



Malone's CNC Machining, Inc.

Quality Assurance Provisions/ Clauses

Date Revision: **06/13/2018**

- QC1 Suspect Material / Counterfeit Avoidance and Mitigation:**
Prior to submittal of potentially non-conforming product, the non-conforming product must be clearly identified, packaged or shipped separately from any other product within that shipment. **Supplier shall include this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as goods to Malone's as applicable. Where applicable DFARS 252.246-7008 may apply if item being purchased is electronic; also must comply with SAE Standard AS5553 – which covers high-reliability parts for space, defense, and aviation. (AS9100D 8.1.4)**
- QC2 Changes to product and/or process definitions or a change in manufacturing line, facility or location:**
Any changes to product and /or process definitions as well as a location change require Malone's CNC Machining approval. This includes any changes to the contract requirements (PO). Malone's CNC Machining must approve this in writing. **(AS9100D 8.4)**
- QC3 Right of Entry:**
In addition to Malone's right of entry and access, the supplier agrees to right of entry and access for Malone's customers, or regulatory agencies into all facilities and access to related records in the performance of this contract. **(AS9100D 8.4)**
- QC4 Requirement Flow Down:**
Suppliers must flow down requirements and /or key characteristics in the purchasing documents to sub-tier suppliers as applicable. **(AS9100D 8.4)**
- QC5 Certificate of Compliance:**
The Certificate of Compliance statement shall include certification to part number as stated by Malone's CNC Machining's Purchase Order and compliance with specified requirements. By acceptance of the Purchase Order, the supplier certifies that materials and processes supplied under the Purchase Order shall be or have been controlled and inspected in accordance with the Purchase Order and that they meet the specified order requirements, application specifications and drawings.
- QC6 ITAR Regulation:**
The Supplier certifies that it will advise its employees who have access to ITAR-controlled Technical Data of their obligations regarding compliance with the following:
1. The Supplier understands its responsibilities under U.S. export control laws and regulations, including ITAR, and certifies that it will not disseminate any ITAR-controlled Technical Data that would violate applicable export control laws and regulations.
2. The Supplier understands that ITAR restricts Foreign National access to ITAR-controlled technical data. The Supplier certifies that it will not allow access by any Foreign National to ITAR-controlled technical data packages without the prior written approval of the Prime Contractor. This includes Foreign National employees as well as Foreign Nationals outside the Supplier's company.
3. The Supplier certifies that it will not assign any Foreign National to perform work which requires access to ITAR-controlled Technical Data without the prior written approval of the Prime Contractor.
4. If the Supplier provides documentation or information containing ITAR-controlled Technical Data to subcontractors, it will mark such documents, emails, etc. with the following statement: "This document contains technical data that is controlled by the International Traffic in Arms Regulations. Access to this document is restricted to U.S. citizens and lawful permanent residents (US "green card" holders)." By accepting this data, the consignee agrees to honor the requirements of the U.S. International Traffic in Arms Regulations (ITAR)."
- QC7 Shipment Delays or discrepancies:**
Malone's requires all purchase orders issued to be 100% on-time. Delay in shipment for any reason or part count discrepancies must be conveyed to Malone's CNC Machining Purchasing Department in

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writing prior to delivery date of the purchase order. Notification of delinquency does not eliminate Malone's on time delivery requirement. Unless Malone's accepts the vendor delinquency notification and a revised purchase order is issued.

QC8 Packaging & Preservation:

Product shall be packaged and preserved to the extent necessary (or as noted by purchase order) to prevent physical damage during shipment. This includes protection from physical damage during handling while in your possession or in transit.

QC9 Confidentiality:

All customer information (electronic data, drawings, etc) received in the request for quote stage or from the Purchase Order must be held in confidence by the supplier and no third party request for information will be authorized unless instructed in writing by Malone's CNC Machining. See QC6 ITAR Regulation Clause.

QC10 Change in Quality Management Representative or Quality Management System:

Seller shall promptly notify Malones of intended or actual changes in the management representative with assigned responsibility and authority for its quality management system. Furthermore, any major quality system changes must be identified to Malone's in writing with a list of the changes and the revision level along with a signed statement that these changes do not diminish the quality system's approval in any manner.

QC11 Natural Disaster Occurrence:

Seller shall promptly notify Malone's of any occurrence of natural disaster that diminishes Seller's ability to deliver conforming goods or services.

QC12 MSDS:

All hazardous materials purchased, the supplier must supply Malone's with a copy of the latest revision of the MSDS sheets at the time of shipment or purchase.

QC13 Calibration Clause:

All calibration must be traceable to the National Institute of Standards and Technology (N.I.S.T.) and the as found condition of all calibration equipment.

QC14 Supplier Control:

Suppliers, who fail to meet Malone's expectations for three consecutive quarters, or at the discretion of Malone's Supplier Development Team, Purchasing, and /or Quality System Coordinator, may be placed on probation. This could lead to removal from Malone's Approved Suppliers List.

QC15 English Language:

When specifically requested by Malone's, Seller shall specifically make specified quality of data and/or approved design data available in the English language. Seller shall maintain an English language translation of (1) its quality manual, (2) the operating instructions that implement the quality requirements, and (3) an index of Seller's procedures that contain quality requirements. Malone's may require additional documentation to be translated, including but not limited to: shop orders, technical specifications, certificates, reports, and nonconformance documents.

QC16 Supplier Liability:

Documented First Article Inspection reports shall be submitted to Malone's Quality department prior to the beginning of production. The supplier assumes all financial responsibility for replacement, rework and material related to production/supplies, manufactured prior to First Article approval by Malone's.

QC17 Specification Revision:

All suppliers are responsible to supply materials to the latest specification(s) revision defined on the drawing or within the specification(s).

QC18 Control of Records:

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The supplier shall maintain an adequate records system. All records shall be retained in a safe and secure manner in electronic or paper format for a minimum of ten (10) years from completion of the Malone's purchase order. (AS9100D 8.4)

QC19 DPAS (Defense Priorities & Allocations System for the Contractor)

The purpose of DPAS is to ensure the timely availability of industrial resources to meet national defense and emergency preparedness requirements. DPAS rules are standard part of U.S. defense contracting process: (15 CFR 700.11 (a)). All rated orders certified for national defense use, you are required to follow all provisions of the Defense Priorities and Allocations System regulation (15 CFR 700). (FAR 52.211-15)

*Two levels of priority ratings:

* (DX) Highest national defense urgency

* All DX rated orders have equal priority and take preference over DO and unrated orders

* (DO) Critical to national defense

* All DO rated orders have equal priority and take preference over unrated orders.

QC20 Persons/Employees are Aware (per AS9100D Standard):

The organization shall ensure personnel are aware of:

* Contribution to product or service conformity

* Contribution to product safety

* Importance of ethical behavior