

Supplier Quality Requirements
<p>SQC001 – QMS: The seller shall maintain a Quality Management System that complies with the requirements of AS9100, ISO 9001 or have their QMS approved by SDMI survey.</p>
<p>SQC002 – Identification, Preservation, and Packaging: Unless otherwise noted on the PO, all packaging delivered to SDMI shall contain the PO number, Line Item number, Part number & Revision, Quantity, and makers identification on the container and/or a packing list attached. The packaging of all products shall ensure items are wrapped, cushioned, or contained to prevent damage to the item and/or its finish, and prevent deterioration during handling and shipping to its final destination.</p>
<p>SQC003 – Measuring & Test Equipment: It is the seller’s responsibility to ensure all equipment, including Customer Furnished Equipment (CFE) as well as Government Furnished Equipment (GFE), used to test and inspect product for SDMI are maintained and traceable to the National Institute of Standards and Technology (NIST) requirements and controlled within a documented calibration system.</p>
<p>SQC004 – Control of Quality Records: All records related to the manufacturing, testing and inspection of parts supplied to SDMI are to be maintained for a minimum of seven (7) years from date of shipment unless otherwise specified by contract. Records shall be accessible to furnish upon request, to SDMI, its customers, or applicable regulatory and statutory authorities as needed.</p>
<p>SQC005 – Supplier Material Review Board (MRB) Authority: Supplier does not have MRB authority to accept or repair nonconforming products for delivery to SDMI or its customers. Any product nonconformance to the purchase order, drawing, specifications or other applicable documents must have a deviation/waiver request submitted to SDMI for approval by appropriate design authority prior to usage or shipment, unless otherwise documented.</p>
<p>SQC006 – Shelf Life: No age sensitive materials shipped to SDMI with less than 80% of the full shelf-life remaining, as determined by the original manufacturer, will be accepted unless previously approved by SDMI. The expiration dates must be clearly recorded on the packaging and shipping documents.</p>
<p>SQC007 – Control of Lower-Tier Suppliers: The Supplier shall flow-down all applicable SDMI purchase order requirements, including, but not limited to Federal Acquisition Regulations (FAR), Defense Federal Acquisition Regulations Supplement (DFARS), and Quality Clauses to their sub-tier Suppliers performing work or producing products.</p>
<p>SQC008 – Supplier Corrective Action Request: A Supplier Corrective Action Request (SCAR) shall be forwarded by SDMI to a Supplier when corrective action is required. Upon notification of the non-conformance, the Supplier shall take immediate containment action and complete the analysis of cause and proposed corrective action within thirty (30) days or within the due date assigned to the SCAR. Failure to respond in a timely manner may result in the removal of the Supplier from the Approved Suppliers List. Upon notification of the non-conformance, shipments may be suspended until containment processes are put into place.</p>

<p>SQC009 – Certificate of Compliance/Conformance (C of C): Supplier shall submit with each shipment on their packing list, or as separate attachments, a Certificate of Compliance/Conformance, which must be dated and bear the signature and title of the Suppliers authorized Quality Representative, stating that the products furnished to SDMI are in conformance with the applicable requirements of the purchase order, contract, drawings and/or specifications. It shall also state that any supporting documentation is on file and will be made available to SDMI, and/or its customer(s), Government Representative, or applicable regulatory or statutory agency upon request.</p> <p>Certificate of Compliance/Conformance must include the following:</p> <ul style="list-style-type: none"> ▪ The Supplier’s company name and full address ▪ SDMI Purchase Order number ▪ Part Number, Revision, Serial Number(s) when applicable ▪ PO Quantity and Quantity shipped (if shipping partial must be clearly identified) ▪ Lot/Date Code ▪ Name of lower-tier Supplier(s) and description of service provided (include any certifications if applicable) ▪ Signature and Date of authorized Quality Representative
<p>SQC010 – Right of Access: During the performance of the purchase order, SDMI and its customer(s), regulatory or statutory personnel including Government Representatives, reserve the right to attend, review, and participate in the Supplier’s Quality Management System and associated manufacturing processes including inspection and testing of any work related to the terms outlined in the contract. SDMI, its customer(s), and/or regulatory or statutory authorities shall with proper prior notification have access to verify at the Supplier’s premises, or Supplier’s subcontracting premises, that the Supplier’s product and associated records conform to all specified requirements.</p>
<p>SQC011 – Foreign Object Debris (FOD) Prevention and Part Cleanliness: The Supplier shall conduct appropriate processes to prevent, detect, and remove all FOD from product(s) during manufacture and provide product(s) clean and free of all FOD prior to shipment to SDMI. FOD contamination will be cause for rejection.</p>
<p>SQC012 – Specifications: Product(s) supplied shall be in strict compliance to specifications and drawings identified on the Purchase Order, including but not limited to the most current Revision of Military/Government Specifications and Standards, and/or other referenced documents of external origin as required by the drawing or purchase order.</p>
<p>SQC013 – First Article Inspection Report (FAIR): A First Article Inspection Report, in accordance with AS9102 or an SDMI approved process, is required to be completed by the Supplier for performance of the purchase order which documents conformance to the terms of the contract, drawing or print specifications, and all applicable requirements communicated by SDMI prior to acceptance of order. This clause does not apply to Commercial Off-The-Shelf (COTS) items. A (FAIR) is required for this purchase order if any of the following apply:</p> <ul style="list-style-type: none"> ▪ First time submission ▪ Revision change (partial or “delta” FAIR required – document changes between previous and new Revision) ▪ A process change used to manufacture the part (i.e. new tooling or equipment) ▪ Change in manufacturing location (facility) ▪ A lapse in production of 24 months

SQC014 – Certificate of Analysis (C of A): A (C of A) is required to accompany all materials supplied on a purchase order. The (C of A) must include the following:

- Manufacturer’s name
- Country of Origin/Melt/Smelt
- Specification number
- Material grade
- Material condition
- Size
- Heat/Lot Number
- Date Code
- Chemical analysis
- Physical properties

SQC015 – Calibration Requirements (Laboratory): The item(s) listed on the purchase order shall be calibrated in accordance with the requirements of ANSI/NCCL Z540-1 Requirements for the Calibration of Measuring and Test Equipment or ISO 10012-1 Quality Assurance Requirements for Measuring Equipment and be traceable to the National Institute of Standards and Technology (NIST). The subcontracting, assigning, or transferring of any activities covered by this purchase order to another Supplier facility/location or Sub-Supplier shall require prior approval from SDMI. A Certificate of Calibration and/or Record of Calibration shall be submitted to SDMI for each item of Material & Test Equipment (M&TE) and shall include the following:

- Title of document
- Supplier’s name and address
- Description and unique identification number of the item calibrated
- Condition of the item calibrated if not operational
- Date calibration performed
- Identification of the procedure(s) used
- Identification of the calibration service provider’s equipment, standards used and last calibration date
- Environmental conditions (temperature and humidity)
- Test Report detailing As-Found and As-Left conditions
- Reference to any independent Out-Of-Tolerance Condition Report
- Signature and title of the person who performed the calibration
- Statement that Supplier equipment and reference standards utilized to calibrate SDMI M&TE are traceable to NIST

SQC016 – Test/Inspection Report Data: When specified on the drawing or specification, test/inspection report data sheets are required to be included with the product at time of shipment. The data must include the actual measured value and be traceable to the product lot code or serial number associated. Test/Inspection records shall be retained by the Supplier for a minimum of seven (7) years, or longer if indicated in the terms of the Purchase Order. These records shall be available upon request, to SDMI, or its Customer(s). Supplier must notify SDMI before destruction of quality records. Test/Inspection records data must be identifiable back to the material furnished by part number or other line item on the purchase order, and must be signed by and include the title of the Supplier’s authorized representative. All records submitted are subject to SDMI review and approval prior to acceptance.

SQC017 – Special Processes: When Special Processes are required under this Purchase Order, the Supplier shall utilize only processors approved by SDMI and/or its customer. Suppliers must contact SDMI Quality Department to verify approval status. Special Processes include but are not limited to: Welding, Heat Treat, Plating, and Non-Destructive Testing. Shipments must include a Process Certification and must be signed by and include the title of the Supplier’s authorized representative.

<p><u>SQC018 – Proprietary Information:</u> Supplier shall hold confidential all drawings, electronic data sets, sketches, tooling, internal specifications, etc. provided with this purchase order. Distribution shall be restricted to necessary subcontractors as required for the performance of work on this purchase order. All proprietary information shall be returned or destroyed upon the completion of this purchase order. SDMI is ITAR registered and all ITAR controlled technical data including drawings or product is prohibited from being transferred to any foreign entity without express authorization (export license) from the US State Department. Information regarding ITAR can be found at: https://www.pmdtc.state.gov/regulations_laws/itar.html. Please contact SDMI directly with any questions relating to the control or transfer of proprietary information related to the performance of a purchase order.</p>
<p><u>SQC019 – Identification of Manufacturer:</u> The CAGE Code of the manufacturer of the product supplied shall be recorded on the packing list and/or on the smallest unit container/outer shipping container. The CAGE Code of the Headquarters or main plant for the Original Equipment Manufacturer/Original Component Manufacturer (OEM/OCM) is acceptable for commercial product(s). If the CAGE Code is not available then the name and address of the manufacturer shall be provided. These requirements apply to all sub-tier suppliers as well and shall be controlled by flow down requirements within the supply chain.</p>
<p><u>SQC020 – Material Substitution:</u> All material, including material incorporated into the final product, must be procured from the Original Equipment Manufacturer/Original Component Manufacturer (OEM/OCM), or the OEM/OCM's authorized distributor. Independent distributors or brokers are not acceptable Suppliers and shall not be used to provide product delivered under this purchase order unless approved in advance, in writing by SDMI. Traceability documentation to the manufacturer of record must be available and must be supplied to SDMI upon request. Suppliers shall maintain a counterfeit risk mitigation process in accordance with industry recognized standards where applicable. Commercially off the Shelf (COTS) items supplied under this purchase order must be an EXACT MATCH to the part number ordered. For upgraded, alternate, or equivalent parts considered, the SELLER must request and receive approval by purchase order amendment prior to shipment and acceptance by SDMI. Parts procured to specifications such as MIL-, MS-, SAE-, etc. may be substituted as allowed by the subject specification. If a QPL/QML exists for the product, the Supplier must procure from an approved source. If no QPL exists, the Supplier must verify that the material meets the standard requirements in full.</p>
<p><u>SQC021 – ETHICAL Responsibility:</u> Ethical behavior is good for business and involves demonstrating respect for key principles that include honesty, fairness, equality, dignity, diversity and individual rights. As a Supplier of goods or services to SDMI and ultimately to our customers, we expect our Suppliers to subscribe to these principles and practice them within their respective companies and supply chains.</p>
<p><u>SQC022 – Product Safety and Conformity:</u> It is critical to the success of our business that our Suppliers are aware of their contribution to ensuring product safety and conformity. To that end it is paramount that our Suppliers provide only products that fully meet the specified requirements without substitution and ensuring safe handling and packaging at all times. If there is any question(s) regarding compliance or safety of the product(s) we have ordered please contact the buyer immediately to resolve any concern(s).</p>