

SUPPLIER QUALITY PROVISIONS

**Document Number
MA FRM 840-002**

MACRO Industries, Inc.

690 Discovery Drive

Huntsville, AL 35806

Document Change Log			
Supersedes		MA FRM 840-002, Rev 0	
Rev	Change Description	Prepared by	Approval & Date
0	Initial Release Supporting AS9100D Transition	C. Luce	C. Luce 2/23/2018
1	Added Supplier's Employee Awareness requirements to the General Requirements section	J. Carpenter	C. Luce 8/13/2019

Effectivity Notice for Latest Release

The contents of this document are effective upon release.

Unless otherwise specified in the Contract, all the general requirements below apply to all purchase orders:

General Requirements:

Purchase Order Receipt and Verification

The Supplier shall verify all purchase orders issued by MACRO Industries upon receipt. Any discrepancies shall be communicated to and resolved with MACRO Industries purchasing before taking action on the purchase order. Additionally, the supplier shall notify MACRO Industries of any potential risks associated with meeting the scope of the order.

Certifications: Suppliers shall notify MACRO Industries immediately if certifications / accreditations (i.e. ISO9001, AS9100) were not renewed or were revoked.

Change In Quality Management Representative: Suppliers will promptly notify MACRO Industries of any changes in the Management representative with assigned responsibility and authority for the quality system.

Acceptance Authority Media: A media used to record the status of tasks/operations on product or product records during and upon completion of the development, manufacturing, modification, repair, and support processes. When acceptance authority media are used (e.g., stamps, electronic signatures, passwords), the organization shall establish appropriate controls for the media.

Certificate of Compliance:

The vendor shall provide a Certificate of Compliance (CoC) that all materials, processes, and / or finished items supplied under this purchase order conform to applicable material and/or process specifications and are as specified by MACRO Industries Purchase Order. The Certificate of Conformance shall identify the items covered by the certification. Material test results when applicable will be delivered with CoC. Materials received without certification may be rejected and returned at vendor's expense. Certification shall be signed by a responsible member of the vendor's firm and represent supplier's conformation that any nonconformances and or counterfeit items are not included in the delivery.

Supplier Sub-tier Control

Supplier is responsible for ensuring the following:

- All items procured from its sub-tiers conform to all requirements of the purchase order.
- All applicable provisions of this document are flowed to its subcontractors including copies of the latest revision process specifications.
- Sub-tier supplier quality systems shall be compliant to the same or a higher level than the supplier requirement.
- Non-disclosure agreements need to flow down to sub-tiers when providing proprietary drawings, specifications or data.

Distributors:

The technical and quality requirements of the purchase order apply to both you and the manufacturer of the material. The original manufacturer's certificate of conformance must accompany the part.

Access Rights

MACRO Industries reserves the right to review control methods and inspect material included in this order at the supplier's plant and at any sub-tier plant. Access rights shall be extended to our customer and Government or Regulatory Agency representatives.

Source Inspection:

When source inspection by MACRO Industries is required, the supplier is responsible for inspecting and presenting a fully conforming product to MACRO Industries Quality Assurance Representative. The supplier shall provide an adequate work area, a current copy of the purchase order, packing slips, all applicable drawings and specifications, required certification/test reports, and all necessary inspection equipment that the MACRO Industries Quality representative may require. The source inspection requirement will be identified on the Purchase Order or subcontract.

Corrective Action:

When deemed necessary, MACRO INDUSTRIES may require Root Cause / Corrective Action for nonconformities that are identified with materials, parts, or services that are provided. If this occurs the supplier may be contacted to provide information or will be required to complete a 'Supplier' Corrective and Action Request (SCAR) if one is issued.

Nonconforming / Counterfeit Material:

Authority to ship nonconforming material must be obtained through MACRO Industries. Nonconforming material shipped without prior approval is subject to return at the supplier's expense. The supplier must gain approval to ship nonconforming product and each supplier is required to report to MACRO Industries if a product or article has been released from that supplier and subsequently found not to conform to the applicable design data. The supplier shall immediately notify MACRO Industries of any suspicion that counterfeit materials and or parts could be an issue during the life cycle [before / after shipment] of the item. MACRO Industries will assess the issue and provide guidance as to the disposition.

Records:

All Quality Records are to be legible, reproducible, and identifiable to the purchase order. Quality Records are to be stored and maintained in such a way that they are readily retrievable in facilities that provide a suitable environment to minimize deterioration or damage and to prevent loss. This applies to our suppliers and any lower-tier suppliers. Retention period for Quality Records are **5 years** from Purchase Order completion unless otherwise specified. MACRO INDUSTRIES, our customers, Government, or Regulatory Agency representative shall have access to review quality records as they pertain to this order and copies shall be furnished upon request.

Packaging:

As a minimum, the supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration and physical damage during shipment to MACRO INDUSTRIES. Items damaged due to inadequate packaging will be rejected and returned to the supplier.

Note: Wood pallets fabricated outside of the United States must be treated for infestations and identified on the pallet in accordance with U. S. Regulations.

Supplier's Employee Awareness:

The supplier shall ensure that its employees are aware of their contribution to product or service conformity. The supplier shall notify MACRO's Business Administration Manager and Production Control if the supplier identifies a risk to achieve conformity to product or on time delivery.

The supplier shall notify MACRO's Business Administration Manager if the supplier identifies a concern that relates to product safety.

The supplier shall establish their own standards for ethical behavior and the supplier's employees shall be made aware of those standards. The supplier's standards for ethical behavior shall ensure that:

- Employees that provide work under the terms of the agreed purchase order or contract are accountable for their actions.
- The supplier will comply with laws and regulations that are applicable to the supplier's operations.
- For any product specification documents (i.e. drawings) that MACRO provides to the supplier, the supplier shall sign a non-disclosure agreement with MACRO and take appropriate action to protect the documents from loss of confidentiality.

Specific Requirements:

Quality requirements 1 through 18 apply when specified on the Purchase Order or subcontract. In the event any term cannot be met, the vendor is responsible for notifying the MACRO Industries purchasing representative immediately.

1. **Traceability:** Traceability shall be maintained from receipt of raw material through finished product. ***Records and material must be identified by lot number, material type, specification and applicable revision identifier or date of issue, heat number, serial number, etc., as required to maintain traceability.*** Records shall be maintained on file at supplier's facility. If a time limit is not specified, records shall be kept for five (5) years or as stated on the purchase contract subsequent to completion of purchase order deliveries.
2. **Change Notification:** The Supplier shall notify MACRO Industries in writing of all process, design, fabrication, testing, facilities and material affecting form, fit, function, reliability or interchangeability of the end item specification or drawing requirements during the performance of this contract. The supplier shall afford MACRO Industries an opportunity to examine such changes for compliance to the contractual Quality Assurance requirements including necessary approvals.
3. **Key/Special Process Control:** Certificates shall be submitted with each shipment to specify that all special processes or inspection methods, such as plating, anodizing, chemical conversion, heat-treating, non-destructive testing and destructive testing, demonstrate compliance with the requirements of the drawings, specifications, or purchase order and are accomplished by an approved source using approved equipment and personnel.
4. **Seller's Inspection Options:** Seller shall perform 100% inspection for in-process and final inspection or Seller shall conform to SAE ARP9013 Statistical Sampling Plan. With the exception noted herein Seller statistical sampling procedure/plan conformance SAE ARP9013 Statistical Sampling Plan with C=0 will constitute MACRO Industries Quality approval.
Note: Any characteristics identified in the design documentation as "Safety" or "Critical" (or "Safety Critical," et al.) characteristics shall not be accepted using statistical product acceptance methods unless prior written authorization is granted by the specific MACRO authority, or the method for acceptance is specifically defined in the design documentation. A "Safety" or "Critical" (or "Safety Critical," et al.) characteristic is defined as a characteristic designated by the design authority, where the responsibility for its definition is outside the scope of recommended practice ARP9013.
5. **Raw Material Identification:** All raw material, included plate, bar, extrusion, sheet, etc. of aluminum, steel, or other material, must be identified per the applicable specification. Identification to MACRO Industries Purchase Order Number is also requested.

6. **Material Review:** The Seller shall not use dispositions of use-as-is or repair on MACRO Industries designed product unless current revision has been approved by MACRO Industries.
7. **ESD Packaging/Packing Requirements:** Static sensitive parts will be packed in a conductive frame or with leads inserted in conductive elastomer or foam to protect them against electrical charges. External labels shall identify the package on at least two sides as containing static sensitive devices. (MIL-B-81705)
8. **Chemicals:** All chemical shipments shall comply with appropriate EPA, RCRA, OSHA, and DOT requirements for safe transportation, labeling (smallest unit containers and outer packaging), special or unusual handling requirements, and spill instructions. ***A copy of the MSDS, if applicable, shall be provided with each shipment.***
9. **Critical and Limited Life Items:** Date of manufacture and shelf life must be supplied with each limited life item. Limited life items must have a minimum of 80% of shelf life remaining when received by MACRO Industries.
10. **Part Identification:** Parts shall be marked in accordance with the applicable drawing and shall include the manufacturer's cage code preceded by MFR. The marking shall be accomplished IAW MIL-STD-130 (*latest revision or as specified on PO*). Marking shall be applied in the approximate area and using the same method as depicted on the drawing.

Parts not required to be marked per drawing shall be packaged and identified IAW MIL-STD-130. Tag shall include nomenclature, part number, revision, and manufacturer's cage code preceded by the letters MFR. When Department of Defense Federal Acquisition Regulations Supplement (DFARS) 252.211-7003 (Item Identification and Valuation) is listed as a requirement, an IUID marking is required

Products ordered on this Contract shall be serialized by the Supplier using serialization scheme as defined in applicable drawings/specifications. The Supplier's serialization scheme shall include provisions to ensure that serial numbers are not duplicated on products with the same part number and provide an audit trail to all material, fabrication, assembly, inspection and test documentation.

11. **Wire, braid, sleeving, tubing and cable:** Must be a continuous piece; no splicing, melting or bonding will be accepted.
12. **Fasteners:** Each container of fasteners shall be conspicuously marked with the number of the lot from which such fasteners were taken. The supplier shall provide one CoC for each part number contained in a fastener shipment. This document shall contain as a minimum the supplier's name, the standards and specifications, name of the manufacturer, lot number, purchase order number, item number when applicable, and a factual statement that a copy of a written certificate by the Manufacturer is on file at the supplier's facility available for review by MACRO Industries upon request.

The Manufacturer's certificate shall state that –

1. the fasteners have been manufactured according to the requirements of the applicable standards and specifications and have been inspected and tested by a laboratory,
2. and that an original laboratory testing report is on file with the manufacturer and available for inspection.

- 13. Buy American:** Certification and Country of Origin must be supplied with all delivered raw material in accordance with DFAR-Clause 252.225.7002.
- 14. First Article:** First Article Inspection required per the AS9102 Standard. A first article inspection (FAI) shall be performed on new product of the first production run in accordance with SAE AS 9102. The First Article Inspection report must accompany the product.
- 15. Bearings:** A specific certification stating that the *bearing was made in the US or Canada* for all Government contracts is required.
- 16. Calibration Control:** The vendor shall control the calibration of all measuring devices against certified standards traceable to the National Bureau of Standards.
- 17. Government inspection:** Is required prior to shipment from your plant. Upon receipt of this order, promptly notify the Government representative who normally serves your plant.
- 18. Commercial Aircraft Part Identification:** In accordance with Federal Aviation Administration (FAA) Regulations parts must be identified with at least one of the following, as applicable:
1. FAA Form 8130-3, "Authorized Release Certificate", "Airworthiness Approval Tag"
 2. FAA Technical Standard Order (TSO) markings on part and associated TSO certification
 3. FAA Parts Manufacturing Approval (PMA) markings on part and associated PMA certification
 4. FAA Production Certificate statement on associated shipping documents that indicates the part was produced under FAA Production Certificate
 5. Certificate of Conformity from the Supplemental Type Certificate (STC) holder; shipment of parts based on a STC must be shipped with documentation referencing the STC
 6. Maintenance Release Documentation with all applicable information and accomplished by those authorized to perform maintenance, preventive maintenance and alterations IAW FAR Part 43.
- 19. Defense Priorities and Allocations System (DPAS) Surveillance Codes:** In accordance with the government contract, if a DPAS surveillance code is identified, the following applies to all sub-tier suppliers: "This is a rated order certified for national defense use and, you are required to follow all provisions of the Defense Priorities and Allocations Systems Regulation (15 CFR 700 statement)."