



Prime Machine, Inc.

PPC – 528

Quality Terms and Conditions, Q Codes

Revision

A

Revision	Reason For Change	Date	Approval
A	Initial Release	1/16/12	PJM

1. **Purpose.** This document describes the quality provisions that may be required of suppliers of manufactured parts, raw materials, services and equipment.
2. **Scope.** This document applies contractually when Quality Notes are referenced on Purchase Orders and/or contracts issued by Prime Machine, Inc. Requests for deviation from referenced Quality Note requirements shall be documented by the supplier and submitted to PMI Quality, through the appropriate procurement representative. Approved deviations shall be issued in writing by PMI Quality. In the event that this document conflicts with the Purchase Order or Contract, the Purchase Order or Contract takes precedence over this document.
3. **Approved Supplier List.** Prior to the issuance of a Purchase Order (QC Level III) and/or contract, the supplier must be approved by PMI Quality and on the approved supplier list. Suppliers with recognizable Quality System registrations and certifications, such as AS9100 or ISO 9001:2008, may be approved without further evaluation activities. For suppliers without a registration certificate, PMI uses a Supplier Quality Assurance Survey to gather information about the quality management system. PMI monitors the received quality of purchased items and may perform a supplier quality system audit to verify the effectiveness of the supplier's quality system. Suppliers are reassessed at least every three years.
4. **Quality Requirements.** Each Purchase Order is reviewed by Quality to ensure that applicable Quality Requirements are recorded as part of the purchase requirements. Quality Requirements consist of two parts, Standing and Optional. Standing Quality Requirements (codes A through G) apply to every purchase order. Optional Quality Requirements (codes 1 through 7) apply when necessary to fulfill customer and/or PMI expectations. Where a specification is referred to, it shall be considered the latest revision of issue as of the date specified on the purchase order.

A. Standing Quality Requirements – Q Codes A through J

- a. **A. Non-conforming material.** The seller is not authorized to perform material review action of non-conforming materials with the intent of delivering such non-conforming materials without the express written authorization from PMI. Any departures from drawings, specifications or other purchase order requirements must be approved by the PMI Quality Assurance Department prior to shipment.
- b. **B. Resubmission of rejected material.** All material rejected by PMI and subsequently resubmitted by the supplier shall bear adequate identification of such resubmission either with the material or on the supplier's document. Reference shall be made to PMI rejection document and evidence given that the causes for rejection have been corrected. Government Source Inspection material must have evidence that the resubmission has also received GSI.
- c. **C. Change of product or process.** The supplier/manufacturer shall not implement any changes in design, materials, processes or control with prior written approval of



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PMI, where it controls the Specifications and Processes. The intent of this requirement is to ensure that all material supplied under this order will be homogeneous, and the performance, reliability and quality of the material is not degraded. Changed articles shall be clearly identified in a manner different from previous articles.

- d. **D. Notice of defective material.** A **Notice of Defective Material** shall be forwarded by PMI to the supplier when PMI Quality Control considers formal corrective actions essential. The supplier shall give priority to analysis of cause and proposed corrective action. It is mandatory that replies be received within the period indicated and on the Notice of Defective Material.
- e. **E. Preservation, packaging, shipping.** When a blueprint, specification or purchase order lacks preservation, packaging and shipping instruction, it shall be the seller's responsibility to maintain adequate control of packaging to ensure the quality of the fabricated article is maintained and that the damage, deterioration, substitution of or loss in transit is prevented. Shipments consisting of multiple containers shall have each container identified 1 of 3, 2 of 3, etc. All shipping documents, certifications, test reports, inspections records, etc. shall be placed within box #1 or in an attached envelope. The box shall be clearly marked "Packing List", "Certifications", "Test Reports", etc.
- f. **F. PMI and/or Customer right of inspection.** PMI and/or its customer have the right to inspect any or all work included in this order at the supplier's plant. Such inspection for release of product prior to shipment is not required unless you are otherwise notified.
- g. **G. Calibration.** In order to furnish the materials for services required by the purchase order, the seller shall maintain a calibration system which meets requirements similar to those as stated in ISO 9001:2008. The purchase order certificates of accuracy or test reports to accompany deliverable items must certify traceability to the National Institute of Standards Technology (NIST).
- h. **H. Sub-Tier Supplier flow down.** The supplier is required to flow down all PMI purchase order requirements to sub-tier suppliers including design data and any special instructions.
- i. **I. Record Retention.** The supplier shall maintain on file at the supplier's facility, quality records traceable to the conformance of product delivered to PMI. The supplier shall make such records available to regulatory authorities and PMI representatives. The supplier shall retain such records for a period of not less than seven years from the date of shipment. At the expiration of the seven years, the supplier is to contact PMI for disposition of records.
- j. **J. PMI /customer owned tooling and fixturing.** Where PMI or customer owned tooling and fixturing are used during the performance of this purchase order, the tooling and fixturing shall be maintained and stored in such a manner as to prevent damage and deterioration. Annual tool inspection is to be performed with records of results maintained by the supplier. Notify PMI Purchasing should tooling require repair, rework or replacement.



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B. Optional Quality Requirements - Q Codes 1 through 7

- a. **1. Government or PMI Customer source inspection.** Government or PMI Customer source inspection required. Contact the PMI Purchasing Department for specifics.
- b. **2. PMI source inspection.** All items covered by this purchase order will be source inspect by a PMI quality representative. This will include surveillance of the products, quality systems, procedures and facilities. The seller shall furnish, at no cost, the necessary facilities and equipment, supply data and perform tests as required by applicable drawings, specifications and inspection instructions under surveillance of the PMI quality representative. Final acceptance of purchased products shall be at PMI's facilities. PMI reserves the right to reinspect or retest materials received from the supplier. When requesting source inspection, call the PMI purchasing office at least 48 hours in advance.
- c. **3. Certificate of analysis/test reports – chemical/physical.** Each shipment must be accompanied by a legible and reproducible copy of actual reports of tests performed in accordance with specification or purchase order requirements, identifiable to the material submitted. These reports must contain the signature (legible) and title of an authorized representative of the agency performing the tests and must assure conformance to the specification requirements.
- d. **4. Certification of material conformance.** The seller shall include with each shipment a certified statement that the items on this purchase order were manufactured by the vendor and the parts meet PMI's specification requirements as stated on this purchase order. Seller can utilize their own certificate of compliance or the one provided by PMI. The certificate of conformance and all subsequent pages should contain the following information as it applies to the product being certified: (Acceptance of material at PMI is contingent upon receipt of a Certificate of Conformance containing the below requirements. The certifications should be written in a professional manner with no hand-written information included.)
 - Part name
 - Drawing number, revision and date
 - Serial number (if required)
 - Purchase order number
 - Supplier's name and address
 - Signature (legible) and title of recognized quality authority
 - Quantity of material per shipment.
- e. **5. Serialization.** With each shipment, the seller shall submit a legible copy listing all serialized parts and assemblies, by part number, within the serialized end item shipped. No two parts of the same part number on this purchase order or any other purchase order are to be identified with the same serial number unless otherwise specified. The



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serial numbers to be assigned by part number are included with this purchase order or the seller shall assign the serial numbers, as controlled by the purchase order.

- f. **6. Inspection/test reports.** Seller shall submit with each shipment a report for the delivered end items or assemblies (identified by part number, part name, and serial number, if applicable) listing those characteristics specified by the purchase order and actual values found during inspection or test. Reports shall be signed by the seller’s responsible quality assurance representative.
- g. **7. First Article Inspection.** PMI acceptance of First Article Inspection sample is required prior to the production run. Any supplier production before the First Article is approved by PMI is at the supplier’s risk.