

Valley Machine	QMSD - 1007 Supplier Terms and Conditions Rev. 1.8 Effective date: 11/02/17 Page 1 of 1
Not controlled in hard copy	Document available electronically QMSD-1007

1. Valley Machine reserves the right of final approval of product, procedures, processes, and equipment.
2. All special processes required by our purchase orders must be performed by qualified personnel.
3. Valley Machine reserves the right to review and approve the Suppliers Quality Management System. Standard QMS requirements include:
 - 3.1. Suppliers providing special processing must maintain a system for validating processes similar to that of a NADCAP program, or other system as required by this purchase order.
 - 3.2. Customer directed sources must operate in accordance with approved specifications and standards as dictated and controlled by the customer.
 - 3.3. Suppliers initially approved for use via Certification (ISO, AS9100, ISO 17025, AS9120, etc.) or Compliance (ITAR, etc.) must notify Valley Machine of any changes to that certification or registration.
4. The Supplier shall maintain the proper identification and revision status, specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
5. Valley Machine reserves the right to approve or specify any tests, inspection plans, verifications, use of statistical techniques for product acceptance, and any applicable critical items, including key characteristics.
6. Valley Machine reserves the right to designate requirements for test specimens for inspection/verification, investigation or auditing and any additional conditions to maintain approval.
7. The Supplier is required to:
 - 7.1. Notify Valley Machine of any part count difference at the time of receipt.
 - 7.2. Obtain Valley Machine's approval for nonconforming product disposition.
 - 7.3. Notify Valley Machine immediately of unexpected anomalies, nonconformance's, changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations (including counterfeit parts/processes)
 - 7.4. Flow down to the supply chain the applicable requirements including customer requirements.
 - 7.5. Respond in writing to requests for corrective action, with a plan to prevent any future specification deviations.
8. The Supplier is required to retain all records associated with the purchase order as required by contract.
9. Valley Machine reserves the right of access by our employees or representatives, our customers, and any regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.
10. All Suppliers providing calibration services must calibrate in accordance to ISO17025. All calibration certificates must identify standards used and must be traceable to NIST (National Institute of Standards Technology).
11. Suppliers must use calibrated instruments or Valley Machine directed alternatives when performing final inspection on Valley Machine product.
12. All outsourcing must be approved by Valley Machine.
13. When standards and specifications for manufacturing are stated in documentation or Valley Machine Purchase Orders use the current revision unless otherwise noted.
14. Unless a longer period is specified in our contract or by law or regulation, supplier shall retain all records related to our contract for three (3) years from the date of final payment received by supplier.
15. Valley Machine highly recommends suppliers develop policies for ethical behavior and social responsibility.
16. Technical data (information regarding the Design, Development, Manufacture, Production, Assembly, Testing, Repair Maintenance or Modification) when specified, are subject to ITAR (International Traffic in Arms Regulations) and EAR (Export Administration Regulations) requirements.