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QP-742

**Supplier Purchase Order Provisions**

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# Thermal-Vac Technology, Inc.

## *Quality Procedure* *QP-742* *Supplier Purchase Order Provisions*

### QP-742 Approval

**On File**

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Management Representative

**On File**

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President

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## SUPPLIER PURCHASE ORDER PROVISIONS – REQUIREMENTS

### 1. PURPOSE

#### 1.1 General

Thermal-Vac Technology, Inc. (TVT) established this Quality Procedure (QP) in order to document the flow down of additional requirements listed in the purchase order to suppliers for products and/or services to be procured.

#### 1.2 Application

This QP applies to all TVT's procurement documents issued to suppliers that provide products and/or services that are either modified to achieve compliance to, or manufactured in accordance with drawings and specifications to be used in, or for the processing of products eventually sold by TVT.

#### 1.3 Responsibility for Implementation

- a) TVT Management Team
- b) Quality Department
- c) Purchasing Department
- d) Applicable Suppliers

### 2. PROVISIONS

#### 2.1 General

The following numbered purchase order provisions are a requirement of the procurement document.

In the event that a provision cannot be met, TVT's Director of Quality/Designee shall be notified immediately prior to processing of the purchase order.

#### **P1 Quality Managements Systems**

Supplier shall maintain an International Organization of Standards (ISO), Aerospace Standard (AS) or Military Standard-equivalent quality management system acceptable to TVT for the items covered herein. Widely recognized government or industry quality management system standards should be used as guidelines.

#### **P2 Changes Notification**

Supplier shall notify TVT of changes in product and/or process, changes of suppliers, changes of manufacturing/servicing facility location and, where required, obtain TVT approval.

#### **P3 Flow Down of Requirements**

Supplier shall flow down all TVT requirements of the procurement document to the supply chain.

#### **P4 Quality Planning**

Supplier shall plan and develop the processes needed for product realization. As appropriate, the supplier shall determine, at a minimum, the requirements for approval of product, procedures and equipment.



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### P5 Qualification of Personnel

Personnel performing work affecting conformity to product requirements shall be competent on the basis of appropriate education, training, skills and experience. When applicable, supplier shall only use certified personnel. Supplier shall maintain the expected level of competence, training and awareness for all work performed for TVT.

### P6 Sampling Plans

When utilizing sampling inspection as a means of product acceptance, the sampling plan shall be justified on the basis of recognized statistical principles and appropriate for use (e.g.: matching the sampling plan to the criticality of the product and to the process capability). Acceptable Quality Levels (AQL) shall be  $Ac = 0$ ;  $Re = 1$

### P7 Identification and Traceability

Where traceability is a requirement, the supplier shall control the unique identification of the product. Where appropriate, the supplier shall identify the product by suitable means throughout product realization maintain the identification of the configuration in order to identify any differences between the actual configuration and the procured configuration.

All items manufactured under the applicable purchase order shall be traceable to raw materials used. Traceability and inspection records shall be available upon request. Identification of raw materials used, shall include, as applicable, but not limited to, lot numbers, material types, specifications number, etc. In any case, supplier shall record sufficient identification information to adequately identify all material in such a manner that full traceability of raw materials used is included.

### P8 Control of Monitoring and Measuring Equipment

The supplier shall maintain a calibration system in compliance with ANSI/NCSL Z540, ISO 10012 or the equivalent.

TVT shall be notified when the equipment is found not to conform to requirements. The supplier shall assess and record the validity of the previous measuring results and shall take appropriate action on the equipment and any product affected.

### P9 Preservation of Product

The supplier shall preserve the product during internal processing and when delivery to TVT in order to maintain conformity to requirements.

As applicable, preservation shall include identification, handling, packaging, storage and protection. Preservation of product shall also include, where applicable in accordance with product specifications and applicable statutory and regulatory requirements, provisions for:

- Cleaning
- Prevention, detection and removal of foreign objects
- Special handling for sensitive products
- Marking and labeling including safety warnings
- Shelf life control and stock rotation
- Special handling for hazardous materials



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### P10 Nonconforming Product

Supplier shall ensure that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. A documented procedure shall be established to define the controls and related responsibilities and authorities for dealing with nonconforming product.

### P11 Nonconforming Product Disposition

Supplier shall make certain that reworked product which does not conform to product requirements has no adverse effect on safety, performance, interchangeability or reliability, and within applicable requirements.

Product dispositioned for scrap shall be conspicuously and permanently marked, or positively controlled, until physically rendered unusable.

Supplier shall not use dispositions of use-as-is or repair, unless specifically authorized by TVT's Director of Quality/Designee, if the nonconformity results in a departure from the contract requirements.

When applicable, upon disposition of nonconforming product, involved parties shall be notified within 72 hours. Involved parties can include TVT's Director of Quality/Designee, supply chain and regulatory authorities.

### P12 Corrective Action

When applicable, the supplier shall eliminate the causes of nonconformities in order to prevent recurrence. Supplier shall determine and implement actions needed, and reviewing the effectiveness of the corrective action taken.

### P13 Certificate of Conformance

Supplier shall provide a Certificate of Conformance with each shipment including, when applicable, certifications issued by sub-tier suppliers. The certifications and test reports supplied as evidence of purchase order fulfillment must be in English and, at a minimum, shall contain:

- The products and/or services supplied
- TVT purchase order number
- Part number
- Identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data
- Quantity
- Traceability number (e.g., lot number, heat number, job number, etc.)
- When applicable, test/inspection parameters
- Signature and date from an authorized supplier representative acknowledging that supplied products and/or services met all applicable requirements

### P14 Records Retention

Unless otherwise stated, supplier shall control the records established to provide evidence of conformity to requirements and retain them for a minimum period of 10 years. Records shall remain legible, readily identifiable and retrievable. A documented procedure to define the



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controls needed for the identification, storage, protection, retrieval and disposition of records shall be established.

### **P15 Right of Access**

Supplier's system shall include right of access by TVT, their customer and regulatory authorities to all applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

### **P16 First Article Inspection**

The supplier shall use a representative item from the first production run of a new part or assembly to verify that the production processes, production documentation and tooling are capable of producing parts and assemblies that meet requirements. This process shall be repeated when changes occur that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). First article inspection may be accomplished in accordance with the requirements of AS9102 or equivalent.

### **P17 Source Inspection**

When required, TVT and/or its customers or government representatives will inspect the products submitted on the applicable purchase order at the supplier's facility.

Source inspection acceptance by TVT and/or its customers or government representatives shall not constitute final acceptance of the items procured, nor shall it relieve the supplier of their responsibility to furnish acceptable product.

As applicable, supplier shall notify TVT Director of Quality/Designee 48 hours in advance when order is ready for source inspection.

### **P18 Compliance with Applicable ITAR Law**

Supplier agrees that, in the performance of this purchase order/contract, it will comply with all applicable laws, statutes, rules, regulations or orders of the jurisdiction where work performance under this order is carried out, as well as all applicable laws of the United States of America, including but not limited to the U.S. Foreign Corrupt Practices Act, Trading With The Enemy Act, Arms Export Control Act and regulations of the Office of Foreign Assets Control.

Pursuant to article 120.9 of the International Traffic Arms Regulations supplier is prohibited from supplying Defense Service to foreign persons. Defense Service is defined as the furnishing of assistance to foreign persons, whether in the United States or abroad, the design, development, engineering manufacture, production, assembly, testing, repair, maintenance, modification, operation, demilitarization, destruction, processing or use of defense articles.

Pursuant to article 120.10 of the International Traffic Arms Regulations supplier is required to control the transfer of all technical data. Technical Data is defined as information which is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance or modification of defense articles. This includes information in the form of blueprints, drawings, photographs, plans, instructions or documentation.

### **P19 Dodd-Frank Compliance (Conflict Materials)**

The term "Conflict Minerals" is defined as minerals derived from ores mined in the Democratic Republic of the Congo (DRC) or adjoining countries and which directly or indirectly finance or benefit armed groups in that region. These minerals are: gold (Au), tantalum (Ta) from columbite-tantalite, tin (Sn) from cassiterite, and tungsten (W) from wolframite.



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- a) The Supplier certifies that there are no “Conflict Minerals” present in the product being provided and;
- b) The Supplier shall submit with each shipment made against this purchase order a separate certification that includes (1) a statement that Supplier has taken responsible steps to ensure that the product being provided does not contain “Conflict Minerals” and (2) the name of the country of origin from which the minerals were mined and (3) a statement that the materials furnished to TVT are in conformance with DODD-FRANK FINANCIAL REFORM BILL ACT (SECTION 1502); US LAW 111-203. TITLE XV

This certificate shall also affirm that supporting documentation is on file and will be made available to TVT or regulatory agencies upon request. Supporting documentation shall be maintained for a minimum of ten (10) years and remain legible, readily identifiable, retrievable and stored to prevent damage. The certification shall reference the metal, TVT’s purchase order number, part number, description and quantity shipped.

**P20 Domestic Specialty Materials**

When applicable, supplier warrants that any furnished item containing specialty metals is in compliance with DFAR 252.225.7009, section 225.003(10) (was DFAR 252.225.7014 – Alternate I). Supplier shall provide evidence of compliance, including flow down to all sub-tier suppliers, when requested by TVT.

**3. REVISION HISTORY**

Revision	Date	Revision Record
N/C	12/22/1995	Initial Issue.
A	07/08/2009	Fully revised to incorporate all necessary changes noted during full document review process.
B	08/13/2009	‘QAPC No 19 – Chemical Report’ Updated.
C	11/15/2013	QAPC No 16-17; 26-27 added.
D	03/11/2014	Was: SOP-041 Rev. C, Is: QP-742 Rev. D Fully revised to incorporate all necessary changes noted during full document review process in compliance with AS 9100 and ISO 9001