

“Delta Quality Clauses”

The following Quality clauses become part of the contract requirements when referenced on the Purchase Order.

**DQC
#1**

- a) Quality defect free product. Suppliers must maintain a minimum level of 93% defect free shipments to remain on the Delta Approved Supplier List.
- b) On time delivery. Suppliers must maintain a minimum level of 90% on-time delivery to remain on the Delta Approved Supplier List.
- c) The supplier shall notify Delta Electronics of any changes to product or process definition and any non-conforming material issues prior to shipping. In the event that material supplied under this contract is found not to meet all purchase order specifications, the supplier shall provide in writing a failure analysis describing the cause of the discrepancy and a corrective action which identifies what specific steps have been taken to prevent the problem from recurring.
- d) Upon notification by Delta Electronics, Delta customers and regulatory authorities shall have right of access to all facilities involved with Delta orders, and to all applicable records.
- e) The supplier shall flow down all applicable requirements of Delta orders when sub-tiering.
- f) Proper (legible, and protected from damage or deterioration) retention of all quality records associated with Delta orders for 10 years after the purchase order has been closed, in accordance with good ISO 9001 and AS9100 Quality Management System practices.
- g) The supplier/vendor shall hold all information received from Delta Electronics in confidence and no third party requests for information will be authorized unless approved, in writing, by Delta Electronics.
- h) The supplier inspection system shall conform to the requirements of the latest revision of an applicable AS/ISO Standard, MIL-Q-9858, or equivalent to MIL-I-45208. Delta reserves the right to verify compliance at all times.
- i) All purchase order items are subject to test and inspection at Delta. Items will not be accepted unless part specifications and all requirements relevant to certifications, test data, quality systems and associated documentation are satisfied.
- j) Delta Electronics requires notification from Suppliers prior to transferring work to a new facility, and/or notification of plans to relocate to a new facility.
- k) In the execution of Delta contracts the supplier shall maintain a system and all necessary documentation to provide identification and traceability on all materials supplied. Identification and traceability shall include all raw materials, component parts and critical processes used in the manufacturing cycle. Proof of material traceability shall not be forwarded to Delta but shall be available for review for a minimum of ten years after the contract expires.
- l) Items rejected by Delta may not be resubmitted to Delta without clear and proper identification as resubmitted articles, indication of the cause for rejection and statement of action taken by the seller to correct the deficiencies.
- m) Delta reserves the right to perform periodic audits/surveys at the vendor's facility to verify the vendor's capabilities and conformance to all contract requirements. Delta shall provide notification prior to conducting audits/surveys.
- n) A certificate of compliance must accompany each shipment. The certification must state that all materials, processes and services comply with all specifications and purchase order requirements. Unless otherwise agreed to or specified on the purchase order, the seller shall ensure that only new and authentic materials, in accordance with the latest revision of the military specifications, are used in products delivered to Delta. The supplier shall ensure that controls are in place to reduce and mitigate the risk of counterfeit components and/or assemblies being supplied in compliance with AS5553 and

their Quality Management System.

- o) All suppliers are required to have a documented system in place to address and respond to corrective and preventive actions required by Delta Electronics.
- p) Foreign Object Debris (FOD) - The supplier shall employ appropriate housekeeping practices to assure timely removal of, if any, residue or debris generated, during the manufacturing operations and/or daily tasks. The supplier shall determine the need for, and implement, FOD prevention awareness training programs in compliance with NAS412.
- q) A special manufacturing process is a process where it is not possible to assure, by typical verification techniques, that product integrity is achieved by the process. As applicable, the supplier shall provide adequate training for certified personnel where required. The seller shall ensure that only Delta Electronics or Delta's customer approved special sources or process are utilized and approved by Delta prior to any work being done.
- r) Suppliers shall maintain a positive system for identifying the inspection status of products. Identification may be accomplished by means of stamps, tags, routing cards, move tickets, tote box cards or other control devices. Artifacts conveying the control of this process shall be available for review.
- t) Delta suppliers maintain a documented calibration system meeting the full requirements of ISO10012:2003 or equivalent to MIL-STD- 45662 for all test, measurement and inspection tools and equipment used to certify the end item and all elements thereof to specifications.
- u) Calibration laboratories shall supply written reports with actual test data. Reports shall be identified by this contract number and include the equipment model number, serial number, date of calibration and authorized signature. The report shall state that the measurement standards used in this calibration are traceable to the National Bureau of Standards (NBS), or National Institute of Standards and Technology (NIST).
- v) Notice of shelf life expiration date must be included with and be traceable to all materials having a limited shelf life. Do not ship material with less than 90% of useful shelf life remaining.
- w) Materials which are volatile, toxic, or emit fumes which are harmful to human health shall be properly contained in accordance with applicable specifications. The containers will be plainly marked as to contents with appropriate warning, precautions, instructions, and storage conditions
- x) Preferences for Domestic Specialty Metals: Delta incorporates the contract clause DFARS 252.225-7014 Alt 1. Any Specialty Metals (as defined in paragraph (a) of the clause) included in any articles delivered under this purchase order must comply with that clause, and you must flow down to all of your vendors supplying any articles delivered under this purchase order that include specialty metals. All stainless steel material is DFARS 252.225-7014 Alt 1 unless otherwise noted.
- y) Conflict Metals, RoHS, REACH: Unless otherwise denoted on the purchase order, RoHS and REACH requirements of the EU Directives are in force. Also, sourcing of conflict metals is regulated by Section 1502 of the Dodd-Frank Wall Street Reform Act.
- z) Material Safety Data Sheet (MSDS) Requirement: An MSDS must be supplied with all purchased chemicals and compounds. In cases where no MSDS accompanies the shipment, The shipment will not be allowed past the receiving department and into the building until the MSDS is received. The Supplier is required to provide a material safety data sheet (MSDS) for each of the items included in each shipment in accordance with the Federal Hazard Communication Standard. The MSDS will include chemical and common names of all ingredients, physical and chemical properties, information on potential physical and health hazards, primary routes of entry, exposure limits and safe handling, control, first aid, and emergency procedures. Each MSDS must be signed with the date the document was prepared or revised.
- aa) Central to Delta's values are fair treatment, mutual respect and ethical behavior. As such, we partner with those suppliers who operate with honor and uphold Delta's values. Our suppliers and their employees must be aware of their contribution to compliance and product safety and the importance of ethical behavior.

DQC #2	<u>Supplier Test Procedure and Data Format:</u> Supplier shall provide one (1) copy of their Inspection/Test procedure and data format to Delta for review. This shall be done a minimum of thirty (30) days prior to shipment of the first lot of material on this contract.
DQC #3	<u>Test Reports:</u> Each shipment of material supplied on this contract must be accompanied by a test report identified by contract number, Delta part number and serial number if applicable. Test reports shall indicate discrete readings and values unless a go/no go format has specifically been approved by Delta.
DQC #4	<u>Delta First Article Inspection:</u> First Article Inspection is required on five (5) pieces of the first lot to be supplied under the contract. Data to be supplied with shipment includes a complete mechanical/dimensional inspection report, physical and chemical material certifications, and special process certifications (plating, soldering, castings, heat treating, dip brazing, torch brazing, and/or painting) as required.
DQC #5	<u>Specimen for Analysis:</u> One specimen to be used by Delta for destructive analysis and/or test shall be supplied. This specimen shall be identified by contract number and a traceable lot or batch number. The sample shall have been manufactured at the same time, using the same processes and materials as the units supplied for use in Delta's product.
DQC #6	<u>Government Source Inspection:</u> Government inspection is required prior to shipment from your plant. Upon receipt of this order, promptly notify the Government Representative who normally services your plant so that appropriate planning for Government Inspection can be accomplished.
DQC #7	<u>Delta Source Inspections:</u> All items on Delta orders are subject to Delta source inspection. The supplier shall make available to Delta's representative, and/or customer at no cost to Delta, the necessary facilities, equipment and personnel to test the product for full conformance to all specifications. Final acceptance of source inspected material will be at Delta. The supplier shall notify the Delta purchasing manager a minimum of three working days prior to the desired source inspection date. Delta reserves the right to waive source inspection.
DQC #8	<u>Mercury Free Certifications:</u> Each shipment must be accompanied by a certification which states that the materials supplied contain no metallic mercury or mercury compounds.
DQC #9	<u>Chemical and Physical Test Reports:</u> Each shipment must be accompanied by a chemical and/or physical analysis test report. The report shall be traceable to a given lot, batch or heat treat as applicable.
DQC #10	<u>Identification and Traceability:</u> The items supplied under Procurement Documents must be accompanied by documents stating the heat, lot or batch number. When raw material is not supplied by Delta, the lot number for parts manufactured will be identifiable and traceable to the heat, batch number, lot number, spool, etc. of the raw material used to manufacture the parts. Evidence of traceability of such raw material must be retained on file and shall be available for review by a Delta representative(s).
DQC #11	<u>Export / Import Controls:</u> The supplier shall control the disclosure of, and access to, technical data, information, and other items including hardware received under this purchase order in accordance with U.S. export control laws and regulations, including but not limited to the International Traffic in Arms (ITAR) and the U.S. Department of Commerce, and the Export Administration Regulations.

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