

**VALENCE SURFACE TECHNOLOGIES
QUALITY ASSURANCE VENDOR CLAUSES
Rev G, 11.3.23**

SUPPLIER TYPE	APPLICABLE PART
Calibration (Providers of Services and/or Supplies)	Part 1 & Part 2
Chemical Supplier	Part 1 & Part 3
Paint Supplier	Part 1 & Part 4
Raw Materials Supplier	Part 1 & Part 5
Special Process (Outside Processing) Supplier	Part 1 & Part 6
Testing Laboratories (Metallurgical and Chemical)	Part 1 & Part 6
Equipment	Part 1 & Part 7 (If Calibration is required, this will include Part 2)
Tools	Part 1 & Part 7 (If Calibration is required, this will include Part 2)

NOTES:

- Any reference to Purchase Order is written and referred to as PO.
- When identifying Supplier type and applicable part. Match the part number to the columns in the matrix below. **Example:** A calibration supplier would refer to columns 1 & 2 below that are annotated with an X.

QAC	CLAUSE	APPLICABLE PART MATRIX						
		1	2	3	4	5	6	7
01	INTERACTIONS: All interactions will take place with Valence Purchasing Department, with quality oversight, unless otherwise communicated. When interactions take place on site, a delegate will be assigned to the external provider. All products and services will be released back only to Valence.	X	X	X	X	X	X	X
02	CONFIDENTIAL: Seller shall not disclose any details connected with this order without written consent of Valence.	X	X	X	X	X	X	X

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03	<p><u>COMMUNICATION OF CHANGES</u></p> <p>RELOCATION OF FACILITY: Should the supplier relocate to another facility, Valence shall be notified ninety (90) days prior to the move.</p> <p>CHANGES IN PRODUCT FORMULATIONS: Should a change in product formulation be proposed, the proposed change shall be submitted to Valence for approval prior to implementation. Supplier shall include the provisions of this clause for any order placed with supplier at any time for material or services required under the P.O.</p> <p>SPECIAL PROCESS CERTIFICATION AND CONTROL: Seller shall ensure that the seller has all required approvals from the prime customer and/or Nadcap as required and that approvals are all current/active, prior to any work performed. Changes in the controlled status of special processes or certified operators, changes in method and changes in personnel shall be submitted to Valence, ninety (90) days prior for approval prior to implementation. Seller shall include the provisions of this clause for any order placed with supplier at any time for material or services required under order. Seller shall furnish a copy of special process certifications identifying each part number as applicable for all special processes performed on Valence furnished materials such as welding, heat treatment, passivation, non-destructive testing, plating, painting. No Valence issued P.O. s shall be flowed down for processing to another source by the seller. If supplier does not have the latest revision of the specification called out on Valence's P.O., seller shall request a copy from Valence in writing.</p>	X	X	X	X	X	X	X
04	<p><u>SUPPLIER APPROVAL REQUIRED:</u> To comply with Customer and Regulatory Agency Requirements Flow-down, an assessment of your Quality System is required. Valence accepts a Supplier Self-Assessment Survey or a copy of Certificate of Accreditation from a recognized body. Valence reserves the right of an onsite assessment of your Quality System, Capabilities, and Facility. Supplier Quality Assurance Authority, responsible for the release of product, must complete a Supplier Self-Assessment Survey or provide a copy of Certificate of Accreditation to Valence, prior to dispatching product. Product received from a Supplier failing to comply will be rejected, placed on hold, or returned to the Supplier with a Debit Memo. When applicable, qualified and approved by prime contractor supplier, qualified & trained personnel, qualified products, process control, control of quality records, indication of inspection status and adequate work instructions are required.</p>	X	X	X	X	X	X	X
05	<p><u>RIGHT OF ENTRY:</u> Right of access shall be granted to Valence, its customers and any regulatory authorities to applicable areas of all facilities used in the performance of the P.O. requirements including records because of completed P.O.</p>	X	X	X	X	X	X	X
06	<p><u>INSPECTION OF RECORDS AND AUDITS:</u> (Records Retention) Seller shall provide access to their location and records for inspection and audit at all reasonable time by Valence's customer and government, if required. Records shall be maintained and available for review for ten (10) years minimum unless otherwise stated. The seller's QMS shall be subject to audit by Valence. Records created by suppliers shall be stored in a suitable environment to prevent damage, remain legible, and be readily retrievable when required. Valence has the right to request a copy of these records when requested or review on site at supplier. Valence's customer or other regulatory agencies have the right to review these records when requested.</p>	X	X	X	X	X	X	X
07	<p><u>100% INSPECTION:</u> Perform 100% inspection on characteristics specified by Valence. Sampling is not allowed. A copy of the inspection is required with shipment.</p>	X	X	X	X	X	X	X

QAC	CLAUSE	1	2	3	4	5	6	7
08	FOREIGN OBJECT DEBRIS (FOD): The supplier shall assure the devices, components, and materials delivered under this P.O. are free of FOD. The supplier shall employ general prevention practices to keep FOD, large or small, from the product and packaging. FOD contamination will cause for rejection of material. Vendor shall maintain a FOD prevention program in accordance with the National Aerospace Standard NAS-412, Foreign Object Damage/Foreign Object Debris (FOD) Prevention.	X	X	X	X	X	X	X
09	PACKAGING REQUIREMENTS: The supplier shall ensure that the products are cleaned and packaged in accordance with best commercial practices. All materials are to be free of all foreign material, substances or residue, which may have occurred during processing or handling, and packaging is required to prevent physical damage. Packaging shall provide adequate physical protection from damage and contamination and assure safe arrival at Valence.	X	X	X	X	X	X	X
10	NON-CONFORMING MATERIAL: Authority to ship material which does not conform to stated P.O. requirements must be obtained from Valence in writing prior to shipment. Approval to ship non-conforming material does not release the seller from responsibility of the defect. Material shipped and found to be discrepant, or found to be or suspected of being counterfeit, shall be segregated and tagged with discrepancy listed. Those items returned by seller shall be at seller's expense. Supplier is not delegated Material Review Board. A rejection report and a copy of the disposition defining the non-conformances and documented root cause and corrective action is required. Suppliers are required to notify Valence on all known non-conformances, which have already shipped within 48 hours.	X	X	X	X	X	X	X
11	US GOVERNMENT LAW AND REGULATORY REQUIREMENTS: All materials and services furnished to Valence must meet all applicable law and regulatory requirements of the United States Government current as of date of the order.	X	X	X	X	X	X	X
12	ITAR AND EAR REGULATED TECHNOLOGY CONTROL: Supplier shall not allow Foreign Nationals to be involved with or disclose export-controlled information to Non-U.S. Persons under the U.S. International Traffic in Arms Regulations (ITAR) and the U.S. Export Administration Regulations (EAR). A Foreign National is a person who is NOT: A citizen or national of the US, an alien who is a lawful permanent residence (green card holder), or a refugee or asylee. It also means any foreign corporation, business association, partnership, trust, society, or any other group that is NOT incorporated or organized to do business in the United States, as well as international organizations, foreign governments and any agency or subdivision of foreign government (e.g. diplomatic missions).	X	X	X	X	X	X	X
13	ITAR COMPLIANCE STATEMENT: The following must appear on relevant documentation, EXPORT COMPLIANCE STATEMENT: This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C Sec 2751, ET SEQ.) or the Export Administration Act of 1979, as amended, (Title 50, U.S.C, APP. 2401 ET SEQ.).	X	X	X	X	X	X	X
14	SUBTIER FLOW-DOWN: Seller shall not subcontract work without notifying Valence and obtaining permission in writing. Supplier shall flow down applicable Valence quality clauses to sub-tier suppliers.	X	X	X	X	X	X	X
15	SUPPLY CHAIN TRACEABILITY: Supply chain traceability identifies the name and location of all supply chain intermediaries. Examples of traceability documents indicating proper transfer from one company to another in the supply chain include but are not limited to: packing slips, receiving documents, P.O. s, and shipping documents. C of C from non-franchised distribution sources are not adequate to meet the supply chain traceability requirements.	X	X	X	X	X	X	X

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16	COMPLIANCE WITH LAW: Seller shall at all times comply with any and all applicable federal, state, foreign, local, and municipal regulations, ordinances, statutes, rules, laws, constitutional provisions and orders now or hereafter in effect which relate to this P.O. or Seller's performance under this P.O. including, without limitation, as set forth by any governmental, quasi-governmental or regulatory authority. This includes regulations on child labor, Equal Opportunity, Compensation, Antitrust and Human Trafficking. Seller shall at all times timely obtain and maintain in effect all licenses, permissions, authorizations, certifications, consents and permits necessary to carry out its obligations under this P.O.	X	X	X	X	X	X	X
17	SUPPLIER QUALITY MANAGEMENT SYSTEM (QMS): At a minimum, supplier shall maintain a QMS that meets same criteria as when supplier was approved by Valence. Supplier preferably conforms to the latest revision ISO 9001, ISO 9002, AS 9100, Nadcap, or an equivalent system. QMS should verify that the product or service supplied is in full compliance and conformance with the P.O. requirements; with all applicable specifications; and contribute to the safety of products or services. The supplier shall notify Valence immediately, when there is a change in quality system certification, company management, and/or physical location. The seller shall conduct all activities ethically within their organization and in all dealings with Valence. Supplier personnel shall be made aware of their contribution to the aforementioned items.		X	X	X	X	X	
18	MATERIAL IDENTIFICATION AND TRACEABILITY: With the intent to prevent counterfeit product and services, seller shall furnish with each lot material identification and traceability to the actual material, chemical and /or physical test report. Materials shall be identified per P.O. and specifications, traceable to the original authorized manufacturers and/or testing. A certified copy of the original test report for each lot of material shall accompany shipment. The supplier shall maintain systematic controls to prevent counterfeit and keep traceability of records to ensure capability of tracking backwards and forward to determine the location of like articles or materials.		X	X	X	X	X	
19	SUPPLIER INSPECTION SYSTEM: Supplier is responsible for performing, with sufficient traceability, all inspections and tests necessary to comply with the P.O. requirements, including technical requirements for specific manufacturer's materials and shall also furnish a copy of all test and inspection reports.		X	X	X	X	X	
20	CERTIFICATES OF CONFORMANCE (C of C): As applicable, seller shall furnish a C of C with all factual information necessary to demonstrate conformance to the requirements reflected on the specification, drawing or repair procedure specified on the P.O. The certificate shall be signed by a responsible member of seller's quality organization and as a minimum contain the following: A) name of seller B) Valence's P.O. number C) applicable part number, item number, D) work order, lot number E) serial numbers, F) quantity shipped G) certification that materials conform to the latest revisions of applicable specifications H) Actual results (quantitative test results) I) statement that test reports and/or inspection records are on file and available for review at seller's facility J) contain all factual information necessary to demonstrate conformance to the requirements reflected on the specification, drawing or repair procedure specified on the P.O. . Quantity shipped and Valence P.O. number, for materials, can be annotated on a shipper. Certificates of Conformance must include the name and certification level of NDT personnel that performed the inspection or is responsible for NDT inspection at supplier. NDT stamp(s) shall appear on parts or on a tag attached to the part.		X	X	X	X	X	

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21	RESUBMITTAL OR REPLACEMENT OF REJECTED PRODUCTS: All products rejected by Valence and subsequently resubmitted by the supplier to Valence shall have adequate identification of each resubmittal, either on the product or on the suppliers shipping document. Should a rejection report be submitted to the supplier, reference shall be made by the supplier with evidence given that the causes for rejection have been corrected. Resubmittal is defined to include replacement.		X	X	X	X	X	
22	RAW MATERIAL CERTIFICATES OF ANALYSIS (C of A) AND VERIFICATION: Supplier shall provide chemical and physical test reports, laboratory test and analysis reports to verify the validity of the raw material reports. Reflecting numerical values for all tests required by the applicable specification, the material designation and mill source, as applicable. The applicable specification number and latest revision at the time of P.O. are required. One copy of the C of A indicating chemical composition and/or physical properties identifiable to each lot shall accompany each shipment and shall be validated by an authorized supplier's representative. All copies provided should be legible and reproducible. All reports must contain the signature and title of the authorized representative of the agency performing the test, as well as, indicating assurance of conformance to specification requirements.		X	X	X	X	X	
23	HAZARDOUS MATERIALS AND SHELF-LIFE CONTROL: Seller is required to submit a current Technical Bulletin [or Technical Process sheet] and/or "Safety Data Sheets" (SDS) with each shipment of regulated chemicals as applicable. Materials subject to shelf-life control shall be identified to indicate the date of manufacture, date of expiration, and lot number. Materials subject to shelf-life control shall be identified to indicate the date of manufacture and date of expiration. Material that does not show at least 80% of the indicated shelf life will not be accepted. If the manufacturer or distributor cannot provide material in compliance with this policy, a pricing concession will be made for the expired shelf life and the supplier must obtain written approval from Valence prior to shipment of aged materials.		X	X	X	X	X	
24	CALIBRATION: As applicable, supplier shall maintain a minimum calibration system complaint to ISO10012-1 or ANSI/NCSL Z540-1, latest version and verifiable by Valence. Calibration service providers for Valence's measuring/test equipment must provide certifications clearly stating that the service was performed in accordance with ISO10012-1 and/or ANSI/NCSL Z540-1 or ANSI/NCSL Z540-3, using equipment traceable to NIST. Airbus requires 17025. It must identify the instrument calibrated and the accuracy, list the procedure(s) followed, specify whether the instrument was found and returned within or out of tolerance, and (if applicable to the instrument's accuracy) list the actual environmental (temperature and humidity) conditions under which the calibration was performed. If any deviation from technical requirements is discovered during calibration, Valence shall immediately be notified prior to making any repairs. Calibration must meet requirements defined in Valence flow down which could be in forms of PO, specification and/or Calibration Matrix. Seller shall maintain a current revision of spec or Calibration Matrix.		X				X	

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25	HAZARDOUS MATERIALS AND SHELF-LIFE CONTROL: Seller is required to submit a current Technical Bulletin [or Technical Process sheet] and/or "Safety Data Sheets" (SDS) with each shipment of regulated chemicals as applicable. Materials subject to shelf-life control shall be identified to indicate the date of manufacture, date of expiration, and lot number. Materials subject to shelf-life control shall be identified to indicate the date of manufacture and date of expiration. Material that does not show at least 80% of the indicated shelf life will not be accepted. If the manufacturer or distributor cannot provide material in compliance with this policy, a pricing concession will be made for the expired shelf life and the supplier must obtain written approval from Valence prior to shipment of aged materials.		X	X	X	X	X	
26	CALIBRATION: As applicable, supplier shall maintain a minimum calibration system complaint to ISO10012-1 or ANSI/NCSL Z540-1, latest version and verifiable by Valence. Calibration service providers for Valence's measuring/test equipment must provide certifications clearly stating that the service was performed in accordance with ISO10012-1 and/or ANSI/NCSL Z540-1 or ANSI/NCSL Z540-3, using equipment traceable to NIST. Airbus requires 17025. It must identify the instrument calibrated and the accuracy, list the procedure(s) followed, specify whether the instrument was found and returned within or out of tolerance, and (if applicable to the instrument's accuracy) list the actual environmental (temperature and humidity) conditions under which the calibration was performed. If any deviation from technical requirements is discovered during calibration, Valence shall immediately be notified prior to making any repairs. Calibration must meet requirements defined in Valence flow down which could be in forms of PO, specification and/or Calibration Matrix. Seller shall maintain a current revision of spec or Calibration Matrix.		X					X
27	DFARS PREFERENCE FOR DOMESTIC SPECIALTY METALS (ORIGIN OF MELT REQUIRED): The seller of specialty metals to Valence shall be melted in the United States or an approved country as listed in DFARS 225.872. This requirement shall be flowed down to any sub-tier suppliers used by the supplier. The definition of specialty metals can be obtained and reviewed on the DFARS website. The supplier shall comply with applicable sections of the Federal Acquisition Regulation FAR and Department of Defense FAR supplements DFAR 252.225.7014 (Alt 1) Preference for Domestic Specialty Metals, and DFAR 252.225.7016, Restriction on Acquisition of Ball and Roller Bearings.					X		
28	METALS FROM CONFLICT-FREE ZONES (DODD-FRANK ACT): The seller of metals to Valence is to supply specialty metals from zones verified to be conflict-free as listed in prescribed in the Dodd Frank Act Section 1502. This requirement shall be flowed down to any sub-tier suppliers used by the supplier.					X		
29	FINAL ACCEPTANCE OF HARDWARE: Final Source Inspection is required by Valence. Verification by Valence shall not be used as evidence of effective control of quality and shall not absolve the supplier of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection.						X	
30	VALENCE FURNISHED MATERIAL: When applicable, each shipment shall have a certification stating that items were produced from materials furnished by Valence.						X	
31	MAINTENANCE AND FRACTURE CRITICAL: Items on this P.O. are either maintenance critical, fracture critical, or fracture critical traceable and require the supplier to control them through the governing specification on this P.O.						X	

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32	SOURCE INSPECTION: Work under this P.O. /contract may be subject to Valence's surveillance at seller's plant. Valence's Representative may elect to conduct inspection either on a random basis or to the extent of 100% inspection. Seller shall be notified if Valence inspection is to be conducted on specific shipments. Supplier shall notify Valence at least three (3) full working days prior to inspection point noted on P.O. Inspection by Valence shall apply at supplier's facility during manufacturing. Seller shall provide all necessary inspection data from facility's equipment and inspection/test personnel. Such inspection and acceptance does not relieve supplier of the obligation to deliver terms that meet the applicable drawings and specifications. Final inspection and acceptance of product shall be made at Valence's facility unless otherwise specified in the P.O. No shipments are to be held for Valence inspection unless notification is received prior to, or at the time of, material being ready for shipment. When government inspection is required, all work on this order is subject to inspection and test by the government at all times (including period of performance). The government representative who services your plant shall be notified forty-eight (48) hours in advance of articles or processes ready for inspection or test. Government inspection or release of product prior to shipments not required unless notified.						X	
33	FIRST-ARTICLE INSPECTION: Verify all characteristics specified. The First Piece and all other parts must be held until the first piece is inspected and approved during inspection. If the first piece is acceptable, it shall be identified as 'FIRST PIECE' and the inspection records shall be delivered to Valence with shipment.						X	
34	SAMPLING PLAN: Sampling inspection may be used and must conform to ANSI/ASQ Z1.4 (MIL-STD-105) or as otherwise specified by the applicable specification.						X	
35	CHEMICAL – PHYSICAL TESTS: No outsourcing of any work on supplied test specimens is permitted. The supplier is required to notify the applicable Valence site immediately when supplied specimens for testing are lost, damaged, and/or at a later date, the testing results are found or suspected of being non-conforming. Prior to return shipment all test specimens are to be cleaned and protected as required so as to be free of all foreign material, substances or residue, which may have occurred during processing or handling, and packaging is required to prevent physical damage.						X	