they are of SF&E's manufacture, will conform to the specifications agreed to by SF&E and Customer and will be free of defects in materials and workmanship on the date of delivery. THERE ARE NO OTHER EXPRESS WARRANTIES. THERE ARE NO IMPLIED WARRANTIES THAT THE GOODS SHALL BE MERCHANTABILITY OR FIT FOR ANY PARTICULAR PURPOSE INDICATED BY CUSTOMER. (b) If SF&E reasonably determines that its product fails to conform to the specifications agreed to by SF&E and Customer, SF&E shall remedy the nonconformity. For the purposes of this document, "remedy the non-conformity" shall include: (1) repairing the non-conforming product; (2) replacing the nonconforming product; or (3) issuing credit for any non-conforming product. SF&E reserves the right to determine which of the three methods above shall be used to remedy the non-conformity. THIS PART (b) PROVIDES SF&E'S SOLE OBLIGATION UNDER THIS WARRANTY AND PROVIDES CUSTOMER'S EXCLUSIVE REMEDY UNDER THIS AGREEMENT. In no event shall SF&E be liable for any special or consequential damages or for machine work, labor charges, or other expenses incurred on products, which do not conform to specifications. In addition, Customer is required to provide notice of any alleged defect to SF&E and allow SF&E an opportunity to cure any such defect before Customer takes any remedial action. (c) On products furnished by SF&E, but manufactured by others, the written warranty of the manufacturer, if any, will be assigned to Customer. However, SF&E does not adopt and does not guarantee or represent that the manufacturer will comply with any of the terms of such warranty.

Terms and conditions (cont.)

Warranty of Customer

(a) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of an actual or alleged infringement of any patent, trademark, or other proprietary right relating to the manufacture and sale of products manufactured in accordance with patterns, designs, alloy specifications, or design information supplied by Customer. (b) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of Customer's refusal to accept product furnished by SF&E that conforms to the specifications agreed to by SF&E and Customer. (c) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of Customer's changes to specifications agreed to by SF&E and Customer. (d) Customer shall indemnify and hold harmless SF&E for any loss, liability or expense arising out of SF&E's use of and/or adherence to Customer's design specifications, components specifications and SF&E's use of Customer-specified materials and suppliers. (e) Damages recoverable to SF&E under this provision shall include, but not be limited to, actual, consequential and special damages including lost profit and reasonable attorney's fees.

Tools and Equipment

SF&E shall have no responsibility or liability for errors in patterns and/or drawings, which may be furnished to it by Customer. SF&E shall not be liable for damages to pattern equipment except those due to SF&E's negligence. All patterns, tools or equipment, if any, furnished to SF&E by Customer will be stored by SF&E with all reasonable care without liability for their loss caused by theft, fire, flood, acts of God, or other causes beyond its reasonable control. Patterns on which partial refunds are made become SF&E's property. Patterns are to be furnished by Customer. Prices are for rough castings only unless specifically noted otherwise and are contingent upon rigging to SF&E's specification. Machining stock allowance should be approved by SF&E to guarantee clean up.

Prices and Taxes

All orders are accepted with the understanding that SF&E reserves the right to adjust prices to SF&E's prices prevailing at the time of shipment. In addition to the prices specified, Customer shall pay any taxes levied on the sale, delivery, storage, consumption, or transportation of goods sold. Prices stated hereon are believed to comply with applicable price regulations. If later determined to be otherwise, appropriate adjustments will be made.

Terms of Payment

Customer shall pay SF&E charges within thirty (30) days of the completion of production.

Terms and conditions (cont.)

Delivery and Acceptance

(a) Dates quoted hereon are approximate and are based upon proper receipt of all necessary information and materials to be furnished by Customer. All sales are F.O.B. SF&E's shipping point. The acceptance of shipment by first class carrier shall constitute a delivery to Customer. SF&E shall not be liable for any delays or defaults hereunder by reason of fire, flood, acts of God, labor, troubles, inability to secure materials, acts of government, or other causes beyond its reasonable control. SF&E shall not be liable for direct, special, or consequential damages resulting from delay in delivery or failure to manufacture. (b) Products shall not be subject to acceptance or rejection on a basis of radiographic, magnetic particle, dye penetrant, or any other testing unless expressly stated in SF&E's quotation. (c) Customer's receipt of any goods shall be an unqualified acceptance of, and a waiver by Customer of any kind and all claims with respect to, such products on the earliest to occur: (i) failure of SF&E to receive written notice of rejection within 45 days of their receipt by Customer; or (ii) any other event constituting acceptance by Customer under applicable law. However, the Customer's objections to the terms and conditions of sale as stated in this document shall not be a basis for the rejection of SF&E's goods or for the Customer's basis for any claims against SF&E as to its products. The Acknowledgement paragraph contained in this document controls and governs the terms and conditions of sale and is not waived by this paragraph.

Customer Returns

Customer must obtain from SF&E prior authorization before returning product to SF&E's location. Such authorization will not be unreasonably withheld. SF&E reserves the right to make a preliminary determination regarding the Customer's claim against SF&E's warranty. Products not first receiving a Return Authorization (RA) from SF&E's Customer Service agent will not be accepted at SF&E's location.

Cancellation

Cancellation of any order, or any part thereof, shall be subject to all of the following terms: Customer shall pay the contract price of all Goods, which have been completed. Additionally, Customer shall pay the contract price of all Goods currently in process. Customer shall pay a sum equal to the same proportion of the contract price as the degree of completion of the goods in process on date cancellation is received. Termination charges on government contracts and subcontracts will be determined in compliance with applicable laws and regulations.

Laws and Regulations

This agreement shall be interpreted according to the laws of the State of Wisconsin and any action arising out of this Agreement shall be filed in the state or federal courts located in Milwaukee County, Wisconsin all laws and regulations required to be incorporated in agreements of this character are incorporated herein by this reference.

Terms and conditions (cont.)**Shipping Tolerance and Packing**

SF&E reserves the right to ship, plus or minus ten percent, the specified quantity unless otherwise specified on the purchase order. Unless Customer specified otherwise in writing, products will be packed as SF&E may deem proper for protection against normal handling, and extra charges will be made for additional protection of goods.

Claims and Freight Costs

All claims of rejection must be made in writing by Customer within 45 days after receipt of goods from SF&E if credit is to be allowed or products are to be reworked or replaced. Responsibility for property protection of products returned for rework is that of Customer. If SF&E determines returned product is a valid claim against SF&E's warranty, SF&E will be responsible for freight charges or else freight costs shall be borne by Customer.