

# TURRET LATHE SPECIALISTS, INC.

## PURCHASE ORDER QUALITY CLAUSES

### **Purpose:**

To assure customer requirements are communicated to the supply chain when goods or services are procured.

### **Application:**

Turret Lathe Specialists, Inc. purchase orders flow down customer requirements to its process suppliers and/or sub-tier suppliers by adding TLS quality clauses (requirements), when purchasing services and/or goods from outside suppliers.

**QC1 – TERMS AND CONDITIONS** This PO constitutes buyer's offer to seller and becomes a binding contract per the terms and conditions set forth herein. When accepted by the seller, either by acknowledgement or by commencement of performance hereof.

**QC2 – CHANGES** No revisions of this order or any terms and conditions thereof, shall be valid unless in writing and signed by an authorized representative of buyer. No condition stated by seller, in accepting or acknowledging this order shall be binding upon buyer, if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein, unless expressly accepted in writing by buyer.

**QC3 – TRACEABILITY** Parts and materials shall be traceable throughout all processing, from source to shipping.

**QC4 – CERTIFICATE OF CONFORMANCE** A Certificate of Conformance attesting compliance to all related specifications and/or general requirements must accompany services and/or goods procured under this purchase order.

**QC5 – INSPECTION AND TEST RECORDS** Dimensional characteristics produced in part or in whole of this purchase order shall be recorded on inspection forms and shall accompany the products at time of shipment. Unless otherwise specified, all dimensions and as applicable critical items including key characteristics, will be recorded 100% actual for each character and each individual part. No sampling allowed, unless otherwise specified. All dimensions shall bear the stamp of a quality assurance representative. Test records of any process that are performed under the purchase order are to be documented and shall accompany all products at time of shipment and shall bear the stamp of qualified personnel performing test.

**QC6 – MATERIAL TEST REPORTS AND TRACEABLE DOCUMENTATION** All deliverable products shall have a material test report containing the chemical composition and physical properties of raw materials used in fabrication of products under purchase orders. These records must objectively maintain traceable documentation to final product, including all heat lot, serial numbering and record retention throughout the entire manufacturing process.

**QC7 – RIGHT OF ENTRY** TLS, their pertinent customers, and authorities (including Government representatives) reserve the Right-Of-Entry into a supplier organization, at any level of the supply chain, to determine and verify quality of work at all stages of production. All information, including digital information, records, logs, inspection tests and any other data are subject to review by TLS and their customers.

**QC8 – SUPPLIER SURVEY** Supplier's Quality Assurance system is subject to an initial survey and approval by TLS and/or their customers. Subsequent review of supplier and/or processors may be conducted before or after issuance of purchase order. Deficiencies identified because of a survey shall be noted and follow-up activities taken to ensure proper corrective actions have been implemented.

**QC9 – SUPPLIER SUB-TIER APPROVAL** All material, supplies and services not supplied to vendor by TLS must be obtained from TLS approved source prior to start of effort. Substitutions may be made only with written approval provided from TLS.

**QC10 – CALIBRATION** Supplier's calibration system shall meet the requirements of MIL-STD-45662, ISO 10012 or ANSI/NCSL Z540-1 as applicable. All calibration standards will be traceable to NIST.

**QC11 – NON-CONFORMING PRODUCT** Any deviation from product specifications or drawing requirements shall be documented and submitted to TLS upon discovery for disposition and shipping instructions.

**QC12 – PROPRIETARY AGREEMENT** All drawings, specifications, technical information and electronic definition used in conjunction with purchase order are considered confidential and proprietary to TLS and its customers. No unauthorized reproduction of media is allowed in any form other than that intended to produce product and/or services directly associated with purchase order.

**QC13 – FIRST ARTICLE INSPECTION** Supplier shall perform a First Article Inspection on all items of the purchase order in accordance with the requirements set forth. Supplier shall forward a copy of the FAI report to TLS's Quality Control manager for review, prior to the continuation of any production runs. Supplier shall notify TLS 24 hours prior to estimated completion of FAI.

**QC14 – RETENTION OF RECORDS** Supplier shall retain all viable quality and/or test records in accordance with this order and make readily available to TLS, or its customer, upon request for a period of no less than seven (7) years after date of delivery, unless otherwise stated. After retention period expires, supplier shall return or destroy records.

**QC15 – DFARS 252.225-7014 DOMESTIC MATERIAL REQUIREMENTS** Specialty metals incorporated in articles delivered in fulfillment of this contract shall be melted in the United States unless allowed otherwise by DFARS 252.225-7014 Alternate I. The following Defense Federal Acquisition Regulation Supplement (DFARS) requirement applies to this agreement and is binding on supplier and each of its subcontractors: 252.225-7014 Preference for Domestic Specialty Metals (Alternate I). Access to the applicable DFARS can be achieved via the website below: <http://www.acq.osd.mil> The supplier shall include the terms of this clause in every subcontract or purchase order awarded under this contract in accordance with DFARS 252.225-7014 Alternate I.

**QC16 – SUPPLIER CHANGE OF LOCATION, PROCESS** Supplier to notify TLS of a change in product and/or processes, changes of suppliers, or change of manufacturing facility location.

**QC17 – COUNTERFEIT PARTS PREVENTION** Supplier shall establish and maintain a Counterfeit Parts Prevention and Control Plan using Industry Standard AS-5553 as a guideline. The purpose of this document shall be to prevent the delivery of counterfeit parts and control parts identified as counterfeit.

**QC18 – EMPLOYEE AWARENESS** Supplier shall ensure personnel are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

-End of Clauses-