

Supplier Quality Manual



Table of Contents

- 1 Purpose
- 2 Intent
- 3 Scope
- 4 Code of Conduct
- 5 Prohibited and Restricted Materials
- 6 Quality System Requirements/Supplier Selection
- 7 Flowdown Requirements
- 8 Change Authority
- 9 Certificate of Conformance
- 10 Non-Conforming Material
- 11 Other
 - a. Record Retention
 - b. Quotation Criteria
 - c. Material changes / Obsolescence
 - d. Prevention of counterfeit parts.
 - e. Awareness of personnel

1. Purpose:

The purpose of this manual is to communicate the specific quality requirements and expectations established by PDQ Tooling and Workholding.

2. Intent:

Based on these basic principles:

- A. Establish quality guidelines in which all entities will be subject to as consideration of a new supplier to PDQ Tooling and Workholding.
- B. Assure that quality measures are being recorded and improved upon.

3. Scope:

To establish minimum criteria for suppliers to implement and maintain a quality system that allows them to produce and deliver exceptional quality products to PDQ Tooling and Workholding. It will also provide a uniform method in which all suppliers will be communicated to in order to provide standardization.

4. Code of Conduct:

PDQ Tooling and Workholding values its suppliers who share the commitment to quality and delivery and who demonstrate a focus on integrity.

This code of conduct applies to all businesses that produce goods or provides services for PDQ Workholding and Tooling and any of its subsidiaries or joint ventures.

5. Prohibited and Restricted Materials:

Any materials or minerals that are communicated to the supplier has been requested by a customer in order to prevent supply of these materials or minerals to any product. Any restricted material or mineral must be refrained from using during the production of partially or fully finished assemblies, components, packaging, chemicals and consumable process materials.

6. Quality Management System and Requirements:

Suppliers with PDQ tooling and Workholding are expected to provide evidence of a successful quality program. This does not, however, guarantee quality products and processes. All current suppliers are required to have a Supplier Assessment Form completed and turned in to PDQ Tooling and Workholding, in addition to being evaluated based on the following criteria:

Certifications:

- ISO9001:2015 or equivalent (e.g. AS 9100) will be required for all direct suppliers
- ISO/TS16949:2009 will be required based upon end user requirements

Exceptions:

Any supplier unable to provide evidence of a certification from either ISO 9001:2015 and/or ISO/TS/IATF 16949:2016 will be evaluated by the Director of Quality, or COO prior to being approved as a supplier.

***Note:** Any supplier who current is on the Approved Supplier List, will be “grandfathered” in with the understanding that certification will need to be provided to PDQ Tooling and Workholding. If no certification is available, the supplier will need to have an audit conducted by a representative of PDQ Tooling and Workholding before any product will be accepted.*

Potential suppliers may be asked to submit process/product audits to indicate capability.

All suppliers will have an audit conducted by a representative of PDQ Tooling and Workholding even if certification exists.

7. Flowdown requirements:

This clause mandates that all applicable requirements that are invoked or applied to the customer’s purchasing document, including this clause, shall be flowed down to the organization’s sub-tier suppliers.

8. Change Authority

The supplier shall provide in writing advance notification to PDQ Tooling and Workholding of any changes to tooling, facilities, materials or processes at the supplier or the supplier sub-tier that could affect PDQ Tooling and Workholding’s contracted product. This includes, but is not limited to, fabrication, assembly and handling, testing and processing facilities.

9. Certificate of Conformance:

The organization shall provide a certification with each shipment to attest that the material, parts or assemblies conform to the order requirements. When applicable, the true manufacturers, lot,

heat, batch, date code and/or serial number must appear on the certification. Certification must contain the following:

- Customer's order number.
- Part number.
- Name and address of manufacturing or processing location.
- Quantity and unit of measurement (each box, case, gallons etc.)
- Be signed and dated by an official of the company.

The applicable material test results, process certifications and inspection records shall be presented upon customer's request.

10. Non-Conforming Material:

The organization shall ensure that the product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. Under this clause, the customer grants no MRB authority to the organization or its sub-tier suppliers. It is expected that the supplier maintains records of non-conforming product, able to be traced, in the event that a non-conforming product is found at PDQ Tooling and Workholding, or at the customers of PDQ Tooling and Workholding.

Communication will happen immediately once a defect is found. Examples of issues in which would make notification happen immediately include, but are not limited to: Senior Management request, high fallout quantities, potential late shipments to PDQ Tooling and Workholding's customers. If an immediate notification is received, the supplier should treat this as a serious issue and respond to PDQ Tooling and Workholding within twelve (12) hours.

If a Corrective Action is requested, the following must take place:

- Immediate containment procedures shall be administered within 24 hours, to prevent PDQ Tooling and Workholding from receiving further non-conforming product. The containment procedure should include all possible areas of potential defects, including but not limited to:
 - Suppliers' manufacturing and warehouse location
 - Any transportation links – including transit to PDQ Tooling and Workholding.
 - Any outside processing location (i.e. heat treat, paint)
 - Root Cause shall be identified within 48 hours, unless sample of defect is required. Timeliness will then begin once supplier has received defective sample.

Short Term action is required within 5 business days.

Long Term action plan is required within 10 business days, with implementation within 30 business days.

Any sorting or certification of product PDQ Tooling and Workholding or at their customers will result in a charge back of sorting costs to the supplier.

11. Other:

a. Record Retention:

The supplier shall maintain verifiable objective evidence of all inspections and tests performed, results obtained and dispositions of non-conforming articles for a period of 10 years. These records shall be identified to associated articles, including heat and lot number of materials, unit or serialization and made available to the customer and/or government representatives on request and shall be retained in a safe, accessible location for a period of ten years after date of delivery. Records held as such shall not be destroyed without the customer's written concurrence.

b. Quotation Criteria:

When submitting a quotation, the following criteria shall be addressed:

1. Clear understanding and agreement on the product specifications, requirements and applications.
2. Recommendations of any change that will prove advantageous to product quality, performance, price and delivery.
3. Notice of any exceptions to be included with quotation bid.

c. Material changes / Obsolescence:

Supplier shall notify PDQ Tooling and Workholding of any changes to materials including material manufacturer, availability or formulation. Notification shall include: change type (manufacturer, availability or formulation, current availability and last buy date).

d. Prevention of counterfeit parts:

All parts and materials shall be procured only through Original Equipment Manufacturers (OEMs) / Original Component Manufacturers (OCMs) or their franchised dealer or distributors unless pre-approval has been granted by PDQ Tooling and Workholding.

e. Awareness of Personnel:

The organization will ensure that persons employed and performing work under its control are aware of their contribution to products and/or service conformity, their contribution to product safety and the importance of ethical behavior.

