

## Purpose

**The purpose of this document is to assist our suppliers with the basis for understanding the quality expectations of Global Precision Products LLC (GPP).**

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## Responsibilities

### 1.0 General Requirements:

- The supplier is responsible for compliance defined on the engineering drawing, applicable standards, and/or purchase order. This includes the ability to perform any inspection and/or testing required and submits as outlined in sections 6 & 7.
- Any known exceptions or inability to comply with the engineering drawing, applicable standards, and/or purchase order requirements should be clearly noted during the quoting stage. If while performing services it is found that the engineering drawing and/or purchase order requirements cannot be met, for any reason, **the supplier must notify GPP immediately.**
- If any variance to the engineering drawing, applicable standards, and/purchase order requirements are agreed upon before or during processing the supplier must **receive written approval from GPP.** Typically, this will be documented via an approved Deviation Request, however in rare instances email authorization will be honored. **At no time will verbal agreements be an accepted method for deviation** and price and delivery will never be placed ahead of quality.
- A Certificate of Conformance (C of C) must accompany all product or services and contain the information described in section 7.
- GPP must be notified of any expired 3rd party certifications or accreditations within 48 hours.
- If there is a change in the Supplier's Quality Management or primary quality contact GPP must be notified within 10 working days.
- In accepting a GPP purchase order the supplier is asserting that services, **without prior approval. will not be subcontracted**

### 2.0 Approval and/or Release of products and services:

- GPP purchase orders will specify the level of quality documentation required – see section 6
- Non-conforming product change of processing, non-compliant processing, or inability to validate product and/or services must not be shipped to GPP unless written authorization has been obtained.
- Product is expected to be received at GPP on or before the due date on the purchase order. GPP does not penalize the supplier for early shipments. If it is realized product will not be received by GPP on or before the due date the supplier is **responsible for notifying GPP personnel immediately.** If the supplier has a concern regarding the due date after acknowledging a purchase order it should be addressed by contacting GPP personnel. This does not guarantee the due date will be revised. See Section 13 for delivery ratings and the relationship to supplier scorecards.
- The supplier shall allow right of access to GPP, its customers, and/or regulatory authorities. Access includes any applicable records and processes used to manufacture product and/or perform services on a GPP purchase order. This also includes the right for GPP to conduct any of the following at the supplier's facility and the supplier's sub-tier suppliers to determine their capability to comply with requirements given a 24-hour notice, survey, audit, or assessment.
- In rare instances GPP may request the supplier to participate in an onsite source inspection prior to shipment. Attendees include, but are not limited to, GPP and customer personnel and government source inspectors.

### **3.0 Competence and Employee Awareness:**

- When suppliers are selected to provide products and/or services it is expected that the supplier has the proper 3rd party certification (if applicable), equipment used is in good working order and properly maintained, proper test equipment is calibrated, and personnel is competent to perform the function required.
- Awareness: Supplier shall ensure that employees performing work on GPP purchase orders are aware of the importance of and their contribution to: the conformity of the products and services to the requirements; ensuring product safety; and promotion of ethical behavior.

### **4.0 Part Handling:**

- It is imperative the supplier can perform processing while minimizing, if not preventing the generation of nicks, dings, dents, or other general damage.
- It is the expectation that the supplier process parts as received unless otherwise agreed upon; meaning if parts are received in packaging that prevents part-to-part contact it is assumed bulk handling and processing are not acceptable. If this affects the pricing and/or delivery contact GPP to determine a resolution.
- When bulk handling is permitted it is the responsibility of the supplier to handle parts with reasonable care so that the likelihood of damage is lessened.

### **5.0 Non-Conforming Product:**

- If the quantity of nonconforming product is negligible, the incident may or may not affect the supplier scorecard.
- For non-conforming product produced at the supplier facility , the nonconforming parts must be packaged separately, clearly labeled, and returned with the production lot.
- Non-conforming product identified upon receipt by GPP will result in an Internal Nonconforming Material Report F-9.1-002 which will be communicated with the supplier. Non-conformances found by GPP will negatively affect the supplier scorecard (see Section 13).
- The supplier may be issued a Supplier Corrective Action Request (SCAR) in the form of an 8D (F-10.3-001). If the supplier is required to complete a SCAR it is their responsibility to meet the due dates assigned. Should for any reason the supplier need assistance completing the CAR they are encouraged to contact GPP supplier quality.

### **6.0 Quality Requirements:**

- Due to the diversity of the GPP customer base different Quality Management Systems (QMS), such as TS16949 (Automotive), ISO 13485 (Medical) and AS9102 (Aerospace) may invoke additional quality requirements. It is expected that GPP suppliers adhere to the quality requirements presented on the purchase order. GPP will provide the necessary forms, guidance, and support, as necessary.

- GPP requires at a minimum a level 1 submission requirements defined below. If required, Level 2 or 3 will be noted on the purchase order (note <sup>(1)</sup> and <sup>(2)</sup>).

Item	Level 1	Level 2	Level 3
Part Submission Warrant			X
Certificate of Conformance	X	X	X
Material Certification	X	X	X
First Article Inspection		X	X
Process Flow Diagram			X
Inspection Plan		X	X
Gage R&R			X
Capability Study and/or SPC			X

<sup>1</sup> AS9102 requires a FAI and other specified data to be documented on an AS9102 form. GPP will share all pertinent forms with the supplier.

<sup>2</sup> Bulk materials and standard hardware are exempt unless the supplier is performing special processing.

#### 7.0 Certificate of Conformance:

- Supplier's shipments of product will include Certificate of Conformance (C of C). Supplier C of C's will be legible, reproducible, and include at a minimum, the following information:
  - ✓ Supplier name and address
  - ✓ GPP's name and address
  - ✓ Supplier part number and revision (if applicable)
  - ✓ Drawing number and revision
  - ✓ GPP's purchase order number
  - ✓ Quantity
  - ✓ **Date/lot code**
  - ✓ When Applicable: Other important product specific data (Serial No., MSL/PBT, luminosity, Cage Code, etc.)
  - ✓ Statement of certification to the applicable manufacturer, military, government, and/or industry specification or drawing
  - ✓ Signature and date of authorized quality representative
  - ✓ Statement that product service meets the engineering drawing, applicable standards and purchase order requirements.
- Suppliers who provide special processing such as **heat treating, and plating** must also include the name of the standard or specification when applicable, testing method used, and actual results. This information can be recorded on the C of C or a separate document. The C of C and any supporting documentation must be legible and capable of being scanned.
- In addition, the supplier is accountable for the cosmetic appearance of product. Any unexpected results, including but not limited to, discoloration, blistering, flaking, rust, residual containments from processing such as cleaning require the supplier to notify GPP as soon as witnessed.

## 8.0 Document Control:

- The supplier is responsible for maintaining records and data pertaining to processing, testing, and inspection related to the finish good or service performed. Documentation must be identified so that traceability to product and/or services is readily available based on GPP part number and purchase order number
- It is the responsibility of the supplier to ensure all engineering drawings, standards, and specifications are at the most current revision level. Documents having an old revision are considered obsolete and must be discarded or archived. If the supplier has any questions regarding revisions of documents, they are to contact GPP.

## 9.0 Record Retention

- All records required under the terms of this purchase order and which document the quality of the items provided shall be retained for a minimum of 10 years after shipment unless otherwise specified in the purchase order or the contract.
- Applicable records include any documentation which may be utilized as objective evidence that the product meets contractual requirements and documentation needed to demonstrate product traceability. Records held for the required retention period shall not be destroyed without GPP's written concurrence.

## 10.0 Product Change Notification

- Any changes (e.g. Product Change Notification (PCN), Product Alerts, Product recalls) to design, facilities (including change in manufacturing location), materials or processes at the organization or the organizations sub-tier that could affect any products ordered (including form, fit, function or product availability) within the past 24 months will be forwarded to GPP in a reasonable time frame. This applies for product discontinuance notes (PDN) and products becoming obsolete as well.
- All notifications need to include the following information:
  - ✓ GPP complete part number and/or Supplier part number (if different)
  - ✓ Last time buy date
  - ✓ Last time return date
  - ✓ Last time ship date
  - ✓ Original notification date and revision date (if applicable)
  - ✓ Manufacturer replacement part, if available
  - ✓ Complete new P/N
  - ✓ Description of change
  - ✓ Reason for change
  - ✓ Date of change
  - ✓ ECN/PCN reference
  - ✓ Effect of change

## 11.0 Calibration

- Supplier shall be responsible for the calibration, accuracy, validation, and maintenance of any equipment, tooling, or gauges utilized by supplier to produce, inspect, or test articles to be delivered under this purchasing document. Supplier's equipment calibration system shall be in compliance with one of the following requirements: MIL-STD-45662, SO/IEC 17025 and ANSI/NCSL Z540.3, ISO 10012-1, or AS9100.

**12.0 Storage, Packaging, Shipping:**

- It is expected that the supplier will adequately control the preservation, packing, and shipping of product. This includes onsite storage as well as packaging and shipment to either GPP or another facility so that parts are free of damage and/or degradation.
- Shelf Life: Manufacture recommendations will be followed for materials having shelf life expiration. This includes use of and storage conditions.

**13.0 Supplier Scorecard:**

- To maintain an approved GPP supplier status the following performance objectives must be met.

Metric	Goal
On-time Delivery	≥ 85%
Quality	≥ 90%

**14.0 Prevention of Counterfeit Parts:**

- GPP requires its suppliers to take steps to eliminate the risk of counterfeit parts and material. With an ever-increasing complex supply chain, extra diligence must be given to identification, tracking, inspection, and management of parts throughout our supply chain to ensure the authenticity of critical parts and material. Suppliers must have a robust Counterfeit Prevention control plan to meet or exceed any applicable standards.

**15.0 Foreign Object and Debris, Foreign Object and Damage (FOD):**

- Suppliers should take steps in their organization to be aware of FOD and take appropriate steps to mitigate the risks of FOD.
- Visual inspection will be done using 10x magnification.

**16.0 Affirmative Action**

- Supplier shall comply with all applicable provisions of Executive Order 11246 and of the rules, regulations and relevant orders of the U.S. Department of Labor pertaining to equal employment opportunity and affirmative action. As applicable, Supplier and its subcontractors shall abide by the requirements of 41 C.F.R. § 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans. As applicable, Supplier and its subcontractors shall abide by the requirements of 41 C.F.R. § 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

## 17.0 Debarment

- In accordance with FAR 52.209-6, Supplier represents and warrants that neither Supplier, nor any of its principals, have been debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency. Supplier shall promptly notify GPP in the event that the foregoing statement is no longer correct.

## 18.0 Combating Trafficking in Persons

- In accordance with FAR 52.222-50, Supplier shall not engage in: (1) severe forms of trafficking in persons; (2) procure commercial sex acts; (3) use forced labor; (4) destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents; (5) use misleading or fraudulent practices during the recruitment of employees; (6) charge employees recruitment fees; (7) fail to provide return transportation or pay for the cost of return transportation upon the end of employment; (8) provide or arrange housing that fails to meet the host country housing and safety standards, and (9) if required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Supplier certifies that it has implemented a compliance plan, when required, to prevent any of the prohibited activities in this clause and to monitor, detect and terminate any agent, subcontract or subcontractor employee engaging in prohibited activities and after conducting due diligence, either: (A) to the best of the Contractor's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or (B) if abuses relating to any of the prohibited activities identified in this clause have been found, the Contractor or Subcontractor has taken the appropriate remedial and referral actions.

## 19.0 Import/Export and ITAR Regulations

- Supplier agrees to comply with all U.S. Government export/import laws and regulations, including the Arms Export Control Act (Public Law 90-629) and International Traffic in Arms Regulations ("ITAR"), 22 C.F.R. Parts 120-130, administered by the U.S. State Department's Directorate of Defense Trade Controls ("DDTC"); and the Export Administration Act of 1979 (Public Law 96-72, as amended), the International Emergency Economic Powers Act (Public Law 95-223), and Export Administration Regulations ("EAR"), 15 C.F.R. Parts 730-774, administered by the U.S. Commerce Department's Bureau of Industry and Security ("BIS"), where required. Violation of these export laws and regulations can lead to severe civil and criminal penalties. ITAR, 22 C.F.R. § 120.15, defines a "U.S. person" as a person who is a U.S. citizen or lawful permanent resident as defined by 8 U.S.C. § 1101(a)(20), or who is a protected individual as defined by 8 U.S.C. § 1324b(a)(3). It also means any corporation, business association, partnership, society, trust, or any other entity, organization or group that is incorporated to do business in the United States. It also includes any governmental (federal, state, or local) entity. The EAR similarly identifies U.S. persons for export control purposes.
- Supplier is responsible for compliance with any applicable export control laws and regulations with respect to any defense articles, defense services, or EAR-controlled items provided by it to GPP. In particular, the release of ITAR- or EAR-controlled technology, technical data, or software source code by the supplier to a Foreign Person (including a Foreign Person employee or another Foreign Person for the purpose of Off-Shore Procurement) is defined as an export under the ITAR (22 C.F.R. §§ 120.17 and 124.13) and EAR (15 C.F.R. § 734.2(b)) and is subject to the licensing requirements of the ITAR and
- EAR, as applicable. Supplier will obtain any authorizations required for the export of any defense articles, defense services, or EAR-controlled items provided by GPP, including for the release of any ITAR- or EAR-controlled technology, technical data, or software source code to any Foreign Person in or outside of the United States.

**20.0 Applicable FAR/DFARS**

- As applicable, the Federal Acquisition Regulation (“FAR”) and Department of Defense FAR Supplement (“DFARS”) clauses set forth below shall be incorporated in this Purchase Order. These FAR and DFARS clauses shall be interpreted and construed in such a manner as to recognize and give effect to the contractual relationship between GPP and Supplier and applicable flow-down obligations under the FAR and DFARS. Supplier agrees that GPP may flow down the FAR, DFARS and agency clauses set forth in this Section on purchase orders regardless of any terms in the Agreement disclaiming the applicability of additional purchase order terms and conditions.

**21.0 Changes to this Document:**

- Any changes or revisions to the Supplier Requirements Document made by GPP LLC will be communicated to our suppliers so that the changes can be reviewed and accepted by our suppliers.

REV.	SECTION	SUB-SEC.	PARA.	DATE	AUTHORIZED BY
A	NA	NA	NA	3/21/18	D. LaBell
B	<b>Revision Table</b>	NA	NA	7/16/18	D. LaBell
C	All	NA	NA	7/1/2020	D. LaBell