

## Standard Quality Clauses

### Policy

It is the policy of J&J Machine to purchase goods and services only from those suppliers who consistently meet J&J Machine's requirements for quality, delivery, reliability, and/or price. Failure to comply with any clause listed on the Purchase Order may be cause for rejection of the material or service provided. Failure to respond to corrective action requests for non-conforming material in a timely fashion may be grounds for removal from J&J Machine's approved supplier list.

Suppliers are evaluated annually based on timely delivery, quality, and responsiveness to corrective action requests.

### Standard Clauses applicable to all suppliers

These clauses apply to all suppliers and will be listed on all purchase orders.

**Clause A:** Supplier must comply with J&J's "Terms and Conditions" and the "Supplier Guidance Requiring Compliance" Documents.

**Clause B:** The supplier is responsible to provide packaging that will protect the part under normal transport conditions.

**Clause C:** J&J Machine reserves the right with proper notification to inspect its material on site with the vendor.

**Clause D:** J&J Machine reserves the right with proper notification to conduct an on-site audit with the supplier.

**Clause E:** The supplier must provide, in writing, a list of all sub tier suppliers that will be used on any order prior to outsourcing any jobs.

**Clause F:** The supplier shall notify J&J Machine of non-conforming material as soon as practical, and must get approval for any repair disposition.

**Clause G:** J&J Machine must be notified of any changes in processing prior to the change being incorporated.

**Clause H:** Supplier is responsible to ensure competence of personnel, including any necessary qualification they must possess, and that their personnel are aware of their contribution to product conformity, product safety, and of the importance of ethical behavior.

**Clause I:** The supplier shall retain records, as appropriate, of the traceability or work done for any product or service supplied to J&J Machine. These records shall be available to J&J Machine as necessary for a minimum of 7 years.