

Quality Clauses (See Matrix on last page for applicable clauses by commodity/service):

QC1 Copies of any applicable **material, processing, and test certificates** must accompany each shipment of material or product.

QC2 Parts shipped to Loughlin Manufacturing must be **100% inspected** and accepted by the supplier. Any rework which needs to be performed by Loughlin Manufacturing will be debited from the supplier's invoice.

QC3 In a case of **non-conformance** to Loughlin Manufacturing requirements, all items must be tagged with the discrepancy. The packing slip should be noted with the number of items discrepant.

QC4 During the performance of the purchased order supplier shall give Loughlin Manufacturing, its customers, and regulatory authorities' **right of access** to the applicable areas of all facilities and to applicable documented information, at any level of the supply chain, involved in this order and to all applicable records.

QC5 All **product must be protected** against damage and deterioration during delivery and performance of the order, utilizing sound packaging practices.

QC6 The supplier is responsible to ensure that material utilized for the performance of the order whether consigned by Loughlin Manufacturing or furnished by the supplier, is to be stored and identified **to insure traceability and to prevent intermingled with other material**.

QC7 **Material consigned by Loughlin Manufacturing may not be substituted** by any other material to complete the order requirements unless authorization from Loughlin Manufacturing is given.

QC8 Upon receipt of a drawing from Loughlin Manufacturing, it is the supplier's responsibility to thoroughly **review and understand the drawing and any associated engineering documentation**, and be capable of complying with the requirements prior to manufacturing. Any technical questions regarding interpretation should be discussed with Loughlin Manufacturing @ 631-585-4422.

QC9 **Standard hardware** (MS, NAS, BAC, AN, etc.) shall be manufactured to the latest revision specification and will require certification of compliance indicating the original hardware manufacturer.

QC10 Suppliers providing **calibration services** shall be compliant to ISO 17025 requirements. All calibrations performed must be NIST traceable and traceability identified on provided calibration certification.

QC11 Loughlin Manufacturing must be informed by written notification if there are any **changes in product, process, or service, including changes to external providers or location of manufacture, and obtain the organization's approval**. Change will be reviewed by Loughlin Manufacturing, and approval may be needed.

QC12 Supplier is required to **inform** Loughlin Manufacturing, within 48 hours, of any **nonconforming product, processes, or service**. Loughlin Manufacturing reserves the right to disposition nonconformances related to this PO.

QC13 Supplier **records must be retained** for a minimum of 10 years. When Loughlin Manufacturing customer has a requirement for retention time of greater than 10 years, the customer requirement will take precedent.

QC14 When a **sub-tier supplier is used** by a Loughlin Manufacturing 's supplier, the supplier will flow down to the sub-tier all applicable requirements cited in purchasing documents.

QC15 When Loughlin Manufacturing's customer is identified on the purchase order, supplier must comply with the most current quality system and record retention requirements of the Loughlin Manufacturing's customer.

QC16 Supplier must provide **Certificate of Conformance** for product purchased by Loughlin Manufacturing. C of C must include Loughlin Manufacturing purchase order number.

QC17 Counterfeit Part prevention:

- a) "Counterfeit parts are parts/material/services that are or contain items that are misrepresented as having been designed and/or produced under approved system or other acceptable method. The term also includes approved parts/material that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- b) Seller shall establish and maintain a counterfeit parts prevention program ensuring that all counterfeit material(s), services and component parts are not delivered or incorporated into products being acquired by Loughlin Manufacturing. Counterfeit prevention procedures shall be in accordance with SAE AS6174 and or SAE AS5553.
- c) Seller shall ensure that all sub-contractors (supply chain intermediaries) used by the seller shall have a counterfeit parts prevention program in compliance with SAE AS6174 and or SAE AS5553.
- d) Seller agrees and shall ensure that counterfeit work is not delivered to Loughlin Manufacturing.
- e) Seller shall only purchase products to be delivered or incorporated as work to Loughlin Manufacturing directly from Original Component Manufacturers (OCM)/Original Equipment Manufacturers (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Loughlin Manufacturing
- f) Seller shall immediately notify Loughlin manufacturing with the pertinent facts if seller becomes aware or suspects that it has furnished counterfeit parts/material. When requested by Loughlin Manufacturing, Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- g) Loughlin Manufacturing has the right to refuse to accept any materials, services and or component parts it has determined to be suspect or known counterfeit or fraudulent.

QC18 Supplier will ensure that employees involved in the fulfillment of this PO are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

QC19 Any Loughlin owned tooling, equipment, gages, fixtures, or jigs supplied by Loughlin shall be controlled in a way to prevent loss, damage, and deterioration. Proper identification of the tooling/equipment shall be maintained at all times. Tooling/ Equipment at no point shall be altered, repaired, reworked or changed in any way without written notification from Loughlin or our Customer. If tooling/equipment has been identified as end customer owned it shall be controlled using the applicable requirements found in the end customer quality specifications. If tooling/equipment is lost or damaged, supplier shall

contact Loughlin within 24 hours. Tools/equipment shall be returned to Loughlin when identified in the PO, at close of the purchase order, or at anytime requested.

QC20 The supplier shall employ appropriate housekeeping practices to assure timely removal of residue/debris generated, if any, during the manufacturing operations and/or normal daily tasks. Seller shall determine if sensitive areas that may have a high probability for introduction of Foreign Objects should have a special emphasis controls in place that are appropriate for the manufacturing environment. The supplier shall determine the need for, and implement, a FOD prevention program, including awareness training. Refer to NAS 412 standard for guidance.

QC21 ***If Loughlin PO identifies need for First Article Inspection (FAI) the following clause is applicable.*** For a first time production run, First Article inspection report for each part number is required by the supplier. A First Article Report (FAI) utilizing AS9102 or a pre-approved equivalent form is required. The inspection report shall indicate the actual measurement obtained for each characteristic listed on engineering documents (blue print, model, parts list, etc.) or any other document defining the configuration of product supplied to seller by Loughlin Manufacturing. When repetitive dimensions are inspected (e.g. holes of the same size in multiple locations) record actual results individually and specify locations. An amended (Delta) FAI report is required when any changes to the configuration of product are made. New FAI or Delta FAI is required when:

- a) A new product first production run.
- b) Loughlin Manufacturing documentation requires FAI inspection.
- c) A change in design affecting fit, form, or function of part.
- d) A change in manufacturing source(s), process(es), inspection methods(s), location of manufacture, tooling
or materials, that can potentially affect form, fit, or function.
- e) A natural process or man-made event, which may adversely affect the manufacturing process.
- f) A lapse in production for 2 years or as specified by the customer.

QC22 If applicable, assigned serial numbers shall be maintained throughout all manufacturing operations and shall be identified on all Loughlin Manufacturing documentation at time of shipment.

QC23 Supplier will ensure that employees involved in the fulfillment of this PO have awareness of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

QC 24 :

- 1) Export sensitive: ITAR Controlled
- 2) If supplier receives a PO from Loughlin Manufacturing that identifies ITAR, ITAR Controls, or ITAR Restriction the following clauses is applicable.
- 3) When ITAR controls are flowed down the supplier shall either:
 - a. Have ITAR registration
 - b. Have signed a Loughlin Manufacturing ITAR Non-Disclosure Agreement
 - c. If supplier is not ITAR Registered or has not signed a ITAR Non-Disclosure, supplier will contact Loughlin Manufacturing prior to acceptance of this order,
- 4) The technical data provided by Loughlin Manufacturing to supplier may be governed by the United States International Traffic in Arms Regulations (ITAR). Supplier agrees that all technical data provided to supplier will be used in strict compliance with ITAR requirements and solely for the performance of the work associated with this PO.

Supplier agrees to implement procedures for restricting access to said product and technical data to U.S. Persons only. Disclosure and access to supplied product and technical data by a foreign national is subject to relevant approvals being obtained from the U.S. State Department. Supplier shall, upon completion of the work ensure that all said product & Technical Data is returned to Loughlin Manufacturing or destroyed.

Applicable to all Suppliers:

Supplier shall contact Loughlin Manufacturing with any questions, concerns, comments, or clarifications of any clause flowed down to supplier in Loughlin Manufacturing Purchase Order. If any industry specifications or end customer documentation has been identified and supplier does not have or cannot acquire appropriate documentation, supplier will contact Loughlin Manufacturing Quality Assurance Department.

Table of Applicable Clauses

(Please review table for any applicable clauses for the product or services provided. X represents applicable clause. If you are unsure of which category your product or service falls under please contact Loughlin Manufacturing Quality Assurance Department)

Clause Number	Raw material	Part Marking	Hardware	Calibration Services	Special Process (Finish, Heat Treat, NDT, Paint, Plate, Welding)	Machining, Grinding, Honing
QC1	X		X		X	X
QC2	X	X	X		X	X
QC3	X	X	X		X	X
QC4	X	X	X	X	X	X
QC5	X	X	X	X	X	X
QC6					X	X
QC7					X	X
QC8		X			X	X
QC9			X			
QC10				X		
QC11	X	X	X		X	X
QC12	X	X	X		X	X
QC13	X	X	X	X	X	X
QC14	X	X	X	X	X	X
QC15	X	X	X		X	X
QC16	X	X	X		X	X
QC17	X	X	X	X	X	X
QC18	X	X	X	X	X	X
QC19		X			X	X
QC20	X	X	X	X	X	X
QC21						X
QC22					X	X
QC23	X	X	X	X	X	X
QC24	X	X			X	X

