

# EXTERNALLY PROVIDED PROCESSES, PRODUCTS AND SERVICES



## **PURCHASE ORDER QUALITY** **CLAUSES**

***ONE OR MORE OF THE FOLLOWING PURCHASE ORDER QUALITY CLAUSES WILL APPLY TO DISCOVERY'S PURCHASE ORDER UPON RECEIPT. CLAUSE CODES ARE REFERENCED AT THE BOTTOM SECTION OF THE PURCHASE ORDER.***

Upon receipt of the purchase order the External provider agrees comply with all the requirements specified in the Purchase Order, including, all applicable clauses and if applicable, those relating to process design, testing, controls, verification of processes and products including critical elements and key characteristics, as well as those relating to the test samples.

The External provider Understands that these products may have critical structural or mechanical applications and that the **external provider** has an impact on product safety. The **external provider** undertakes to disclose all risks associated with the safety of the product.

The External provider is prohibited from subcontracting the product or service object of the purchase order to another **external provider** without prior authorization from Discovery Precision Machining Inc. and notify the **Discovery** of **any** changes to processes, products, or services, including changes of their **external providers** or location of manufacture, and obtain the **Discovery's** approval. If the **external provider** is authorized to procure services, processes or products from their **external providers** they must flow down to sub-tiers **external providers'** applicable requirements including our customers' requirements.

### **Q001 Quality System:**

The External provider's quality system must meet requirements of ISO 9001, SAE AS9100 (**Latest Revision**) or equivalent system standard.

### **Q002 Revision Status:**

The External provider shall follow up and identify in all its documentation the status of identification and revision of parts, drawings, specifications and other relevant technical data. The External Provider shall ensure that the latest revision of any applicable or referenced specification is used to ensure product compliance.

### **Q003 Certificate of Compliance and supporting Certificates**

The External provider shall provide a Certificate of Compliance with each shipment of parts under this procurement, referencing the followings:

- Part number and quantity.
- Proper description of parts.
- Discovery Precision Inc.'s Purchase order.
- Reference to any applicable Techniques.

If applicable the **external provider** shall provide an inspection certificate that may include dimensional results, and/or test results, process certification, and material certifications

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with each shipment of parts, for Discovery Precision Inc. to verify applicable drawings and specifications.

#### **Q004 Control & Retention of Records:**

Materials or services rendered in this procurement must meet applicable drawings and specifications. Any associated documents related to the purchase order, for example: Manufacturing Plans and Techniques; are to be retained and on file to support this. Records are subject to review by Discovery Precision's Inc.'s customer examination upon request.

Retention of records shall be:

1. For all UTAS Program no less than 40 years.
2. For all Mecaer Program no less than 50 years.
3. For all Heroux Devtek Program Indefinite.
4. For all FOKKER/GKN Program for ten (10) years
5. For all MHI Canada Program Indefinite.

#### **Q005 Source Inspection:**

Discovery Precision Inc. source inspection required at seller's facility prior to shipment. **External provider** shall notify Discovery Precision Inc. at least 48 hours in advance of the time that part(s) will be ready for source verification.

#### **Q006 Right to Access:**

Discovery Precision Inc. it's customer and/or government representatives reserve the right to inspect any or all materials included in this procurement at the **external provider** facility. **External provider shall ensure the right of access to the Discovery, discovery's customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain.**

#### **Q007 Packaging:**

The External provider must ensure that packaging of items on this procurement is enough to prevent physical or corrosive damage during transportation and storage.

#### **Q008 Final Acceptance:**

All parts and materials supplied under this procurement are subject to final acceptance by Discovery Precision Inc. receiving inspection upon receipt.

#### **Q009 FAI:**

First Article Inspection Report required with this shipment.

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#### **Q010 Nonconforming Product:**

Any nonconforming products detected during the application of this contract must be reported to Discovery Precision Inc. Quality Assurance as soon as possible and the material should be holding before getting a written authorization of Discovery Precision Inc. A written request for corrective action will be issued to External provider s when the root cause of the non-conformity is the responsibility of the **external provider**.

Any Non-conforming products identified after delivery to Discovery Precision Machining Inc. shall be disclosed to Discovery Precision Machining Inc within 24 hours of identification.

#### **Q011 Engineering Change:**

**External provider** shall not make any changes in product design, material or processing without prior approval in writing by Discovery Precision Inc.

#### **Q012 Guarantee of Product Source (s)**

The **external provider** shall ensure that only new and authentic materials are used in products delivered to Discovery Precision. Counterfeit Parts are strictly prohibited. The **external provider** may only purchase parts directly from Original Component Manufacturers (OCM's), OCM authorized (franchised) distributors, or authorized aftermarket manufacturers. Use of product that was not provided by these sources is not authorized unless first approved in writing by Discovery Precision. The **external provider** must present compelling support for its request (e.g. OCM documentation that authenticated supply chain traceability of the parts to the OCM) and include in its request all action to ensure the parts thus procured are authentic/conforming parts.

#### **Q013 Counterfeit Parts**

**External provider shall plan, implement and control processes for the prevention of counterfeit and suspect counterfeit part use and their inclusion in products delivered to Discovery precision machining Inc.**

#### **Q014 Foreign objects**

**External provider shall plan, implement and control processes for the prevention, detection, and removal of foreign objects from the products during storage, processing packaging and delivery to Discovery Precision Machining Inc.**

#### **Q015 Changes to Processes**

**External provider shall notify the Discovery precision of any changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain the organization's approval**

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### **Q016 Test Specimens**

External provider shall provide test specimens for inspection/verification, investigation, or auditing, if so required.

### **Q017 Employee Knowledge**

All external providers must ensure that their employees are aware of

- their contribution to product or service conformity;
- their contribution to product safety;
- the importance of ethical behavior.

### **Q018 Ethical Code of Conduct**

**Treatment.** **Discovery** promote transparent relationships with External providers; therefore, **Discovery** ensure equality of opportunity, respect, and integrity.

**Selection and Development.** Any negotiation with **Discovery's** External providers must be integrated taking as points to evaluate: the quality of their products, value added, and service, awareness, without generating false expectations of possible negotiations.

**Discovery** establishes a fair evaluation system for our External provider s, thus achieving lasting, equitable and fair-trade relations. **Discovery** promotes the respect of the intellectual and industrial property of our External provider s, hoping to have the same correspondence with our confidential information.

**Antibribery & Anticorruption.** **Discovery** are committed to carrying out all our activities in an integral and transparent manner, therefore, **Discovery** does not consent to any act of corruption or bribery in any of our activities, either inside or outside Discovery Precision Machining Inc. **Discovery** does not receive any type of compensation (money, gifts, travel, discounts) only those products that are promotional that have a symbolic value, therefore, **Discovery** ask our External providers to cooperate with our anti bribery policy, in case of having a bribe situation take appropriate action.

**Discovery precision's *PURCHASE ORDER QUALITY CLAUSES* (this document) are available to download from Discovery precision's *website*:**

**<https://discovery-precision.com/quality-assurance/>**