

## Advanced Engineering & EDM (AE&EDM) Purchase Order Quality Clauses

### **Policy**

It is the policy of AE&EDM to purchase only from those Suppliers who consistently meet AE&EDM's requirements for quality, delivery and reliability. Failure to comply with any requirement invoked by the purchase order may be cause for rejection of the material and/or processing of material included in the Purchase Order. Corrective action measures for product and systems issues may be requested of the Supplier. Failure to respond in a timely or effective manner may result in removal of the Supplier from AE&EDM's Approved Supplier List, or result in Purchase Order holds.

### **Standard Purchase Order Quality Clauses**

Clauses **7 through 26** apply to all direct material / product purchases or direct material outside processing. Additional Quality Clauses are specified by number in the AE&EDM Purchase Order notes.

#### **1. ISO 9001 Accreditation**

The Supplier shall be certified to the International Standard ISO 9001, latest revision.

#### **2. ISO/IEC 17025 Certification**

Calibration sources must be certified to ISO/IEC 17025, latest revision

#### **3. AS9100/AS9120 Certification**

The Supplier shall be certified to the International Standards AS9100 or AS9120, latest revision

#### **4. ISO 13485 Certification**

The Supplier shall be certified to the International Standard ISO 13485, latest revision.

#### **5. Nadcap Certification**

The Supplier shall be certified to specific Nadcap processes (latest revision) such as Heat Treatment, Welding, Nondestructive Testing, Chemical Processing, etc.

#### **6. Meet the Intent**

The supplier shall maintain a quality management system that meets the intent of ISO 9001, latest revision

#### **7. AE&EDM Audits, Review or Validation Activities**

AE&EDM reserves the right to audit or review the Supplier's Quality System or records as deemed necessary. AE&EDM may, upon request conduct surveys or validation activities of the Supplier's facility to evaluate its ability to comply with Purchase Order requirements.

#### **8. Supplier Performance**

AE&EDM reserves the right to review, verify and/or analyze the Supplier's Quality / Inspection systems and product/service processes. AE&EDM will notify the Supplier in advance of the intended review date and duration.

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## **9. Certificate of Conformance**

The Supplier shall furnish with each shipment a separate and specific Certificate of Conformance (or equivalent, such as "Certificate of Processing", or "Certified Test Results", or "Certified Calibration Report").

This document shall be on company letterhead and signed by the Quality Manager or responsible company official. This document shall constitute certification by the Supplier that the articles were manufactured, inspected and/or tested in accordance with the Purchase Order, specifications and/or drawings as applicable.

The Certificate of Conformance shall include, as a minimum, the following information as *applicable* to the product or service:

- a. Purchase order number
- b. Purchase order revision level
- c. Heat number
- d. Drawing number and revision number
- e. Description of part, product, process or service provided
- f. Serial number(s) of parts
- g. Type of material
- h. Number of parts provided (or quantity of material provided)
- i. Specification number and revision

## **10. Traceability**

The Supplier shall maintain a system of traceability on all raw materials, purchased components and manufactured parts used to supply items on this Purchase Order. The Supplier shall provide continuous control throughout fabrication, testing or calibration.

## **11. Process or Material Changes**

Changes to processes or materials must be approved by AE&EDM prior to implementation of such changes.

## **12. Deviations/Nonconformances**

Any departure from drawing, specifications or Purchase Order requirements must be submitted to AE&EDM Purchasing. Disposition of such deviations/discrepancies must be approved by AE&EDM prior to shipment.

A copy of approved dispositions must accompany each affected shipment. Any rejected material that is being resubmitted by a Supplier shall be clearly identified as such on the shipping documentation and must reference AE&EDM's rejection document.

## **13. Corrective Action**

In response to AE&EDM-initiated corrective action requests, the Supplier shall address containment actions (if specified), corrections, root cause, and corrective action to prevent recurrence of reported issues or nonconformances. The Supplier shall maintain a corrective action process that determines the effectiveness of corrective actions.

## **14. Required Drawings or Specifications**

The Supplier is responsible for obtaining all drawings or specifications needed to complete the Purchase Order. AE&EDM Purchasing will, upon request, furnish any

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AE&EDM drawings or specifications needed and may assist in obtaining any other specifications required.

## **15. Right of Entry**

AE&EDM, its customers and applicable regulatory agencies reserve the right to witness the manufacture or processing of any items in this Purchase Order to determine and verify the quality of work, records and material at any location including the Supplier's facility.

## **16. Flow Down Requirements To Sub Tier Suppliers**

Supplier must obtain approval from AE&EDM to flow down services to a sub tier supplier. If/when approved, all AE&EDM and end user requirements will be flowed down the sub tier supplier including the use of special process (Nadcap) suppliers.

## **17. Control of Measuring and Test Equipment**

A program shall be established and maintained to ensure that tools, gages, instruments and other measuring and testing devices, which are used during inspection are controlled, calibrated and adjusted at a stated frequency to maintain accuracy within specified limits.

Measuring and test equipment used by the Supplier shall have current calibrations that are traceable to the National Institute of Standards and Technology (NIST) or equivalent national standard.

## **18. Inspection & Verification Activities**

Supplier is required to perform all appropriate inspection and verification activities to ensure product acceptance. Statistical techniques for product acceptance must be approved by AE&EDM

## **19. Identification/Shipping**

The supplier shall ensure that all items shipped under this Purchase Order are adequately packaged to prevent damage, contamination or deterioration. Supplier shall use best commercial shipping practices unless otherwise notified.

## **20. Inspection Reports**

Inspection reports by the applicable procurement specification must accompany each shipment. Inspection reports shall be legible (reproducible condition) and include all relevant information.

## **21. Record Retention**

The supplier shall retain all records pertaining to material, manufacturing processes, special processes, testing and inspection for a minimum period of seven (7) years minimum unless otherwise stated in the Purchase Order. Prior to destruction of records, AE&EDM shall be notified.

## **22. Key Characteristics and Critical Items**

Features identified in the PO, specification or drawings as "Key" or "Critical" must be monitored per AE&EDM instructions.

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## **23. First Article Inspection**

First article inspection is required on a part representative of the production process to be used in the manufacture of the contracted product. A copy of the First Article documentation is to be maintained on file and available upon request of AE&EDM.

## **24. Counterfeit Parts Control**

Establish and maintain a counterfeit and suspected counterfeit part/material program to effectively eliminate the introduction of counterfeit parts into the supply chain.

## **25. Employee Awareness**

Establish an awareness program to communicate with employees their contribution to product or service conformity and product safety and the importance of ethical behavior.

## **26. Defense Priorities and Allocations System (DPAS) Orders**

DPAS is used to prioritize national defense-related orders in order to support military, energy, homeland security, emergency preparedness and critical infrastructure requirements. When applicable, DPAS orders are flowed down from AE&EDM from Customer orders to Suppliers. When specifically notified, Suppliers are required to schedule its production or operations, including the acquisition of all needed production items, to satisfy the delivery requirements for Government orders.

## **Raw Material Supplier Specific Requirements**

### **27. Flow Down Requirement (DFARS 252.225-7014)**

When required by contract or PO, raw material or items which contain “specialty metals” shall be acquired from domestic or “qualifying country” sources.

### **28. Mill Test Reports**

Chemical and Physical test report certifications from the producing mill shall be supplied with each shipment. The material designation, specification, latest revision, and results of all specified testing requirements, the mill heat number and any other requirements specified on the purchase order shall be included with the test reports.

### **29. Chemical and Physical Test Reports**

Chemical and Physical test report certifications shall be supplied with each shipment. Test reports shall be legible (reproducible condition) and shall include the results of all specified testing requirements. The mill heat number and any other requirements specified on the AE&EDM purchase order must accompany chemical and physical test reports.

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## Additional Requirements

### **30. Test Specimens**

When specified, the Supplier is responsible to provide test specimens for design approval, inspection/verification, investigation or auditing purposes.

### **31. Source Inspection**

When required, Source Inspection shall be conducted by AE&EDM, or individuals assigned by AE&EDM Customers. Notification of Source Inspection will be communicated within five (5) working days in advance.

### **32. Qualification of Personnel**

For certain special processes, personnel must be qualified to industry recognized qualification/certification schemes.

### **33. Government Property Management System (FAR 52.245-1)**

Establish and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property. Property records shall enable a complete, current, auditable record of all transactions.