

Class 3 Threaded Fasteners Qualified Suppliers List for Distributors (QSLD) *Criteria and Provisions*

PREFACE

The DLA Troop Support Industrial Hardware Supply chain in Philadelphia has instituted a Qualified Suppliers List for Distributors (QSLD) Program for Class 3 Threaded Fasteners. The purpose of this QSLD program is to establish and maintain a list of pre-qualified sources for certain fully competitive products which are purchased and managed by DLA. The Criteria for qualification are tailored along the lines of best commercial business practices. This document contains the Criteria and Provisions for the Program. The technical requirements of the program are contained in Section 3.0, Criteria, and the administrative procedures are contained in Section 4.0, Provisions.

All Distributors who wish to participate in this QSLD Program must have an assigned Commercial and Government Entity (CAGE) Code and become QSLD qualified. CAGE Codes may be requested online from <http://www.sam.gov>. To become qualified, a candidate Distributor must satisfy Section 3.0, Criteria, and comply with Section 4.0, Provisions. Qualification is valid for 3 years unless terminated or revoked. There is no fee to apply or to become qualified.

Only QSL listed Distributors and Manufacturers will receive awards solicited under this program. Items purchased under the QSLD program will be identified in the Purchase Order Text (POT). Once qualified, and listed as a source on the QSLD, the Distributor will be required to adhere to contractual clauses and procurement provisions with the responsible DLA buying office.

The QSLD Program application forms, criteria and provisions are published and maintained by the Engineering Logistics Support office of the DLA Troop Support Industrial Hardware Supply chain here in Philadelphia. QSL correspondence may be sent via email to trpsptqsl@dla.mil or mail addressed to:

*DLA Troop Support, Industrial Hardware
ATTN: QSL Office (NASA)
700 Robbins Ave. Bldg 6/D-139
Philadelphia, PA 19111-5092*

1.0 INTRODUCTION

1.1 Qualification for placement on the Qualified Suppliers List for Distributors (QSLD), and the maintenance of QSLD status, requires the Distributor to demonstrate that it has in place, and in-use on a routine basis, a Quality Program that meets the criteria set forth in this document. The objective of the QSLD Program is to ensure that the Distributor routinely controls its processes to provide consistent delivery of products that conform to contract and specification requirements. Four key elements are required of Distributors who wish to be listed on the QSLD. These are:

- a. Evidence of using a documented Quality Control Program which meets the QSL criteria.
- b. Products sold to DLA on a QSL contract must have been produced by a Manufacturer who was listed on the QSL for Manufacturers (QSLM). If the products were procured from another distributor, that distributor must be listed on the QSLD. Consequently, all products pursuant to DLA's contract must be obtained from, or flow through QSLM/QSLD providers. Drop-shipping from a location other than that qualified and listed under the given CAGE code, and designated on the DLA contract, is strictly prohibited. This closed loop flow must be supported by the provider's traceability documentation. No deviations are permitted under this QSLD program.
- c. Evidence that product is not commingled; lot identity is maintained.
- d. Product is not altered by Distributors, and Distributors do not arrange for alterations. Distributors must order product in its finished state.

1.2 A supplier's adherence to the Fastener Quality Act (FQA) regulations in no way changes the supplier's responsibility to meet all of the requirements in this QSLD program. Furthermore, the supplier's adherence to this QSLD program does not provide relief from meeting the responsibilities and requirements of the FQA. Should there be a conflict between the FQA and this QSLD program, the QSLD requirements in this document take precedence provided that regulatory law is not violated.

2.0 SCOPE

The products that DLA procures which are included in this program are certain safety critical, high strength, fully competitive items which fall into the Federal Supply Classes of 5305/06/07/10 (nuts).

3.0 CRITERIA

3.1 MANAGEMENT RESPONSIBILITY

3.1.1 The Distributor shall be responsible for establishing, implementing and maintaining an organizational Quality Control (QC) Program. The Quality Control program shall be documented

by written policies, procedures, processes and instructions which meet the QSL criteria for qualification, and which are contained in a Quality Manual. Further, the Distributor's executive management shall ensure that the Quality Control program is:

a. under the control of the Distributor whose Commercial and Government Entity (CAGE) Code is identified for the location specified on the Application for Qualification. Each location from which product will be supplied must have a unique CAGE code, and must qualify under the QSLD.

b. applied consistently, on a day-to-day basis, regardless of customer. The QC program is generally required have been in-place at least eighteen (18) months prior to applying to the QSL program.

c. reviewed periodically, and that any substantive revisions in the policies, procedures, processes or instructions of the Quality Control program are implemented by formal revisions to the Quality Manual, a copy of which shall be furnished to the QSL Office.

d. implemented and applied on all levels and by all personnel throughout the Distributor's business operations.

3.1.2 Quality Control Policy Statement - The Distributor's executive management shall develop and provide, in the QC manual, a written and signed statement of policy regarding Quality Control. This QC policy statement shall establish the resolve of the organization to provide quality products and to follow quality procedures.

3.1.3 Quality Control Functions:

a. Independent Function - The Distributor's QC organization shall be established and operated independently from the functions of producing, processing or selling the product. Those personnel performing QC functions shall not be subject to the supervision or control of anyone engaged in the production, processing, or sale of the product. The QC function shall include, but not necessarily be limited to:

1. inspecting and checking.
2. auditing.
3. review of test procedures and test results.
4. collecting and recording data.
5. identifying problems and trends.
6. verifying that corrective actions have been implemented.
7. suspending shipments when non-conformance has been revealed.

b. Delegation of QC Authority - When QC is delegated to personnel who are outside the executive management of the organization, the delegation must empower those delegated the QC function to fully implement the organization's quality program. This delegation must include sufficient stature, authority, and organizational freedom to conduct the program.

c. Organizational Chart - The Distributor's QSLD Application must include an organizational chart which clearly sets out the organizational structure, functional responsibilities, and lines of communication within the organization. The chart shall include the names of key personnel at every level. A copy of the chart shall be resubmitted to the QSL Office whenever it is revised.

3.1.4 Whether you, as a QSLD, procure product from a QSLM manufacturer or another QSLD distributor, you are obligated to fulfill all of the requirements of this QSLD program. Procurement of product from another QSLD does not provide you relief of QSLD responsibility.

3.2 DOCUMENT CONTROL

3.2.1 The Distributor shall establish and maintain a document control system which ensures that:

a. appropriate documents are available at the location where the particular function of the business operation is performed.

b. only current or applicable drawings, electronic data, specifications, standards and work instructions are found in operating areas.

c. review, modification, approval, revision, issuance and recall of documents occur in a practical and timely fashion.

3.3 PURCHASING

3.3.1 During the ordinary course of business, QSLD program participants are expected to meet the requirements of supply to DLA contracts through the use of their in-house owned inventory assets. QSL Distributors are expected to maintain whatever level of "owned" inventory that is necessary such that orders for most common QSL items shall be filled routinely from off-the-shelf stock.

3.3.2 The Distributor shall have written procedures in-place and in-use, which will ensure that purchased materials conform to customer's documented procurement requirements. To this end, the written procedures shall provide, among other things:

a. that QC personnel review all purchase orders prior to issuance.

b. requirements that the Distributor must assure continuous regular monitoring of the QSL qualification status for sources of the products they supply to DLA. QSLD award recipients are ultimately responsible for providing a QSLM product from a valid source. See Section 4.10.

c. requirements that purchase documents flowing from Distributor to its source for materials or products shall include express requirements for mill test report certifications.

d. requirements that the Distributor must meet all contract requirements, including supplemental requirements such as 100% NDT testing. Moreover, such supplemental requirements must be evident in traceability record documentation.

3.3.3 A documented vendor selection system shall be in place which ensures that only approved vendors, including packaging subcontractors, are solicited.

3.4 PRODUCT TRACEABILITY

3.4.1 Manufacturer Traceability - The Distributor may only supply to DLA those products that are identified with a manufacturer's identification symbol or logo as required by DLA contract requirement or specification. Product supplied under the QSL must be traceable to a Qualified source. Sources are qualified, under the QSL program, on the basis of verification of adequate process controls. Sources may be qualified by the QSL Office through site visitations or by virtue of recent verifiable OEM surveys/audits. Specifically, product from sources qualified as a result of QSL Office personnel site visits are acceptable upon notification of qualification. Whereas, product from sources qualified on the basis of OEM surveys/audits are acceptable after the date of the OEM approval.

3.4.2 Material and End Product Traceability

a. The Distributor must maintain a system of in-house traceability records which reflects an unbroken chain of documentation from the mill that produced the raw material to the Distributor's customer, regardless of the number of entities through which the materials or end product have passed. As a minimum, the documentation trail should include Distributor's Purchase Order (PO) to its immediate vendor pursuant to DLA's contract or order with distributor, in addition to each and every PO from Distributor's immediate vendor through the actual Manufacturer or mill source, for the material or end product.

b. The *Distributor* shall obtain from its source and retain on record a true copy of the original unaltered mill certification for the original materials and/or end product at time of, or prior to, material receipt. Certified test reports must be provided to the customer. Accordingly, these reports must be record-controlled by the Distributor in accordance with the following rationale. If product was produced by a Manufacturer who:

1. bought raw material directly from a mill, you must obtain and retain the mill test certification report as described in 3.4.2b. The mill, here, is the entity that produces the raw materials, and processes them into ingots or billets.

2. bought raw material directly from a raw material supplier (either primary or secondary processor), and the manufacturer could not obtain the mill test certification report, you may accept the raw material supplier/processor's material test certification report provided that this report unequivocally identifies the producing mill and the heat number of the pre-processed material. Moreover, this raw material supplier/processor material test report must be similar to, and emulate that described in 3.4.2b.
3. was not able to provide certifications as described in 3.4.2b(1) or 3.4.2b(2) above, or the manufacturer supplied a product which was produced from material that was the result of a previous revision to a material specification, you may accept the "Accredited Laboratory Test Report" that the manufacturer used to satisfy this product traceability requirement. You may use this report only if this laboratory was approved by a nationally recognized accreditation institution; and this report must be on the accredited laboratory's company letterhead stationery and the report is the identical one on record with the manufacturer. Again, this accredited laboratory test report must be similar to, and emulate that described in 3.4.2b.

c. As a distributor who buys product from a manufacturer on the QSLM, or from another distributor on the QSLD, you must fulfill the "Material and End Product Traceability" requirements of section 3.4.2 as well as meeting all criteria elements. Procurement of products from another QSL source, distributor or manufacturer, does not provide you relief from fulfilling the responsibilities of the QSLD criteria and provision requirements.

3.4.3 Unacceptable Traceability Methods - The following items are unsatisfactory and unacceptable traceability methods:

- a. Handwritten - Mill Certification Reports, Material Test Certification Reports, or Accredited Laboratory Test Reports.
- b. Modified or revised material certifications, unless those certifications were modified, revised and recorded by the organization which provided the original certification.
- c. Verbal purchase orders and/or reports.

3.4.4 Product traceability attributes which may be used as a means to establish traceability include, but are not limited to the following:

- a. Purchase order numbers and end product description.
 - b. Chemical content, where applicable.
 - c. Physical, dimensional, quantity, grade, and type information.
 - d. Where applicable, stamps, tags, labels, paint, routing cards, or other means.
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3.5 LOT CONTROL AND MARKING

3.5.1 Lot identification and segregation shall be maintained and no commingling of products shall be permitted, or occur. A Distributor shall have in-place and in-use a system to assure homogeneous grouping of items; this system must confirm that the homogenous group (lot) is traceable to the raw material. The Distributor shall document and implement a system:

- a. that marks and identifies all products by lot.
- b. that handles, stores and issues products to ensure lot segregation. Where lots have been subdivided, evidence shall exist to assure traceability. The system shall account for products with respect to type, quantity, location, and lot number. Stored inventory must agree with recorded data of the same inventory. Data required to isolate material to the specific lot must be record-controlled.
- c. that controls product turnover. This system shall manage product segregation within the inventory, when technical requirements change while the product is in storage.
- d. which provides to DLA and/or DLA's customer, the QSLM Manufacturer's certificate of conformance, test reports, and material certifications for each lot of product, at the time of product delivery.
- e. that labels each packaging unit to identify the contents; and the labels shall be in compliance with applicable specification and federal regulation.

3.6 PROCESS CONTROL

3.6.1 The distributor may not alter any fastener product sold to DLA under the QSL program. Only manufacturers may produce and/or alter these products sold to DLA. Distributors may not make arrangements for alterations; product shall be ordered and purchased in its final finished state.

3.7 INSPECTION OF MATERIAL

3.7.1 The Distributor shall have in-place and in-use, written inspection/conformance verification procedures for all original materials or products from receipt of the goods through delivery of the product.

3.7.2 Distributor's written inspection system shall include procedures that will ensure that incoming products are inspected upon receipt, and that conformance to contract and

specification requirements will be verified. Inspection results shall be formally recorded and dated including authorizing initials or stamps. This inspection record shall be traceable to the material inspected and the individual who performed the inspection.

a. Without exception, material certifications shall be checked 100% against customer purchase order (contract) requirements.

b. Material certification reports shall be validated against specification requirements prior to further processing or use.

c. Periodic random sample testing of material or product samples shall be performed, with the results recorded and maintained.

d. During inspection all incoming materials or products shall be physically marked or tagged to ensure that non-conforming materials or products are not placed into the Distributor's system for processing or distribution.

e. Receiving inspection, at a minimum, shall include and verify product conformance to requirements through visual examination of quantity, type, size, finish, part or specification number, logo, and general workmanship.

3.7.3 Distributor shall have in-place and in-use, a system of internal controls which regulates or maintains the security of inspection stamps, inspection tags, routing cards and other devices essential to the carrying out of quality control procedures.

3.7.4 Inventory obtained from buyout of a QSL company must undergo re-inspection prior to sale.

3.8 TEST CONTROL

3.8.1 Distributor shall have in-place and in-use, written instructions and procedures related to any testing required by contract or relevant specifications, when applicable.

a. Tests shall be performed by qualified/certified QC personnel, who shall use relevant specifications or other appropriate test methods and instrumentation under prescribed or otherwise appropriate environmental conditions.

b. Test results shall be evaluated, clearly documented, and traceable to the material and product lot tested.

c. Tests performed outside of the Distributor's facility shall be performed by qualified test laboratories with the above criteria being applicable. Test laboratories shall be selected, approved, and monitored in accordance with paragraph 3.3.3 relating to the vendor selection system.

3.9 TEST & MEASUREMENT EQUIPMENT

3.9.1 Distributor shall have in-place and in-use, a system for the control, maintenance and calibration of its inspection equipment, test equipment, gages, and other measuring devices, including personal equipment.

3.9.2 Inspection and test equipment shall be calibrated on a routine basis in accordance with standards traceable to the National Institute of Standards and Technology (NIST).

a. Calibration records shall be maintained for all inspection and test equipment. All measuring, inspection, and test equipment shall be uniquely identified and labeled/tagged. Identification and labeling shall indicate the date of last calibration and the date for the next scheduled calibration.

b. Written procedures and controls shall be formulated to ensure that inspection and test equipment which is overdue for calibration is not used. Such equipment should be withdrawn from use until calibration has taken place.

3.10 NON-CONFORMING MATERIAL & CORRECTIVE ACTION

3.10.1 Non-Conforming Material

a. The Distributor shall establish and maintain documented procedures to ensure that non-conforming product or material is prevented from entering or continuing in the distribution or production process. Accordingly, the Distributor shall:

(1) identify, document and segregate non-conforming material.

(2) provide a readily identifiable and adequate holding area for the segregation of non-conforming material. Non-conforming material must not be intermingled with conforming material.

(3) provide and apply effective controls to ensure that corrective action(s) are taken to preclude the recurrence of the circumstance which caused the non-conformance.

3.10.2 Corrective Action

a. The Distributor shall describe, document and implement a corrective action system.

b. Processes or procedures resulting in non-conformance shall be documented, recorded, reported to management and promptly corrected.

c. The Distributor shall have a system in place to notify all customers of any defective products. Provisions shall be in-place for a total product recall, if necessary.

d. There shall be a system procedure which specifically delineates responsibilities such as discrepancy reports, tracking logs, investigation results, follow-up actions and resolutions.

3.11 STORAGE, PACKAGING & SHIPPING

3.11.1 Storage - The Distributor's system shall provide for control of the storage environment. A system shall be in place, and used to preclude deterioration of material or finished product.

3.11.2 Packaging - Distributor's system shall provide for the control of the packaging process to ensure compliance with specified requirements. In-place process controls must extend to any subcontracted and/or off-site packaging services while remaining under the authority, responsibility and quality control of the Distributor. Process controls must provide for continuing preservation of product, and must ensure the maintenance of product identity at all times. Only vendors approved and audited under Criteria paragraphs 3.3.3 and 3.13.3 may be used.

3.11.3 Shipping - The Distributor's system must provide for shipment of the finished product from the Distributor's QSLD facility to the packager or the consignee. In exceptional circumstances, and upon written request, the DLA Contracting Officer may grant a waiver of this requirement provided that the Distributor continues to meet all of the criteria requirements of this QSLD program. Moreover, the Distributor must have written authorization from the DLA Contracting Officer for each such waiver.

a. Distributor shall select carriers for transportation of products in accordance with the criteria pertaining to its approved vendor selection system.

3.12 RECORDS CONTROL

3.12.1 Distributor shall have in-place and in-use, a system by which pertinent records are established, identified, maintained, controlled and secured to ensure their integrity. All such records shall be legible, identifiable, and readily available at the Distributor's facility or site that is QSLD qualified under these Criteria and Provisions. If such records are maintained in electronic or computer media, they shall be retrievable and capable of being reduced to printed form at the Distributor's facility or site that is QSLD qualified. All records shall be made available to DLA-authorized Government representatives for verification purposes consistent with the Criteria and Provisions of this document.

3.12.2 The Distributor shall maintain, for at least 10 years, the following categories of records as part of his quality records system. The items below marked with "(***)" are required to be retained for only 4 years.

- a. Producing mill Test reports.
- b. Raw Material Certified Test reports.
- c. Accredited Lab Test reports.
- d. Inspection results and/or reports.
- e. Certificates of conformance.
- f. Customer orders, contracts, delivery orders, purchase orders.
- g. Invoicing and receiving documents.
- h. Non-conforming material and corrective actions, including recall actions and customer notifications and responses.
- i. Calibration documents. (***)
- j. Internal Audit documentation. (***)
- k. Personnel qualification records. (***)

3.12.3 The Distributor's records system shall include provisions and controls to ensure that the integrity of paper and electronic records is not compromised. Security measures are required to protect authenticity of material certifications and test reports, and to prevent the loss, deterioration, and unauthorized use, alteration, copying, counterfeiting and distribution of such documents.

3.13 AUDITS

3.13.1 The Distributor shall have in-place and in-use, a documented system for planned, periodic self-audits. This system shall be designed and executed to ensure and verify that the quality control program is adequate and effective to meet the criteria of this QSLD program. Audits shall be conducted as often as appropriate based on the nature of Distributor's products. It is recommended that such internal audits be conducted at least annually.

3.13.2 Internal

- a. Internal audits shall be performed by qualified personnel whose job responsibilities are independent from those personnel having direct responsibility for the process being audited.
 - b. Audit results shall be recorded and shall be reviewed by management. The audit records shall indicate the date and scope of the audit, together with findings and corrective action taken.
 - c. Corrective action pursuant to audit reports shall be fully documented.
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3.14 PERSONNEL TRAINING

3.14.1 Management shall establish and maintain documented procedures for identifying training needs and provide for the training of all personnel. Personnel performing specific

assigned tasks shall be qualified on the basis of relevant education, training and/or experience, as required. Appropriate records of training shall be maintained.

3.15 PRODUCTS

3.15.1 Altered - The distributor may not alter any products sold to DLA under the QSL program. Only manufacturers may produce and/or alter products sold to DLA under this QSLD program.

3.15.2 Purchased

a. From the manufacturer of the product, through any and all distributors and/or suppliers, those products sold to DLA under this QSLD program must flow through valid qualified QSLM/QSLD organizations. This product flow extends from the organization selling the product to DLA through each and every previous organization which had ownership of the product back to the original manufacturer. No exceptions are permitted under this QSL program. Refer to Distributor Obligations, paragraph 4.3.2e.

b. Should these requirements be waived by the DLA contracting officer, then the product granted the waiver is considered a non-QSLD procured product and must undergo traditional quality control procedures, for example, source inspection.

3.15.3 Delivered - The Distributor shall verify that products, prior to delivery, meet all contractual and specification requirements ordered by the customer.

4.0 PROVISIONS

4.1 QUALIFICATION

4.1.1 Program Objective - The objective of the QSLD Program is to establish and maintain a list of pre-qualified Distributors whose regular use of in-place process controls is designed to ensure delivery of quality products which meet specified requirements. The ultimate goals are to improve quality control by rigid process controls and reduced product delivery lead times. Under this Program, source inspection of individual contracts is replaced by accepted commercial business practices including post award surveillance for QSLD listed concerns.

4.1.2 To obtain and maintain QSLD status, the Distributor must comply with both the Criteria of Section 3.0 and the Provisions of Section 4.0 of this document.

4.1.3 Being listed as a QSLD Distributor does not guarantee award of contracts to anyone. Contract award is by open competition among qualified distributors and manufacturers.

4.2 GENERAL PROVISIONS

4.2.1 The Distributor must:

- a. have in-place, maintain and use a Quality Program which satisfies all of the Criteria set forth in this document. A copy of Distributor's current Quality Program manual, reflecting its compliance with the Criteria and Provisions for QSLD qualification, must be provided to the QSL Office with the completed Application for Qualification. Manual revisions must be furnished to the QSL Office within 15 days of the date of the revision.
 - b. maintain a single Quality Control Program; and use a single Quality Control Manual for both its Government business and commercial business.
 - c. possess a Commercial and Government Entity (CAGE) code.
 - d. submit its Application for QSLD Requalification to the QSL Office at least 120 days prior to expiration of its current qualification. Qualification terms shall be three years.
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4.3 OBLIGATIONS

4.3.1 Government – The QSL Office will serve as the single Department of Defense (DOD) focal point to consolidate findings and recommend corrective actions for QSLD problems. The QSL Office will:

- a. process applications.
- b. qualify and requalify Manufacturers and Distributors.
- c. maintain the Qualified Suppliers List for Distributors.
- d. conduct or coordinate site-surveys and audits.
- e. remove Manufacturers and Distributors for non-conformance.
- f. disseminate information to users about non-conforming products.
- g. make awards only to QSLM/QSLD listed providers.
- h. provide QSLD's with access to a listing of approved manufacturers.
- i. reserve the right to revert to the basic requirements contained in the original solicitation if the Distributor should be disqualified or removed from the QSLD.

4.3.2 Distributor - The Distributor shall assume responsibility to:

- a. meet all contractual specifications and requirements. There are no exceptions or waivers unless provided in writing by the contracting officer.
 - b. report any product discrepancies discovered, and corrective actions taken.
 - c. maintain records as indicated in the QSLD Criteria section 3.12, and make them available for examination by DLA or DLA's agent upon survey or audit.
 - d. permit DLA, or DLA's agent, to conduct site surveys and audits as discussed in QSLD Provisions 4.5 and 4.7, Surveys and Audits.
 - e. coordinate open contract actions with the appropriate DLA Contracting Officer (C.O.), should you become disqualified from the QSLD prior to delivery. Moreover, you must also coordinate open contract actions with the appropriate DLA C.O., if you are about to supply to DLA or DLA's customer, product that was supplied to you from a Distributor or Manufacturer who was removed from the QSLM/QSLD subsequent to your entering into your contract agreement with DLA. Product owned by any manufacturer or distributor while disqualified (or un-qualified) from the QSLM/QSLD, or prior to approval to the QSLM/QSLD is not acceptable for delivery under this program. See also paragraph 3.15.2.
 - f. provide other participating distributors only with material which meets QSLD requirements when notified by the QSLD participant that the material being purchased is destined to fill a QSLD contract.
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4.4 APPLICATION FOR QUALIFICATION

4.4.1 Application Request - Applications for qualification can be obtained by writing or calling the QSL Office (see Preface). Application packages sent to interested Distributors will include the basic application form and a copy of this document. In order to participate in the QSLD Program, a Distributor must have a CAGE code designation (see *Preface* for assistance).

4.4.2 Application Processing - The candidate shall submit the completed application to the QSL Office along with a copy of his Quality Manual. The Quality Manual will be evaluated by the QSL Office for compliance with the QSLD Criteria. The applicant is encouraged to include references to recent industry surveys or audits of his facility where requested in the application. These references will be evaluated by the QSL Office and may obviate the need for a separate site-survey.

4.4.3 Application Revision - QSLD companies are responsible for notifying the QSL Office when their product lines or facility locations have changed. Companies shall request and submit a revised signed application once changes have occurred.

4.5 SITE-SURVEY

4.5.1 When a Distributor applies to be qualified under the QSLD Program, the QSL Office will customarily require a site-survey of the facility. Site-surveys by DLA QSL personnel or DLA's agent, will be based on the Criteria in section 3.0. Surveys will include a review of the Distributor's Quality Control Program and all of the systems and processes which the Distributor is required to have in-place and in-use, under the Criteria of this document.

4.5.2 Industry surveys or audits may be considered by the QSL Office in the review of the Distributor's Application for Qualification. Such surveys or audits may be used by the QSL Office in lieu of, or in addition to, QSLD site-survey requirements.

4.6 QUALIFICATION RESULTS

4.6.1 Upon completion of the evaluation process, the QSL Office shall notify the Distributor as to whether QSLD status has been attained or has been denied.

4.6.2 If qualification status has been attained, a Letter-Notice of Qualification shall be issued to the Distributor along with a copy to DLA's buying office for class 3 threaded fasteners. Unless QSLD status is terminated, or the Distributor is otherwise disqualified, the term of qualification shall be three years from the date of the Letter-Notice of Qualification. The letter notice typically will include the following:

- a. Designation of the QSLD Program under which Distributor has been qualified.
- b. The CAGE code and address of the Distributor's facility which has been qualified.
- c. The address for receipt by the Distributor of correspondence if different from that in "c" above.

4.6.3 When a Distributor's Application for Qualification is denied, the QSL Office will issue a Letter-Notice of Denial of Qualification to the Distributor along with a copy to the DLA buying office. Distributor may not reapply for qualification until a minimum of ninety days has elapsed from the date of the Letter-Notice. The Notice shall cite the specific reasons for such denial. Examples of reasons for denial of qualification include, but are not limited to the following:

- a. Deficiencies in the Applicant's Quality Program Manual which are numerous or which indicate that action to correct those deficiencies will require an extended period of time.

b. Site-survey has shown that implementation of processes and procedures contained in Distributor's Quality Control Program Manual, and required by the Criteria and Provisions of this document, has not been accomplished.

c. When the QSL Office has provided the Applicant with specific corrective action to be taken for qualification approval, and Applicant has not responded within the time specified in the Letter-Notice or after 90 days, the Application for Qualification will be considered withdrawn.

d. Distributor is debarred, otherwise determined to be ineligible for awards of Government contracts, or has been found to have engaged in practices which indicate less than acceptable integrity or business ethics.

4.7 AUDITS

4.7.1 The QSL Office or its agent, will conduct random announced or unannounced post-award audits of a Distributor's facility to confirm adherence to QSLD Criteria. Audits will be an on-going policy during the life of the QSLD Program. All audits are performed at no charge to the manufacturer. During audits, random sample collection of the Distributor's product shall be allowed for the purpose of independent laboratory testing. Thus, QSL audit personnel may pull samples for later testing against specification or contract requirement. The Government will pay for the cost of such tests and the Distributor's expense is limited only to the cost of a small quantity of samples selected. The Distributor shall be provided with a copy of the test results when non-conformance has been found.

4.7.2 The purpose of a facility audit is to ensure that the Distributor has in-place and in daily use, a Quality Program which conforms to the requirements of the Criteria and Provisions of the QSLD Program, as reflected in this document. An audit will involve the examination of applicable documents, processes and procedures, as well as the various systems required for attainment of qualification.

4.8 QSLD REMOVAL / DISAPPROVAL

4.8.1 Reasons for Removal - The success of the QSLD Program is dependent upon the integrity of those Distributors who participate in it. Continued participation in the program is, therefore, contingent upon the Distributor's continuing compliance with the Criteria and Provisions upon which qualification was established. The Distributor's failure to comply may be cause for initiation of removal. The following are some examples of reasons for removal from the QSLD:

a. The product(s) furnished by the Distributor under its contract(s) does not meet contract or specification requirements.

- b. Distributor no longer produces or supplies the products of the Federal Stock Class included in the QSLD Program.
- c. Distributor changes its Quality Program or its facility location without prior notification to the QSL Office.
- d. Distributor does not file a renewal application at the end of its 3-year approval term, or fails to requalify at that time.
- e. Distributor fails an audit.
- f. Distributor denies access to QSL audit or survey personnel, or to other personnel authorized by the QSL Office to conduct such audits or surveys.
- g. Distributor ships products from a location other than that for which it has been qualified or authorized.
- h. Qualification Criteria and/or Provisions are revised, and Distributor fails or refuses to comply with revised Criteria and/or Provisions following opportunity to do so.
- i. Distributor misrepresents its quality control process(es) or manual regarding compliance with QSLD.
- j. Distributor is debarred, otherwise determined to be ineligible for awards of Government contracts, or has been found to have engaged in practices which indicate less than acceptable integrity or business ethics.
- k. Distributor requests that it be removed from the QSLD.
- l. Distributor alters or modifies product furnished under a QSLD contract.
- m. Distributor provides, to DLA or its customers, product which flowed through a non-QSL provider. Any and all product sold to DLA or its customers must flow through QSL providers during the entire production/supply path of the product. No deviations are permitted under this QSL program.
- n. Distributor receives Corrective Action Request from Defense Contract Management Agency or other quality oversight department of the federal government.

4.8.2 Procedures for Removal - The following provisions apply to removal of a Distributor from the QSLD:

- a. When removal of a Distributor from the QSLD is proposed, and after DLA buying office notification, the QSL Office will notify the Distributor by Certified Mail, Return Receipt Requested, and/or FAX, citing specific reasons for the proposed removal. Distributor shall have 15 days to respond to the notification.

b. Failure by Distributor to respond to the Notice of Contemplated Removal within the 15 day period will result in immediate removal of Distributor from the QSLD.

c. If Distributor responds to the Notice of Contemplated Removal within the 15 day period, the QSL Office will evaluate the response, including Distributor's proposed corrective action, if any, and will determine which of the following shall apply:

- (1) removal from QSLD
- (2) retention on QSLD
- (3) further action, as appropriate

d. Removal Period. Typically, there is not a specific time duration for removal from the QSLD. The removal period will be based on the time necessary to document process control changes and to implement and test corrective actions associated with the disqualification. When the corrective action involves more than one deficiency, removal periods in excess of 90 days may be applied at the discretion of the QSL Office.

e. When the QSL Office has removed a Distributor from its QSLD, notice of such removal, and the reasons for the removal, may be given to other interested Government Activities. Also, if a Distributor is removed from one QSL program, that Distributor may be removed from all QSL programs. The QSL Removals internet Page will also reflect such removals to preclude participants from buying from an unauthorized source.

4.9 REQUALIFICATION

4.9.1 Requalification by Renewal - Requalification is required upon the lapse of three years from the date of last qualification. To ensure that no gap in qualification status occurs, Distributor should request a qualification package from the QSL Office at least 120 days prior to expiration of its current 3-year qualification period. Requirements for requalification shall be those QSLD Criteria and Provisions in effect at the time of Application for Requalification. Note: Failure to Re-qualify May Result in Removal of a Distributor from the QSLD.

4.9.2 Requalification subsequent to Removal or Qualification after Disapproval - In the event that Distributor's Application for Qualification is not approved, or if Distributor's status as a QSLD concern is discontinued, qualification will not occur until the QSL Office has determined that satisfactory evidence has been submitted which establishes that all deficiencies have been adequately corrected.

4.9.3 Reapplication subsequent to Removal

a. If removal was for 100 days or more, both a new application and QC manual are required for requalification.

b. If removal was for less than 100 days, then a letter on company letterhead requesting reinstatement is required. If process controls or the QC manual have changed, then a copy of the new QC manual reflecting those changes is required to be sent to the QSL Office along with the letter requesting reinstatement. Accordingly, if any application information has substantially been changed from the latest one on record, then a new application also must accompany the letter.

c. The letter should be sent to the address listed in the Preface.

4.10 SOLICITATION/AWARD

4.10.1 To be eligible for award under this program, an offeror must be listed on the QSLM/QSLD at the time of award.

4.10.2 QSL contract recipients must verify qualification status of their material sources at the time of award. The primary source for this verification is the QSL Home page, currently from www.troopsupport.dla.mil, then click "Supply Chains", then "Industrial Hardware", then "Engineering and Technical Support", then "QSLM/QSLD", then select the "Class 3 Threaded Fasteners" spreadsheet.

5.0 DEFINITIONS

CAGE Commercial and Government Entity. This designation is a unique five digit alphanumeric sequence of characters; it is issued for a specific location.

DISTRIBUTOR An organization which owns, operates, or maintains a store, warehouse, or other establishment in which finished Class 3 Threaded Fastener products are bought, kept in stock, and sold to the public in the usual course of business. The Distributor basically stocks and resells only the completed product and may NOT alter, modify or produce that product.

DOCUMENTS Printed or written information, or electronically stored information which is retrievable and subject to being reduced to a printed form. These include, but are not limited to bills of material, calibration records, certifications, contracts, drawings, instructions, manuals, packing slips, procedures, purchase orders, standards, specifications, test plans and test reports, and records of all kinds. Modifications or revisions to any of the foregoing constitute documents.

MANUFACTURER An organization which owns, operates or maintains a factory or establishment and, in the ordinary course of its business, substantially produces or

fabricates Class 3 fasteners on the premises from raw materials and then processes the fasteners to have certain mechanical properties.

MATERIAL CERTIFICATION REPORT A document generated by a material manufacturer or producer which demonstrates, for original/raw materials, conformance to contract or specification requirements. Also called mill certification report.

QUALIFIED SUPPLIERS LIST for DISTRIBUTORS (QSLD) The list of distributors who have met the Qualified Suppliers List for Distributors Criteria, and have agreed to the Provisions therein.

QUALIFIED SUPPLIERS LIST for MANUFACTURERS (QSLM) The list of manufacturers who have met the Qualified Suppliers List for Manufacturers Criteria and have agreed to the Provisions therein.

QUALITY CONTROL PROGRAM The Distributor's entire program of procedures, process controls, inspections, audits and systems which ensures that the Distributor's products conform to specified requirements.

TRACEABILITY The documented trail of the product covered by the DLA contract or order through all Distributors and/or intermediate processors to the Manufacturer or producer of the product or material.

VENDOR As used in this document, a person, organization, or entity from or through whom any product, service, or portion thereof, covered by the DLA contract or order was purchased by the DLA prime contractor.

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