

Semco LLC. Quality Terms for Purchase Orders

Customer Right of Inspection

1. Semco and their customer and regulatory authorities has the right of access by the organization, to the applicable areas of all facilities, at any level of the supply chain involved in the order and to all applicable records.

Certification

2. Supplier shall sign and certify that all parts, material and processes were inspected and found to comply with the requirements of this order. The revision level that processes were completed must be listed on any documentation.

Processes

3. All processes listed on this purchase order shall be done per latest revision unless stated otherwise per the purchase order.

Traceability

4. Traceability must be maintained for all work done on this purchase order. This includes lot, batch and heat #s of material used for processes and the revision level of the process used for this PO. Material certs are required for materials used in fabrication.

Records Retention

5. Any records made while processing this purchase order not sent to Semco must be kept safe and accessible. Records shall not be destroyed unless authorized in writing by a representative of Semco.

Authorized Markings

6. Only markings listed on the drawing and parts list are allowed directly on parts, including acceptance and date stamps.

Change in Process

7. Supplier must notify Semco of changes in product and/or process, changes of suppliers, manufacturing facility location, and, where required, obtain Semco approval.

Verification & Validation (Test) Acceptance

8. Supplier, where appropriate agrees to requirements for design, test, inspection, verification, use of statistical techniques for product acceptance, and related instructions for acceptance on PO, and as applicable critical items /key characteristics.

Test Specimens

9. Supplier, where appropriate, agrees to PO requirements for test specimens for design approval inspection/verification, investigation or auditing.

Shelf Life

10. Data shall be provided for item or materials which are susceptible to degradation with age. Supplier shall provide a signed statement with shelf life, starting date, and expiration date and storage requirements. Shelf life limited items shall have 75% or more of their shelf life remaining at time of the delivery to Semco.

Identification

11. At a minimum, all items including raw material supplied on the Semco PO will be identified on supplier's paperwork with the part name and #, as specified on the PO. The identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data must be included.

Shipping

12. Materials shall be packaged, handled and transported in a way to ensure the quality of material/part, and that damage, deterioration and loss in transit are prevented.

Corrective Action

13. Supplier shall, upon request, provide statements of corrective action on nonconforming material/parts. Corrective action may require approval signatures by Semco and customer/regulatory representatives.

Material Substitutions Prohibited

14. Unauthorized material substitutions are not permitted. This includes any deviation of form, size, shape, chemistry, melt method, origin, temper/condition, product testing or surface finish. Conversion of raw material (i.e., heat treat to change temper or condition) constitutes material substitution. Raw material must not be re-certified with respect thickness, diameter, and width or cross sectional area or product form. Certification for material shall reflect the form and size originally manufactured.

National Defense Rated Orders

15. If orders are Rated/certified for national defense, emergency preparedness and/or energy programs, the supplier shall follow all the requirements of the defense priorities and allocation system regulation (15CFR700).

Flow-down Requirements

16. The supplier must flow down the supply chain the applicable requirements including customer requirements.

Nonconforming Product

17. Supplier must notify Semco of nonconforming product and obtain Semco approval for nonconforming product disposition.