AllTech Precision Manufacturing & EDM

Quality Procedure QP-843 Information for External Providers

QP-843 Approval

On File

Leon Ruther
President

Table of Contents

INFORMATION FOR EXTERNAL PROVIDERS – REQUIREMENTS

1. PURPOSE

1.1 General

AllTech Precision Manufacturing & EDM (ATP) established this Quality Procedure (QP) in order to document the flow down of additional requirements listed in the purchase order to external providers for products and/or services to be procured.

1.2 Application

This QP applies to all ATP's procurement documents issued to external providers that provide products and/or services that are either modified to achieve compliance to, or manufactured in accordance with drawings and specifications to be used in, or for the processing of products eventually sold by ATP.

1.3 Responsibility for Implementation

a) ATP Management Team

b) Purchasing Process

c) Production & Inspection Process

d) Applicable External Providers

1.4 Definitions

External Provider: Provider that is not part of the organization and provides a product and/or service to ATP. External providers were previously referred to as suppliers.

2. PROVISIONS

2.1 General

As applicable, the following numbered purchase order provisions (letter 'P' plus 'number) are a requirement of the procurement document.

In the event that a provision cannot be met, ATP shall be notified immediately prior to processing of the purchase order.

P1 Flow Down of Requirements

External provider shall flow down all applicable purchase order provisions to the supply chain, including its direct and sub-tier external providers, to ensure requirements are met.

P2 Quality Managements Systems (QMS)

External provider shall maintain a QMS in compliance with an International Organization for Standardization (ISO), Aerospace Standard (AS) or Military Standard-equivalent QMS acceptable to ATP for the items covered herein. Widely recognized government or industry quality management system standards should be used as guidelines.

P3 Changes Notification

External provider shall notify ATP of changes to processes, products, or services, including changes of their external providers or location of manufacture, and where required, obtain ATP approval.

P4 Quality Planning

External provider shall plan and develop the processes needed for product realization. As appropriate, the external provider shall determine, at a minimum, the requirements for approval of product, procedures and equipment.

P5 Qualification of Personnel

Personnel performing work affecting conformity to product requirements shall be competent on the basis of appropriate education, training, skills and experience, including awareness of the following:

- Their contribution to product or service conformity
- Their contribution to product safety
- The importance of ethical behavior

When applicable, external provider shall only use certified personnel. External provider shall maintain the expected level of competence, training and awareness for all work performed for ATP.

P6 Sampling Plans

When utilizing sampling inspection as a means of product acceptance, the sampling plan shall be justified on the basis of recognized statistical principles and appropriate for use (e.g.: matching the sampling plan to the criticality of the product and to the process capability). Acceptable Quality Levels (AQL) shall be Ac = 0; Re = 1

P7 Identification and Traceability

Where traceability is a requirement, the external provider shall control the unique identification of the product. Where appropriate, the external provider shall identify the product by suitable means throughout product realization maintain the identification of the configuration in order to identify any differences between the actual configuration and the procured configuration.

All items manufactured under the applicable purchase order shall be traceable to raw materials used. Traceability and inspection records shall be available upon request. Identification of raw materials used, shall include, as applicable, but not limited to, lot numbers, material types, specifications number, etc. In any case, external provider shall record sufficient identification information to adequately identify all material in such a manner that full traceability of raw materials used is included.

P8 Control of Monitoring and Measuring Resources

The external provider shall maintain a calibration system in compliance with ANSI/NCSL Z540, ISO 10012 or the equivalent.

ATP shall be notified when the equipment is found not to conform to requirements. The external provider shall assess and record the validity of the previous measuring results and shall take appropriate action on the equipment and any product affected.

P9 Preservation of Product

The external provider shall preserve the product during internal processing and when delivery to ATP in order to maintain conformity to requirements.

As applicable, preservation shall include identification, handling, packaging, storage and protection. Preservation of product shall also include, where applicable in accordance with product specifications and applicable statutory and regulatory requirements, provisions for:

- Cleaning
- Prevention, detection and removal of foreign objects
- Special handling for sensitive products
- Marking and labeling including safety warnings
- Shelf life control and stock rotation
- Special handling for hazardous materials

P10 External Provider Performance

External providers are reviewed periodically for both conformity (of product, process, and/or service) and on-time delivery. When applicable, external providers not meeting external provider performance will be issued a corrective action and may be relegated to “Disapproved” status.

P11 Nonconforming Product

External provider shall ensure that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. A documented procedure shall be established to define the controls and related responsibilities and authorities for dealing with nonconforming product.

P12 Nonconforming Product Disposition

External provider shall make certain that reworked product which does not conform to product requirements has no adverse effect on safety, performance, interchangeability or reliability, and within applicable requirements.

Product dispositioned for scrap shall be conspicuously and permanently marked, or positively controlled, until physically rendered unusable.

External provider shall not use dispositions of use-as-is or repair, unless specifically authorized by ATP’s Quality Manager/Designee, if the nonconformity results in a departure from the contract requirements. The disposition received from ATP Quality Manager/Designee shall include approval by an authorized representative of the organization responsible for design or by persons having delegated authority from the design organization, and authorization by ATP’s customer.

When applicable, upon disposition of nonconforming product, involved parties shall be notified within 72 hours. Involved parties can include ATP, supply chain and regulatory authorities.

P13 Corrective Action

When applicable, the external provider shall eliminate the causes of nonconformities in order to prevent recurrence. External provider shall determine and implement actions needed, and reviewing the effectiveness of the corrective action taken.

P14 Certificate of Conformance

Supplier shall provide a Certificate of Conformance with each shipment including, when applicable, certifications issued by sub-tier suppliers. The certifications and test reports supplied as evidence of purchase order fulfillment must be in English.

P15 Retention of Documented Information

Unless otherwise stated, external provider shall control the established documented information to provide evidence of conformity to requirements and retain them for a minimum period of ten (10) years. The external provider shall address the following activities, as applicable, for the control of documented information:

- Distribution, access, retrieval, and use
- Storage and preservation, including preservation of legibility
- Control of changes (e.g., version control)
- Disposition
    - ATP shall be notified prior to destruction of any documented information and offered the option to transfer to ATP if disposition will occur before the required retention period
- Prevention of the unintended use of obsolete documented information by removal or by application of suitable identification or controls if kept for any purpose.

Documented information retained as evidence of conformity shall be protected from unintended alterations.

When documented information is managed electronically, data protection processes shall be defined (e.g., protection from loss, unauthorized changes, unintended alteration, corruption, physical damage).

P16 Right of Access

External provider's system shall include right of access by ATP, their customer and regulatory authorities to all applicable areas of all facilities and to applicable documented information, at any level of the supply chain, involved in the order.

P17 Source Inspection

When required, ATP and/or its customers or government agencies representatives will inspect the products submitted on the applicable purchase order at the supplier's facility.

Source inspection acceptance by ATP and/or its customers or government representatives shall not constitute final acceptance of the items procured, nor shall it relieve the supplier of their responsibility to furnish acceptable product.

As applicable, supplier shall notify ATP 48 hours in advance when order is ready for source inspection.

If government agencies select evaluation is being delegated on a purchase order, it will be signified by the Government agency’s acceptance stamp on purchase order and application of the following statement:

"On receipt of this order, promptly furnish a copy to the government representative who normally services your plant, or, if none, to the nearest Defense Supply Agency Inspection office. In the event that a representative or office cannot be located, the ATP should be notified immediately."

The supplier is required to hold all materials at supplier's facility until completion of select evaluation at which time the supplier may ship to ATP or call for source inspection, if not completed.

P18 DFARS Compliance

When applicable, supplier is subject to the requirements of DFARS 252.225-7003, 252.225-7008, 252.225-7009 and 252.225-7010.

A statement certifying compliance to DFARS 252.225-7003, 252.225-7008, 252.225-7009 and 252.225-7010 shall be included for each shipment of item delivered. This statement may be included as a part of the Certificate of Conformance. The statement shall identify the material or item by lot, date of manufacture, and/or serial number, revision date and/or grade, as applicable.

DFARS requirements may be found at:
http://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm

P19 First Article Inspection

The supplier shall use a representative item from the first production run of a new part or assembly to verify that the production processes, production documentation and tooling are capable of producing parts and assemblies that meet requirements. This process shall be repeated when changes occur that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). First article inspection may be accomplished in accordance with the requirements of AS9102 or equivalent.

P20 Conflict Minerals "The Dodd-Frank Wall Street and Consumer Act"

The Security and Exchange Commission (SEC) has imposed that publicly traded companies report of any product containing Tantalum (and all its derivatives), Tin, Tungsten or Gold from the Democratic Republic of Congo, Angola, Burundi, Central African Republic, Rwanda, Tanzania, South Sudan, Uganda and Zambia. ATP is expecting you as a supplier to perform a due diligence effort to make these determinations. It will be required that you do not knowingly supply any product that contains these minerals from the above listed countries based on the concerns that the revenues obtained from the mining and transport of conflict minerals aid in financing the ongoing conflict in the Democratic Republic of Congo (DRC) and the surrounding countries.

P21 Counterfeit Materiel Prevention

Supplier shall establish and maintain a Counterfeit Materiel Prevention and Control Plan per AS6174 (Section 3) to ensure counterfeit materiel is not delivered to ATP.

a) Supplier agrees and shall ensure that counterfeit materiel has not been delivered and shall ensure that only new and authentic materials are used in materiel delivered to ATP.

b) Supplier shall only purchase materiel directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers.

c) Supplier shall maintain a method of commodity and item level traceability that ensures tracking of the supply chain back to the manufacturer of all materiel being delivered per

this order, including the manufacturer's commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers, or batch identifications.

d) Supplier shall immediately notify ATP with the pertinent facts if supplier becomes aware or suspects that it has furnished counterfeit materiel. When requested, the supplier shall provide documentation that authenticates traceability of the affected items to an Original Manufacturer or authorized distributor chain that identifies the name and location of all the supply chain intermediaries from the part manufacturer to the direct source of the product.

e) Supplier shall include this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished to ATP.

3. REVISION HISTORY

Revision	Date	Revision Record
NC	03//29/2011	Initial issue.
A	10/19/2018	Was: QP-7.4.3 Supplier Purchase Order Provisions; Is: QP-843 Information for External Providers Fully updated in accordance with the requirements of AS9100:2016.