

Seiler Instrument & Manufacturing Company, Inc.
Terms and Conditions and Quality Clauses
Form TCQC01, Revision 2019-03-09

The following clauses apply as specified on the purchase order.

TC001 Right of Access to Supplier Facility

Supplier agrees, upon receiving adequate notice, to allow and provide reasonable accommodation for Seiler and/or the representatives of United States Government access to Supplier facility for the purpose of inspecting or testing supplies, verifying the quality management system, or reviewing documentation of conformance.

TC005 Seiler Owned Tooling

Supplier shall ensure that Seiler-owned tooling in its possession is suitably identified and protected from deterioration and damage. Supplier shall ensure that Seiler-owned tooling is not used to provide product to any other entity without written authorization.

TC010 Inspection, Testing, and Retention of Records

Supplier shall perform all inspections and tests in accordance with the drawing, quality assurance provision, specification, and purchase order requirements. Supplier shall maintain records of delivered items and associated inspection and acceptance data for a minimum of 5 years unless otherwise specified. The records shall be made available to Seiler upon request.

TC012 Measuring & Test Equipment

Supplier shall ensure all equipment, including Customer Furnished Equipment and Government Furnished Equipment, used to test and inspect parts supplied to Seiler are maintained and traceable to the National Institute of Standards and Technology (NIST) requirements. Supplier shall provide a list of Acceptance and Inspection Equipment (AIE) as specified in the Purchase Order.

TC015 Conformance

Supplier shall conform to all drawing, quality assurance provision, specification, and purchase order requirements. Requests for variance or engineering change must be approved by Seiler in writing prior to shipment.

TC025 Requirements for Shelf Life Items

Supplier shall only deliver perishable products having a minimum of 80% of their shelf life remaining.

TC030 Special Requirements Applicable to Optics

See separate document.

TC031 Authorization to Use Commercial Raw Glass Produced in China

See separate document.

TC033 Proprietary Information

Supplier shall only use specifications, information, data, drawings, software and other items provided with the purchase order for purposes of providing (directly or through employment of subcontractors) goods and/or services to Seiler and shall not be disclosed to any third party (except subcontractors) without Seiler's prior written consent. Supplier shall not publish any information concerning the existence or subject matter of Seiler purchase orders without Seiler's prior written consent.

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TC035 Flow Down of Requirements to Sub-tier Suppliers

Supplier shall flow down requirements necessary to ensure compliance with purchase order requirements to subcontractors or material providers. Such Flowdown is not considered a violation of clause TC033 (Proprietary Information).

TC040 Conflict Minerals

Supplier recognizes U.S. public policy underlying the enactment of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") regarding sourcing tin, tantalum, tungsten and gold (hereinafter the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries (the "Conflict Region") and shall not knowingly provide any goods containing Conflict Minerals from the Conflict Region to Seiler.

TC050 Buy American Act

The deliverable under this Purchase Order is subject to DFARS 252.225-7001 "Buy American and Balance of Payments Program". Accordingly, the deliverable must be manufactured in the United States of America. There is no restriction on the source of the raw materials.

TC060 Specialty Metals (General)

The deliverable under this Purchase Order is subject to DFARS 252.225-7009 "Restriction on Acquisition of Certain Articles Containing Specialty Metals". Accordingly, "specialty metals" delivered in raw form, or as castings or forgings, or as otherwise utilized in the manufacture of items delivered against this Purchase Order shall comply with the requirements of DFARS 252.225-7009 which, among other requirements, specifies that "any specialty metals incorporated in items delivered under this contract shall be melted or produced in the United States, its outlying areas, or a qualifying country". See DFARS 252.225-7009 for more information including the definitions of terms used herein.

TC062 Ball and Roller Bearings

The deliverable under this Purchase Order is subject to DFARS 252.225-7016 "Restriction on Acquisition of Ball and Roller Bearings". Accordingly, "ball and roller bearings" not meeting the exclusions of DFARS 252.225-7016(c) shall be manufactured in the United States, its outlying areas, or Canada and shall otherwise comply with DFARS 252.225-7016. See DFARS 252.225-7016 for more information including the definitions of terms used herein.

TC070 Chinese Arms Embargo

The deliverable under this Purchase Order is subject to DFARS 252.225-7007 "Prohibition on Acquisition of United States Munitions List Items from Chinese Military Companies".

Accordingly, the use of Chinese sources of raw materials, supplies, or services in performance of this Purchase Order is STRICTLY PROHIBITED. Supplier certifies that items delivered under this purchase order SHALL NOT contain or incorporate any raw materials, supplies, or services produced or provided by ANY COMPANY WITHIN THE PEOPLE'S REPUBLIC OF CHINA.

Further, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR) strictly prohibit the export of military technical data (drawings, quality assurance provisions, or other specifications for the manufacture of military hardware, etc.) to the People's Republic of China.

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TC080 Export Controls

The parts, components, end items, and/or technical information associated with this procurement may be subject to export controls under the International Traffic in Arms Regulations (ITAR) or the Export Administration Regulations (EAR). Supplier agrees to comply with all applicable United States export control regulations in the performance of this Purchase Order and understands that violations of these export laws and regulations may result in severe civil and criminal penalties.

QC001 Certificate of Conformance Requirements

Certificates of Conformance for Optical Components shall comply with Checklist CL01 and with the requirements of the purchase order.

Certificates of Conformance for Commercial-Off-The-Shelf (COTS) items shall comply with Checklist CL03 and with the requirements of the purchase order.

Certificates of Conformance for all other items and services shall comply with Checklist CL02 and with the requirements of the purchase order.

All required Certificates of Conformance must be traceable to the Seiler purchase order. For example, the Supplier Certificate of Conformance must explicitly reference the Seiler purchase order number and also some unique reference number on supplementary Certificates of Conformance from raw material or process providers.

Certificates of Conformance shall include the country of manufacture for each item supplied.

Supplier understands that Seiler may rely upon Supplier Certificates of Conformance as evidence of product conformity and as the basis of certifications made under United States Government contracts.

QC005 Material Certifications

A Certification of Conformance is required from the raw material producer(s) documenting conformance of the raw material to specifications. This Certification must be linked or traceable to the product delivered via Seiler purchase order or other reference number. Material certification shall include the information specified in Checklist CL02.

All required Certificates of Conformance must be traceable to the Seiler purchase order. For example, the Supplier Certificate of Conformance must explicitly reference the Seiler purchase order number and also some unique reference number on supplementary Certificates of Conformance from raw material or process providers.

QC010 Special Process Certification

A Certification of Conformance is required from the provider(s) of any processes performed documenting the performance and result of those processes to specifications. Processes include, but are not limited to the following: chemical or conversion coatings, plating, primer and paint coatings, passivation, sand blasting, heat treatment, hydrogen embrittlement relief,

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welding, penetrant or ultrasonic inspection, etc. Process certifications shall include the information specified in Checklist CL02.

All required Certificates of Conformance must be traceable to the Seiler purchase order. For example, the Supplier Certificate of Conformance must explicitly reference the Seiler purchase order number and also some unique reference number on supplementary Certificates of Conformance from raw material or process providers.

QC015 First Article Inspection Report

A First Article Inspection (FAI) Report is required for this item. The FAI Report shall be in accordance with AS9102 and shall be for a quantity of 3 (unless otherwise specified on the purchase order) and shall be clearly identifiable to the unit inspected. The FAI Report shall provide inspection data or other objective evidence of conformance keyed to each applicable drawing characteristic, quality assurance provision, specification, and purchase order requirement. First Article Unit(s) shall be segregated from and clearly marked.

QC018 Pre-production Approval of First Article Required

The item(s) on this purchase order require First Article approval by Seiler prior to production. Seiler shall not be liable for product produced by Supplier prior to Seiler approval.

QC020 Source Inspection Required Prior to Shipment

Source inspection is required prior to shipment of product from Supplier's facility. Supplier shall notify Seiler purchasing department 7 days in advance of the ship date for further instructions.

QC025 Nonconforming Product

Supplier shall not ship nonconforming product to Seiler without prior authorization. Any departure from drawing, specification or purchase order requirement is deemed a nonconformance and must be notified to and approved by Seiler prior to shipment.

QC030 Request for Corrective Action

Requests for corrective action may be forwarded to the supplier by Seiler purchasing department in response to nonconformance(s) with drawing, specification, or purchase order requirements. Failure of the supplier to respond to a request for corrective action may result in removal from Seiler's approved supplier list. Corrective action requests shall be completed and presented to Seiler for review within 30 days of receipt.

QC035 Inspection Data Required

Supplier shall provide results for inspections listed on the "Vendor Item Inspection Report" included with the Purchase Order. Supplier may use an alternative format as long as all requested information is provided.

QC045 Counterfeit Parts and Material Avoidance

Supplier shall establish and maintain an acceptable counterfeit electronic part detection and avoidance system which meets or exceeds the criteria set forth in DFAR 252.246-7007 "Contractor Counterfeit Electronic Part Detection and Avoidance System" and DFAR 252.246-7008 "Sources of Electronic Parts". Supplier shall only purchase electronic parts to be delivered to Seiler directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM) or through an OCM/OEM authorized distribution chain.

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QC050 Model Based Definition

Seiler may provide a solid model for this product. Models must be treated as “reference” information unless otherwise stated in the purchase order. This information must be handled in accordance with TC033 (“Proprietary Information”).

QC070 Packaging & Identification

All shipments to Seiler must be packaged to avoid damage and deterioration in accordance with good commercial practices unless otherwise specified on the purchase order. Shipments shall be labeled with, at a minimum, the (1) Part number and revision, (2) PO number, (3) Quantity.