 <b>EDM Department</b> Engineer. Develop. Manufacture.	Document Number	Rev	Rev. Date	Document Title	<b>EDM Department Inc.</b> 1261 Humbracht Circle Ste A Bartlett, IL 60103 Ph: 630-736-0531 Fax: 630-736-0530 <a href="http://www.edmdept.com">www.edmdept.com</a>
	8.4-7	1	01.22.18	Supplier Performance, Quality and Flow Down Requirements	

The purpose of this document is to communicate the quality requirements pertaining to the systems, processes, tools and procedures for qualification and continuation of your Organization being a member of the EDM Department Inc. Approved Supplier base. Acceptance of a Purchase Order from EDM Department Inc. binds the Supplier to the Terms and Conditions listed in the Purchase Order and the requirements for supplier evaluation and monitoring by EDM Department Inc. listed in this document.

**Supplier Evaluation**

Self-Audit – Perspective suppliers to EDM Department Inc. will be required to complete a self-audit of their quality system prior to consideration for business. This is an initial assessment of a supplier’s quality system to determine if they meet the pre-qualification requirements of EDM Department Inc. EDM Department Inc. form 8.4-5 - External Provider Quality Survey will be used for this initial assessment.

On-Site Assessment – At the discretion of EDM Department Inc.’s Purchasing and Quality departments, an on-site assessment may be required prior to sourcing decision. This survey will evaluate the capability of the supplier in the following disciplines: Engineering, Manufacturing, Quality, and Purchasing, among others, in an effort to determine the risk associated with sourcing with a given supplier. The results of this survey will be shared with the supplier and corrective action may be required.

**Supplier Monitoring**

It is the expectation of EDM Department Inc. that our suppliers will continually demonstrate their ability to provide products, processes and services that are defect free and delivered on-time, every time. It is critical that suppliers continually improve and seek a higher level of performance. Supplier performance will be an integral part for determining future business awards from EDM Department Inc. Select suppliers will be monitored at the discretion of EDM Department Inc..

The following categories are evaluated as supplier performance and the maximum attainable score will be 100 points:

**Delivery to Schedule**

40 Points

**Quality(PPM)**

40 Points

**Relationship** (timely communication level of suppliers’ business/organizational status, timely response to PO acknowledgement, managing urgent requests, timeliness to CAR response)

10 Points

**Flexibility** (ability to adapt to changing requirements, schedules, including pricing competitiveness)

10 Points

Suppliers determined to have a score of less than or equal to 70 points in a given period will be subject to Supplier Risk Management Review and might require a Corrective Action Report (CAR) to be completed and submitted to improve overall supplier performance to acceptable level. Retention of supplier scorecard records will be 3 years.

**Flow Down of AS9100D Supplier Requirements to Suppliers**

The Supplier requirements listed below apply to all Suppliers and sub-tier Suppliers to EDM Department Inc. providing raw materials, manufactured components and products as well as performing material processing such as, but not limited to: heat treating; chemical processing; surface enhancements; non-destructive and destructive testing; coatings; welding; and nonconventional machining processes for Aerospace products. Acceptance of a Purchase Order from EDM Department Inc. 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 EDM Department Inc. and must flow down these requirements to any sub-tier Suppliers.

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Note that these requirements correspond with the requirements of EDM Department Inc.'s customers and with the requirements of the AS9100D Standard, Clause 8.4.3.

**a. the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions)**

Refer to EDM Department Inc.'s Purchase Order and / or the Acknowledgement provided by Supplier.

**b. the approval of: products and services; methods, processes, and equipment; the release of products and services;**

Each shipment must be accompanied by one legible copy of a statement of conformance unless otherwise noted in the Purchase Order. A certificate of conformance (C of C), supplied with the shipment must provide at a minimum: Supplier name, part number, purchase order number, quantity of parts, engineering revision, serial numbers (if applicable), and title and name of authorized Supplier representative.

- Material certifications shall show quantitative analysis of each element and physical testing.

Traceability for Raw Material is required and shall be retained and provided to EDM Department Inc. with product.

**c. competence, including any required qualification of persons;**

Supplier will ensure that employees and people working on its behalf are competent and trained in accordance with the requirements of AS9100D.

**d. the Supplier's interactions with the EDM Department Inc.;**

In addition to the other requirements recorded within this document, Suppliers shall hold all information received from EDM Department Inc. in confidence and no third-party request for information will be authorized unless approved, in writing, by EDM Department Inc..

**e. control and monitoring of Supplier's performance to be applied by EDM Department Inc.;**

EDM Department Inc. will score Suppliers based on Quality, Delivery, and Service. Suppliers will be rated on a scale of 1 to 3, with 3 being the best. Suppliers that fail to perform in these areas may receive Corrective Actions and may be considered for probation or removal from EDM Department Inc.'s Approved Supplier List.

**f. verification or validation activities that EDM Department Inc., or its customer, intends to perform at Supplier's premises;**

EDM Department Inc. and its customers reserve the right to perform verification and/or validation activities at the Supplier's premises.

**g. design and development control;**

Design and development control does not apply to EDM Department Inc.'s Suppliers, unless otherwise specified on our PO.

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**h. special requirements, critical items, or key characteristics;**

As per the requirements of AS9100D, Supplier is responsible for the validation, and periodic revalidation, of the ability to achieve planned results of the processes for production and service provision, where the resulting output cannot be verified by subsequent monitoring or measurement.

**i. test, inspection, and verification (including production process verification);**

For calibration Purchase Orders, all gauges and instruments must be calibrated using standards whose accuracies are traceable to the National Institute of Standards and Technology, the General Conference of Weights and Measures. All provided calibration certifications must specifically state this traceability.

Supplier will maintain a quality/inspection system that will ensure all goods and services conform to contract requirements whether manufactured or processed by Supplier or procured from Sub-Tier Suppliers.

**j. the use of statistical techniques for product acceptance and related instructions for acceptance by EDM Department Inc.;**

The Supplier will use a C=0 sampling plan with an AQL of 1 or 100% inspection, unless otherwise specified or agreed upon in writing by EDM Department Inc..

**k. the need to:**

**– implement a quality management system**

When specifically requested by EDM Department Inc. in writing, Supplier will maintain a quality system in compliance to recognized Quality Management Systems and/or one approved by EDM Department Inc. after review of its controls and requirements. When requested by EDM Department Inc. in writing, Supplier will give EDM Department Inc. written documentation, to include their QMS and its related process and controls, via email or facsimile. All documentation must be communicated to EDM Department Inc. in English, unless otherwise specified. Suppliers must maintain and have access to an electronic form of communication such as the internet, e-mail or fax capability.

**– use customer-designated or approved external providers, including process sources (e.g., special processes);**

When required by EDM Department Inc. or by EDM Department Inc.'s customers, Suppliers will use customer-specified sources.

**– notify EDM Department Inc. of nonconforming processes, products, or services and obtain approval for their disposition;**

EDM Department Inc. will not accept Supplier product that does not meet Purchase Order requirements. Supplier product discovered after shipment by the Supplier to be nonconforming shall be immediately disclosed to EDM Department Inc. upon discovery, including but not limited to quantity shipped, date shipped, and the extent of the nonconformance. Suppliers that receive notification of Nonconforming product shall take appropriate action to contain the nonconforming condition and prevent it from occurring again. The Supplier will be notified if formal Corrective Action is required to be submitted to EDM Department Inc.. The response shall be submitted within 1 week of issue or a time frame agreed upon between EDM Department Inc. and the Supplier. Errors with paperwork shall be resolved within 24 hours.

**– prevent the use of counterfeit parts (see 8.1.4);**

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To prevent the purchase of counterfeit or suspect / unapproved products and to ensure product identification and traceability (and for other reasons), 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.

- **notify EDM Department Inc. of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain EDM Department Inc.'s approval;**

Supplier will notify EDM Department Inc. of any change in ownership, management, or location and are subject to re-survey and approval.

Supplier will notify EDM Department Inc. of any product or process changes or changes in approval status that affect EDM Department Inc. product and are subject to re-survey and approval.

- **flow down to external providers applicable requirements including customer requirements;**

Suppliers shall flow-down to Sub-Tier Suppliers the applicable requirements as required by the purchase order either specifically or by reference.

- **provide test specimens for design approval, inspection/verification, investigation, or auditing;**


When requested by EDM Department Inc. or its customers, Supplier will provide test specimens for inspection/verification, investigation and/or auditing purposes.

- **retain documented information, including retention periods and disposition requirements;**

Unless otherwise specified on the Purchase Order, the latest specification revision in effect at the time the lot of raw material/parts was originally manufactured or processed shall apply. In the event a document has been superseded, the latest revision of the superseding document shall apply. All certifications, test reports, and inspection reports, as well as receiving inspection, in-process inspection, final inspection, and calibration records shall be retained for a minimum of ten years, unless otherwise specified by EDM Department Inc.. These records will be made available to EDM Department Inc., EDM Department Inc. customers, or regulatory agency upon request.

- **prevent Foreign Object Debris**

Supplier is required to establish and maintain a Foreign Object Debris (FOD) prevention program that employs appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, during operations and normal daily tasks.

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**I. the right of access by EDM Department Inc., EDM Department Inc.'s customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;**

EDM Department Inc. and EDM Department Inc.'s customers reserve the right to perform an on-site inspection of the Supplier's facility or visit the facility. EDM Department Inc. 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 drawings, Purchase Order, specifications, and inspection instructions to facilitate the on-site inspection.

**m. ensuring that persons are aware of: their contribution to product or service conformity; their contribution to product safety; the importance of ethical behavior.**

Supplier must be committed to the highest standards of ethics and business conduct. Supplier must comply with the law, honor commitments, act in good faith, and be accountable. Supplier must strive to maintain full compliance with all laws and regulations applicable to the operation of the business and customer relationships. Supplier must not offer, promise, authorize, or provide, directly or indirectly, anything of value (including business gifts or courtesies) with the intent or effect of inducing anyone to engage in unfair business practices. Supplier will avoid involvement in activities that may be perceived as a conflict-of-interest. Supplier will respect the legitimate proprietary rights and intellectual property rights of customers and Suppliers and take proper care to protect sensitive information, including confidential, proprietary and personal information.

Supplier will support product safety by ensuring robust management of special requirements, critical items and key characteristics. If there are concerns with respect to product safety, Supplier will communicate them to EDM Department Inc.. If there is a concern at the Supplier's premises with respect to safety during the manufacture of the product, Supplier will notify its own employees of the concern and whenever possible, mitigate the concern.

Supplier will ensure that employees and people working on its behalf are aware of:

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

**Revision History**

Revision	Date	Revised by	Change description	Approved By	Date
1	01.22.18	K. Levy	Initial Standardized Release of Document	W. Zic	01.22.18