



Supplier Requirements

PURPOSE

To define supplier requirements and communicate to Advance Turning & Manufacturing Inc.'s (ATM) supplier base. It is understood that the following requirements must be upheld to be added to or remain on ATM's Approved Supplier List (ASL). These requirements include but not limited to ISO9001, AS9100, ISO13485, Nadcap, ITAR and may not require the supplier to have said certification unless applicable.

ACKNOWLEDGEMENTS

All purchase orders must be acknowledged to ATM at outsource@advanceturning.com with the email subject line as the purchase order number **before** starting to process order.

RIGHT OF ACCESS

Right of access must be allowed to ATM, our customer, and 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 to include verification and validation on site.

QUALITY MANAGEMENT SYSTEM

Supplier of production services and/or calibration services, including their sub-tier providers, must have implemented a Quality Management System (QMS). ATM reserves the right to review and approve the QMS. Standard QMS requirements include but not limited to:

- Supplier providing calibration services must provide evidence of calibration traceable to NIST. Certificates must also identify AS RECEIVED and AS LEFT conditions in whatever terminology deemed appropriate. Notification must be made if items are determined damaged or unable to calibrate as soon as possible for potential impact review.
- Supplier shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and all other relevant technical data.

MANDATED SUPPLIER

Customer mandated supplier must operate in accordance with approved specifications and standards, as dictated and controlled by the customer in question. All documents, including prints, must remain confidential.

NON-CONFORMING PRODUCT (OUTPUTS)

Supplier shall notify ATM of non-conforming product within 24 hours of discovery of such non-conformity, regardless of whether it be prior, during, or after receipt of the product. No known non-conforming product shall be shipped to ATM without written authorization. ATM does not grant disposition authority for non-conforming products.

SERIOUS FAILURES, MALFUNCTIONS OR DEFECTS

Supplier shall notify ATM of any serious failures, malfunctions or defects found in the product within 24 hours of discovery via written communication.



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CHANGES

Supplier shall notify ATM of changes in product and/or process, changes of suppliers, ownership changes and changes of manufacturing facility locations within 24 hours of discovery. Loss of primary certification such as but not limited to ISO9001, AS9100, ISO13485, Nadcap, ITAR, etc. require ATM to be notified immediately.

FLOW DOWN

Supplier to flow down applicable DoD requirements like ITAR, DFAR, DPAS, NIST 800-171, and ASQR-010 and any other unnamed government requirements.

SUPPLIER PERFORMANCE MONITORING

Performance of suppliers will be monitored using specific metrics data that includes but not limited to:

- Quality performance of parts and services and on-time delivery performance.
 - If ATM's quarterly supplier evaluation identifies a supplier with an on-time delivery rate of less than 98%, a corrective action request could be issued for supplier response and/or supplier may be subject to removal from ATM's ASL.
 - If ATM's quarterly supplier evaluation identifies a supplier with quality rejections exceeding 2000 PPM per quarter, a corrective action request could be issued for supplier response and/or supplier may be subject to removal from ATM's ASL.
- If the delivery date on supplier's acknowledgement and/or ATM's purchase order cannot be met, the appropriate ATM Buyer of Record must be notified in advance of said date.

CORRECTIVE ACTIONS

Corrective Actions flowed to the supplier shall be completed and returned in a timely manner, generally within 30 days. Supplier is required to flow down corrective action requirements to sub-tier providers when it is determined the sub-tier provider is responsible for the non-conformity. ATM may require special actions where time and/or effective corrective actions to a supplier issue are not achieved. These actions may include, but not limited to, withholding payment until the issue is resolved, removal of supplier from ATM's ASL and any appropriate legal action.

INCOMING INSPECTION

ATM performs an incoming inspection to ensure the purchased product or service meets purchasing requirements. These requirements may include:

- Verification of the Certificate of Conformity, or other certifications.
- All special processes (plating, heat treatment etc.) where the compliance cannot be verified by ATM, inspection will require Certificate of Conformity or applicable certification documents.
- When appropriate, ATM may delegate the inspection authority to one of its approved suppliers.

RECORD RETENTION

Supplier shall retain all records including disposition requirements associated with a purchase order. Supplier record retention is for a minimum period of 10 years, or the length of record retention required by customer flow down. These records are to be deliverable to the ATM's Buyer of Record within 48 hours after request.

FOREIGN OBJECT DEBRIS/DAMAGE (FOD) PREVENTION

Supplier shall maintain a FOD prevention program where required. FOD program shall include the review of manufacturing process to identify and eliminate FOD entrapment areas through which foreign objects can migrate. The supplier shall ensure work is accomplished in a manner to prevent FOD in deliverable items. Supplier shall maintain work areas in a manner to preclude the risk of FOD incidents. The supplier shall investigate each FOD incident and ensure elimination of its root cause.



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PREVENTION OF COUNTERFEIT PARTS

Supplier shall plan, implement, and control their process for the prevention of counterfeit or suspect counterfeit parts from use or inclusion into the product in accordance with AS9100 clause 8.1.4 (Prevention of Counterfeit Parts).

PREVENTION OF SUSPECTED UNAPPROVED PARTS

Supplier shall plan, implement, and control a process that identifies and prevents the release of unapproved and suspected unapproved parts or inclusion into the product in accordance with AS9100 clause 8.1.5 (Prevention of Suspected Unapproved Parts).

IMPACT

Supplier is aware of their contribution to product and/or service conformity including their contribution to product safety and the importance of ethical behavior, climate change and human factors.

Supplier has read, understands, and agrees to abide by supplier requirements to be added to or remain on Advance Turning and Manufacturing Inc's Approved Supplier List.

ACCEPTANCE:

Supplier: _____

Address: _____

BY:

Signature: _____

Printed Name: _____

Title: _____

Date: _____