

**Quality Clauses – Flow Down of Customer Requirements to Suppliers**

**Approvals:**

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General Manager**

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**Re-approvals:**

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General Manager**

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**1.0 PURPOSE:**

1.1 TEMCO Precision Machining Supplier Quality Flow Down Requirements to Sub tier Sources

**2.0 SCOPE:**

2.1 This document applies to all purchasing and sales personnel responsible for the flow down of Quality Requirements. (Ref. 'Supplier Quality Clause Issuance procedure' for assignment of QA codes)

**3.0 PROCEDURE:**

3.1 Supplier Quality Flow Down requirements are defined by the various numbered "QC" clauses. These apply only when the specific clauses number is called out on the Purchase Order.

3.2 Flow Down Requirements: To assure conformance to all Purchase Order requirements, seller shall adhere to requirements and flow down to seller's sub tier sources, when such sources are used by seller for procurement of products or services for TEMCO Precision Machining (TEMCO).

**4.0 QUALITY REQUIREMENTS:**

**QC1: Quality System Requirements**

The supplier shall implement and maintain a quality management system that complies with AS9100D, ISO 9001: 2015, PRI-AC70014 (MIL-Q-9858 Quality Program, or MIL-I-45208 Inspection System), NADCAP, Customer Approved by Special Processes or an equivalent quality system that provides adequate inspection to verify that the product supplied is in full compliance with the purchase order requirements and all applicable specifications. Compliance with these requirements is subject to audit by TEMCO. The supplier shall flow down to sub-tier suppliers the applicable requirements contained in the TEMCO purchasing document / specs, including key characteristics where required.

**QC2: Raw Material Traceability**

All items manufactured under this purchase order shall be traceable to raw materials used. Traceability and inspection records shall be available upon request by TEMCO or customer representatives. Identification of raw materials used shall include, as applicable, but not limited to, the following types of information – lot number, material type, specification, heat number, and so forth. In any case, supplier shall record sufficient identification information to adequately identify all material in such a manner that full traceability of raw materials utilized is included.

**QC3: Material Review Board (MRB) Authority**

The supplier shall notify the buyer prior to any "use as is" or "repair" dispositions of non-conformances pertaining to this order. TEMCO approval requires a written response as to root cause and corrective action taken to prevent re occurrence.

**QC4: Non-Conforming Product**

Nonconforming product shall not be delivered to TEMCO without prior written approval of the TEMCO Buyer. The Supplier shall promptly notify the TEMCO Buyer of any nonconforming product that may have been previously delivered. The Supplier shall reference the original TEMCO rejection documentation on the shipping document for any previously rejected items that have been reworked, replaced, or repaired.

**QC4A: Supplier Corrective Action**

Nonconforming material rejected by TEMCO and determined to be seller responsibility requires that the seller take corrective action to prevent recurrence. Corrective action measures shall include a determination of the root cause of the discrepancy, determining and implementing corrective action measures, evaluation of the effectiveness of corrective action taken. A record of such corrective action measures shall be maintained. The seller is required to respond to the TEMCO Buyer's request for root cause and corrective action. Failure to respond within the specified time frame could affect future procurement and or supplier status/ approval.

**QC5: Certification of Compliance**

Certification documents are required from the seller and any sub-tier supplier. The certification document shall include the following:

1. The TEMCO purchase order number and item number.
2. Quantity.
3. Lot and or S/Ns as applicable.
4. Date of Manufacture.
5. Part Number and Revision as specified on purchase order.
6. Signature, Title, and Date by an authorized representative of the issuing organization.

**QC6: Change Authority**

Supplier shall notify TEMCO, Purchaser in writing immediately of any changes to the characteristics or configuration of the product and/or processes used to manufacture the product. When required, supplier shall obtain written approval of changes and/or rework methods from TEMCO's General Manager, Operations Manager, or Quality Systems Manager.

**QC7 Packaging/Handling**

Product intended for delivery to TEMCO shall be handled and packaged in manner as necessary to:

- Prevent damage during handling and transit.
- Supplier is to package parts in accordance with best commercial practice to protect product and/or material from damage and deterioration. NO METAL-TO-METAL CONTACT IS EVER ALLOWED. In some cases, the Purchase Order will specify the manner in which the parts are to be packaged. To prevent corrosion, supplier will store materials in a manner to prevent corrosion or damage.
- Hazardous Materials as defined by the EPA, shall be packaged and clearly identified to include any and all special instructions regarding the handling, packaging, storage, environmental, or other requirements imposed by statute or regulation.

**QC8: First Article Inspection**

A First Article Inspection shall be performed by the supplier when the first production units are manufactured. The First article Report shall include all drawing characteristics notes, tolerance range, actual measurement results, and test results (if applicable).

**QC9: Quality Records**

All Quality Records must be legible, reproducible, and identifiable to the purchase order. Quality Records shall be stored and maintained in such a way that they are readily retrievable and maintained in a suitable environment to minimize deterioration, damage, or loss. This requirement must be flowed down to sub tier suppliers. The retention period for Quality Records is (7) years unless otherwise specified. TEMCO, our customers, the Government, or applicable Regulatory Agency Representative shall have access to review quality records, records are to be disposed of in a secure manner at the end of retention periods.

**QC10: Foreign Object Debris (FOD)**

The supplier shall employ appropriate housekeeping practices to ensure timely removal of, if any, residue, or debris generated, during manufacturing operations and/or normal daily tasks. Sellers shall identify sensitive areas that may have a high probability for introduction of Foreign Objects and should have special emphasis controls in place appropriate for the manufacturing environment. The supplier shall determine the need for, and implement, FOD prevention awareness training programs.

**QC11: Control of Special Processes**

A special manufacturing process is one whose integrity cannot be assured by typical inspection / verification methods. Integrity is assured by controlling process parameters. Examples of special processes include, but are not limited to; painting, anodizing, chemical films, plating, soldering, nondestructive test, welding, brazing, and heat treating. The Supplier shall demonstrate control over these processes to provide assurance that specifications are complied with. Copies of special process procedures and certifications shall be supplied to TEMCO upon request. If the Supplier uses facilities other than their own, that facility is subject to the same conditions stated herein.

**QC12: NADCAP Suppliers**

This purchase order requires NADCAP approved suppliers for special processes. Examples of special processes include, but are not limited to; painting, anodizing, chemical films, plating, soldering, nondestructive test, welding, brazing, and heat treating. Suppliers that are not NADCAP approved must be submitted to TEMCO for approval.

**QC13: Source Inspection**

TEMCO Quality Assurance personnel will inspect the material identified on this purchase order at the supplier's facility prior to shipment. Source inspection approval or acceptance by the TEMCO Quality representative shall not constitute final approval or acceptance by TEMCO of the items covered by this purchase order, nor shall it relieve the seller of their responsibility to furnish acceptable product.

**QC14: Key Characteristics**

Key Characteristic features "KC", identified on drawings, purchase orders, or acceptance documentation shall be validated by the supplier. Variable data (actual measurements) shall be provided to TEMCO with each shipment.

**QC15: Test Reports**

Each Process Lot must be accompanied by one (1) legible and reproducible copy of actual test results identifiable with test parameters and product submitted. These reports must contain the Test/Inspection Stamp of the individual performing the task, or the signature and title of the authorized representative of the agency performing the test.

**QC16: Raw Material Certification**

Each shipment must be accompanied by one (1) legible and reproducible copy of the Raw Material Certification. The Certification shall be from the Mill source and list the actual test values.

**QC17: Special Process Certification**

A certificate shall be issued with each shipment and must state that special processes demonstrate compliance with the drawing requirements, specifications or purchase order, and is performed by a TEMCO Special Process Authority (Ref. Q12) and/or government approved source. The certificate shall contain the signature of an authorized representative of the supplier.

**QC18: Government Source Inspection**

Government Source Inspection (GSI) is required for item(s) on this order. Upon receipt of this order, the Supplier shall promptly notify the Government Representative who normally services its plant so that appropriate planning for Government Inspection can be accomplished.

**QC19: Catalog Information**

The Supplier shall furnish a copy of the catalog specification sheets, with shipment of material that describes as applicable, the material requirements, envelope and interface dimensions and any operating characteristics necessary to inspect the item(s) at TEMCO Receiving Inspection Department.

**QC20: AS9102: First Article Inspection (FAI)**

First Article Inspection per AS9102 is required on the first lot of material delivered on this Purchase Order. Material & Processing certifications shall be supplied with the First Article Report.

**QC21: Certificate of Analysis**

The Supplier shall provide a Certificate of Analysis with each lot of Raw material supplied on this Purchase Order.

**QC22: ESD Program**

The Supplier shall maintain an Electrostatic Discharge Control program that meets the requirements of ANSI/ESD S 20.20, QN Rev 1/21/13.

**QC23: ESD Packaging**

Products susceptible to damage from static electricity shall be packaged in electrostatic protective material with no talc, or residues that would inhibit solder ability or contaminate leads or finish of product. Connector products shall be fitted with static shielding dust caps. When static shielding caps are not available for the product, selection of alternate electrostatic protective material shall be incorporated by the supplier.

**QC24: Lot Traceability**

The Supplier shall maintain lot traceability for epoxies, solder, gold and aluminum wire, and so forth. Records of such traceability shall be made available to TEMCO upon request.

**QC25: Calibration System**

Supplier's calibration system shall meet the requirements of AS9100, ISO 9001, ISO 17025, ISO 10012-1, TS/ISO 16949, ANSI-Z540-1 or MIL-STD-45666.

**QC25A: Certification of Calibration**

Certification of Calibration attesting to the accuracy of the items procured on this purchase order shall (if specifically requested) be supplied with each shipment. This certification must contain all the test parameters necessary to demonstrate conformance to the standard and manufactures specifications and shall be traceable to NIST.

**QC26: DFARS**

Preference for Domestic Specialty Metals (Berry Amendment) 252.225-7014, Alt 1. Any specialty metals incorporated in articles delivered under this order must be melted in the United States, its possession or in a qualifying country as defined in the DFARS 252.225-7009. DFARS compliance statement must be stated on the manufacturer's certificate of conformance.

**QC27: ITAR**

Related documents and information on this order is subject to International Traffic in Arms Regulation (ITAR) or the Export Admission Regulations (EAR). This information shall not be exported, released or disclosed to foreign nationals inside or outside the United States without first complying with the export authorization requirements of ITAR and/or EAR, with DDTC (Director of Defense Trade Controls). All license requirements imposed by ITAR are the sole responsibility of the Supplier in possession of purchase order and/or ITAR controlled documents and material information.

**QC28: Counterfeit**

Supplier shall establish and maintain a Counterfeit Parts Prevention/Avoidance and Control Plan using Industry Standard AS5553 (Counterfeit Electronic Parts; Avoidance, Detection, Mitigation and Disposition) and AS6174 (Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material) as guidelines. The process shall be to prevent and control the delivery of counterfeit parts.

**QC29: Shelf Life**

On certification of products having a limited or specified shelf life, Seller shall indicate the cure date and when applicable, any special storage or handling conditions. Cure date must also appear on all packaging. The remaining shelf life at time of delivery shall not be less than 75% of total life.

**QC30: Hazardous Material**

Seller shall furnish MSDS document and a label on product that indicates hazardous material and type. Example; albetmet, cadmium, lead, hexavalent, chromium, polybrominated biphenyls (PBB), and polybrominated dipenyl ethers (PBDE) or any chemical known to cause cancer.

**QC31: Mercury Free**

Prohibited material uses; parts supplied on this purchase order shall not be exposed to mercury or mercury compounds and certifications will indicate, "have not been exposed to functional mercury or mercury compounds".

**QC32: Standard Sales terms and Conditions**

Standard Sales Terms and Conditions are incorporated in this order by reference of purchase order.

**QC33: Right of Access/Entry**

TEMCO, our Customers and/or any regulatory or government entities, reserve the right to access the Supplier's facility, the facilities of the Vendor's sub-tier suppliers and/or any member of the Vendor's supply chain that acts as a sub-tier supplier on TEMCO's orders, during the production of this Purchase Order. Reasons for access may include, but are not limited, to the following: inspection of the item on order, status of items listed on purchase order and review of quality records pertaining to this purchase order.

**QC34: Requirement for the Qualification of Personnel**

The Supplier's Quality Management System shall assure all relevant purchase order requirements are met and all applicable processes affecting the final quality of the product in the purchase order were rendered by qualified personnel.

**QC35: Proprietary Information**

Suppliers and/or Sub-tier suppliers upon receipt of TEMCO Proprietary Information shall at no time allow TEMCO's documents outside of their facility or released to another entity without written approval from TEMCO representative. Suppliers shall comply with Customer Requirements at all times and shall have documented procedures and records. Upon completion or termination of this contract, Seller shall return to TEMCO all proprietary information, technical data (or destroy the aforementioned information at TEMCO's representative request) furnished to Seller by TEMCO pursuant to this contract. At TEMCO's determination, TEMCO may direct the Seller to return or destroy the data and may require Seller to certify in writing that they have complied.

**QC36: Supplier Monitoring**

Suppliers performance is monitored based on delivery and quality performance. Supplier monitoring results may be shared upon written request. Materials are also subject to receiving inspection.

**QC37: Supplier contribution to product and service conformity**

Supplied goods and services are an integral part of the goods and services supplied to TEMCO customers. It is critical for TEMCO'S success, and by extension for the success of our suppliers that they be aware of their contribution to product and service conformity.

**QC37: Supplier code of ethics**

Suppliers will comply with all laws and regulations applicable to its businesses worldwide.

**QC38: Product Safety**

Suppliers shall plan, implement and control the processes needed to assure product safety during the entire product life cycle, as appropriate to the organization and the product, including assessment of hazards and management of associated risks, management of safety critical items, analysis and reporting of events affecting product safety, and communicating such events, as well as training employees regarding product safety.

**QC39: Domestic (only) Purchase of Raw Materials or Specialty Hardware Fasteners**

For Federal and Government jobs, the Department of Defense prefers domestically made, manufactured and grown materials (ref: Berry Amendment). Domestic = American Made (melted and manufactured in the U.S.A.). TEMCO requires the materials or products shall be Domestically procured and Domestic compliance statement shall be stated on the manufacturer's certificate of conformance certification, must be provided with each shipment.

**QC40: Clause H-11 Restrictions on the Delivery or Procurement of Supplies and Services from the Republic of Turkey**

Mandatory flow down requirement specific to the JSF-35 Program, of the restriction on the delivery, procurement of supplies, software and services from the country of Turkey. Reference Exhibit II.



**5.0 RELATED AND SUPPORT DOCUMENTATION:**

Paperwork and Procedures.

- Purchase Order.
- OEM Drawings.
- Standard Industry Specifications and/or Procedures.
- Customer's specific Internal Specifications and/or Procedures.
- Supplier Purchase Order: Quality Clauses Acknowledgement, Exhibit I.
- Clause H-11: Restrictions on the Delivery or Procurement of Supplies and Services from the Republic of Turkey, Exhibit II.



## Supplier Quality Clauses

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Number: P-7.2.4-Q  
Issue Date: 06/21/23  
Revision: E

### EXHIBIT I

#### Supplier Purchase Order: Quality Clauses Acknowledgement

**To:** Supplier  
**From:** TEMCO Buyer, Purchasing Department  
**Web:** www.temcotool.com  
**Subject:** Supplier Quality Clauses Acknowledgement

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The attached Quality Purchase Order Clause aims to establish Quality Assurance Requirements for suppliers of the TEMCO Precision Machining. Suppliers are required to review the attached Quality Purchase Order Clauses and acknowledge receipt of said clauses by signing and dating this document of records. The signed acknowledgement must be returned to our Purchasing Department of TEMCO, as well as copies of any certifications your company may have (NADCAP, ISO, AS) only if they are not listed on your company website.

By signing this document, the supplier acknowledges that they have read, and fully understand the Quality Purchase Order Clauses at the revision level in accordance with procedure document P-7.2.4-Q to the latest Issue Date and Revision Level as noted on this page header section.

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Please fill in and return to TEMCO, Purchasing Department

Supplier Name: \_\_\_\_\_

Quality Representative, Name: \_\_\_\_\_

Quality Representative, Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT II**

**RE: Mandatory flow down requirement specific to the JSF-35 Program, of the restriction on the delivery, procurement of supplies, software and services from the country of Turkey.**

Mandatory flow down requirement specific to the JSF-35 Program, of the restriction on the delivery, procurement of supplies, software and services from the country of Turkey.

(a) Definitions.

(1) "Component" means any item supplied to the Government as part of an end product including, without limitation, raw materials and intermediate assemblies

(2) "Covered article" means any end item, component, software, or service that-  
Is produced in Turkey or by a covered entity; or  
Is a service provided in Turkey or by a covered entity.

(3) "Covered entity" means an entity that is effectively owned or controlled by the Turkish government.

(4) "Effectively owned or controlled" means that the Turkish government or any entity controlled by the Turkish government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the entity's officers or a majority of the entity's board of directors by any means, e.g., ownership, contract, or operation of the law (or equivalent power for unincorporated organizations).

(5) "Entity controlled by the Turkish government" means

(i) Any domestic or foreign organization or corporation that is known to be effectively owned or controlled by the Turkish government; or

(ii) Any individual directly and openly, or known to the Contractor to be acting on behalf of the Turkish government.

(6) "Purchase Order" means a mutually binding agreement between the Contractor and a subcontractor

indicating types, definite quantities, and prices for products or services the subcontractor will provide to the Contractor.

(b) Restrictions. The Contractor shall not enter into any Purchase Orders after 31 March 2020 that would result in the delivery of covered articles under this contract nor charge to this contract, either directly or indirectly, the costs of any covered article placed on a Purchase Order after 31 March 2020.

(c) Reporting requirement.

- (1) In the event the Contractor identifies a covered article provided to the Government during contract performance that was placed on a Purchase Order after 31 March 2020, or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer the following information:
- (i) Within 10 business days from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
  - (ii) Within 20 business days of submitting the report pursuant to paragraph (c)(1) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.
  - (d) The Parties agree that no consideration shall be provided by the Contractor to the Government, or penalties imposed upon the Contractor for unknowingly being non-compliant to paragraph (b)(1) above.
  - (e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts, including subcontracts for the acquisition of commercial item.