

GENERAL

The Supplier requirements below apply to all Suppliers and sub-tier Suppliers to D&N Machining providing products and services that we deliver to our customers. Acceptance of a Purchase Order from D&N Machining binds the Supplier to the Terms and Conditions listed in the Purchase Order and the requirements listed in this document. The Supplier is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by D&N Machining and must flow down these requirements to any sub-tier Suppliers. Note that these requirements correspond with the requirements of D&N Machining customers and with the requirements of AS9100, Clause 8.4.3.

SUPPLIER QUALITY REQUIREMENTS

- A. Refer to D&N Machining Purchase Order for all processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions)
- B. Each shipment must be accompanied by one legible copy of a certificate of Compliance (C of C). Material certifications shall show quantitative analysis of each element and physical testing as required by specifications referenced. Traceability for Raw Material is required and shall be retained and provided to D&N Machining with product. Final acceptance of product will be at D&N Machining after receiving inspection.
- C. Supplier shall ensure that employees working on its behalf are competent and trained in their field.
- D. Suppliers shall hold all information received from D&N Machining in confidence and no third party request for information will be authorized unless approved, in writing, by D&N Machining.
- E. D&N Machine will score Suppliers based on Quality, Delivery, and Service. Suppliers will be issued corrective actions as warranted. Supplier performance will be reviewed at Management review meetings. Any suppliers that fail to perform in these areas and scores below Acceptable in accordance with D&N Scorecard Ratings may be considered for probation or removal from D&N Machining's Approved Supplier List.
- F. D&N Machining and its customers reserve the right to perform verification and/or validation activities at the Supplier's premises.
- G. Design and development control does not apply to D&N Machining.
- H. Unless otherwise stated on the purchase order the supplier shall perform statistical techniques for product acceptance in accordance with internal company procedures and D&N Machining's customer requirements.
- I. Supplier will maintain a quality/inspection system that will ensure all goods and services conform to contract requirements.



J. The Supplier will use a sampling plan, consistent with typical industry standards, unless otherwise specified or agreed upon in writing by D&N Machining.

K. The need to:

- When requested by D&N Machining in writing, Suppliers will maintain a Quality Management System.
- D&N Machining will use customer designated or approved external providers when required by the customer
- D&N Machining is to be contacted (by the supplier) in the event of nonconforming product/material. Arrangements for the approval of supplier nonconforming product/material must be as directed by a D&N authorized manager or designee.
- To prevent the purchase of counterfeit parts supplier will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting documentation as is appropriate. Material and part substitutions are not allowed.
- Suppliers will notify D&N Machine of any change in ownership, management, or location and are subject to re-survey and approval. Supplier will notify D&N Machine of any product or process changes or changes in approval status that affect any products and are subject to resurvey and approval.
- Suppliers shall flow-down to Sub-Tier Suppliers the applicable requirements as required by the purchase order.
- When requested by D&N Machining or its customers, Supplier will provide test specimens for inspection/verification, investigation and/or auditing purposes.
- Unless stated on the purchase order the supplier shall retain records in accordance with the Suppliers internal requirements and D&N Machining's customer requirements where applicable. Where there is no D&N Machining customer specified on the purchase order the minimum retention period for records shall be seven (7) years.

L. D&N Machining and D&N Machining's customers reserve the right to perform an on-site inspection of the Supplier's facility or visit the facility. D&N Machining will give reasonable notification to the Supplier prior to the on-site inspection. The on-site inspection may include surveillance of the Supplier's facilities, procedures, production methods, processes, and the Supplier's Quality System. The Supplier shall furnish, at no cost, the necessary data as required by applicable Purchase Orders, specifications, and inspection instructions to facilitate the on-site inspection.

M. The supplier is fully responsible for ensuring that all persons involved with the processing and fulfilment of D&N Machining's order are of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.