



Terms & Conditions and Purchase Order Quality Clauses

Purpose: To establish Quality Assurance Requirements for Purchase Orders.

Table of Applicable Clauses by Purchased Product/Service

Clause Number	Hardware	Electromechanical Components	Other
01	X	X	X
02	X	X	X
03	X	X	
04	X	X	X
05	X	X	X
06	X	X	
07	X	X	
08	X	X	
09	X	X	X
10	X	X	X
11	X	X	X
12	X	X	X
13	X	X	X
14	X	X	X
15	X	X	X
16	X	X	X
17	A/R	A/R	A/R
18	X	X	A/R
19	X	X	X

A/R = As required if indicated on the PO

- 01 If required on the PO, drawing, or applicable specifications, copies of all material, processing, and test certificates must accompany each shipment of parts.
- 02 When required by the PO, all special processes are to be performed by sources approved by the prime customer and to the latest revision level of the process specification.
- 03 In a case of nonconformance to drawing requirements, all items must be tagged with the discrepancy. The packing slip shall identify the number of items discrepant.
- 04 Genelco, its customer, and regulatory authorities have the right of access to the applicable areas of the supplier's premises, at any level of the supply chain involved in the order and to all applicable records to assure and verify the performance of the order.
- 05 All parts must be protected against damage and corrosion during delivery using sound packaging practices.



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- 06 When traceability is required by the PO, the supplier is responsible to ensure that material used for an order, whether consigned by Genelco or furnished by the supplier, is to be segregated to ensure traceability and prevent being comingled with other material. Material consigned by Genelco may not be substituted by any other material to complete the order requirements.
- 07 As a minimum, the supplier shall maintain a calibration system in accordance with the latest revision level of ANSI/NCSL Z540 or an equivalent document.
- 08 Genelco Industries rates supplier performance for quality and on time delivery of products or services. Supplier quality ratings will be calculated comparing total lots received against total lots accepted. OTD is calculated as on time to the requested date. Those percentages are multiplied, weighting quality 80% and OTD 20%. When acceptable objectives are not met for 2 consecutive quarters, suppliers will be notified and Genelco will determine if the supplier will be placed on probation.
- 09 Requirements of the most current end customer quality system flowdown and its record retention apply to this purchase order. **Any applicable requirements pertaining to this order should be flowed down to your suppliers as well, including customer requirements. QRS-01 and QRS-130 apply.**
- 10 Suppliers shall retain records for LOP+10. Genelco shall be contacted for any disposal of records pertaining to their orders and will determine if those records shall be sent to Genelco.
- 11 Supplier will notify Genelco of any nonconformities discovered after delivery of product within 10 days of discovery.
- 12 Supplier is not authorized to disposition any nonconforming product as Use-As-Is or Repair if it does not meet the contract requirements of our order.
- 13 Supplier must comply with all identified end user requirements if one is referenced on our PO. If an end user is not referenced on the PO then standard T & C apply per Table of Applicable Clauses above.
- 14 Notify Genelco of changes in product and/or process definition, change of suppliers, change of manufacturing facility location, and, where required, obtain Genelco approval.
- 15 Supplier personnel should be aware of:
- their contribution to product or service conformity
 - their contribution to product safety
 - the importance of ethical behavior
- 16 Supplier shall flowdown applicable requirements as well as appropriate controls to their direct and sub-tier external providers to ensure that all Genelco, Customer, statutory and regulatory requirements are met.



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- 17 This is a rated order certified for national defense and you are required to follow all provisions of Defense Priorities & Allocations System (DPAS).
- 18 The order must comply with the requirements of QRS-01 and QRS-130.
- 19 Supplier shall maintain a process and take precautions for preventing counterfeit product from entering the supply chain.