CENTURY FASTENERS CORP. QUALITY TERMS AND CONDITIONS

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rev.000

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Control Plan For Critical Characteristics - FMU-143

Rev 1 (2/2014) Prior to production, a Control Plan for Critical Characteristics (CCC Plan) listed in your classification of characteristics, or referred to in applicable specifications, shall be prepared and submitted. Incorporation of a CCC Plan should be designed with the objective of preventing the creation or occurrence of nonconforming critical characteristics. Critical processes should be robust in design, capable and under control with the objective of not generating any critical non-conformances. In addition, all known material, component, subassembly, and assembly characteristics, whose nonconformances would likely result in hazardous or unsafe conditions for individuals using, maintaining, or depending on the product, should be identified and documented. It is not intended to guarantee that adherence to such a control plan will absolutely prevent or eliminate all potentially unsafe conditions or performance of the practical function of a major end item. While product is under supplier control, ATK assumes no liability resulting from any subcontractor's property damage, injuries, death or other causes of action that arise or may arise from the subcontractor's development, use and/or reliance on such a CCC Plan, whether formally or informally approved by ATK. The CCC Plan must include as a minimum, the following elements:

- Source and revision of supporting procedures, work and handling instructions and process controls related to any critical characteristics. Mistake-proofing techniques of the material handling and inspection systems should be a part of the CCC Plan.
- Requirements for training, testing and certification of operators and inspectors.
- How critical non-conformances are to be detected – calculate, document, clearly identify, and routinely assess reliability and effectiveness.
- Required actions and notifications when a critical non-conformance is detected.
- Corrective action and follow-up.
- How suspect product and non-conforming units will be separated from, and remain separated from, conforming product.
- How non-conforming units will be dispositioned.
- Criteria for an acceptable effectiveness level.
- How verification of the plan's effectiveness is performed – calculate, document, clearly identify, and routinely assess reliability and effectiveness of critical processes to prevent generating critical non-conformances.

- Actions required when one or more of the effectiveness levels are exceeded.

- Reporting, including format, frequency/time, and distribution of:

    o EFFECTIVENESS LEVELS

    o WHEN A CRITICAL NONCONFORMING CONDITION IS DETECTED – Any suspect material must be identified, segregated and suspended from any further processing and shipment. The non-conformance must be positively identified and segregated to ensure that nonconforming product does not inadvertently remain or reenter the production process.

    o ACTIVITIES DURING CORRECTIVE ACTIONS (S) – An investigation must be conducted to determine the root cause of the non-conformance and the required corrective action. An evaluation should also be conducted with regard to suspect material to ensure that no additional critical non-conformances are present. A report of this investigation should be submitted to ATK.

- Authority for initial start, stoppage, and restart of production. ATK must be immediately notified of a critical non-conformance. The operation that produced the non-conforming component or assembly and any other operations incorporating suspect components or assemblies must be immediately stopped. A request to restart manufacturing or to use any suspect material associated with the critical non-conformance must be submitted to ATK. Restart of production shall not occur until authorized by ATK.