



Electro-Miniatures Corp.

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GENERAL SUPPLIER REQUIREMENTS CLAUSE

1. PURPOSE

This general requirement describes the general and special product assurance requirements (clauses) that will be used by Electro Miniatures Corp. on the Purchase Order, Contract or other formal agreement (hereafter referred to as the Contract) between a Supplier and Electro Miniatures Corp. The purpose of this document is to clearly define for each purchase of products or services, all of the necessary and applicable technical and quality requirements with which the Supplier is required to comply to meet Electro Miniatures Corp.'s customer and/or regulatory requirements.

2. APPLICATION

This document was developed and has been issued for use by the Electro Miniatures Corp. Unless expressly excluded by the Contract, Clause Q010, which includes Sections 1, 2 & 3 herein applies to all Contracts. The "Q" clauses listed in Section 4 apply only when the specific clause number is included on the Contract.

NOTE:

When electronic documents are used to transmit requirements to the Supplier, 'Q' clauses may be flowed-down to the Supplier electronically, in attachments that are part of the Contract. Compliance by the Supplier to all Contract requirements is subject to on-site verification by Electro Miniatures Corp., representatives of Electro Miniatures Corp. We may request the Supplier to provide objective evidence of compliance with all Contract requirements.

3. REQUIREMENTS

3.1 Supplier Responsibilities

3.1.1 Delivery Certification

By delivering products or services on the Contract, the Supplier certifies that such products or services are in compliance with all applicable requirements of the Contract, and objective evidence of compliance is available and will be furnished to Electro Miniatures Corp. for review upon request.

3.1.2 Compliance to Contract Requirements

The Supplier is responsible to verify and demonstrate compliance to all Contract requirements. Neither audit, surveillance, inspection and/or tests made by Electro Miniatures Corp., representatives of Electro Miniatures Corp., or representatives of Electro Miniatures Corp.'s customers, at Supplier's facilities or at the facilities of the Supplier's sub-tier sources, or upon receipt at Electro Miniatures Corp., relieves the Supplier of the responsibility to furnish acceptable products or services that conform to all Contract requirements, nor does it preclude subsequent rejection by Electro Miniatures Corp. or Electro Miniatures Corp.'s customers.

3.1.3 Control of Sub-Tier Sources

The Supplier, as the recipient of the Contract, is responsible for meeting all Contract specified technical and quality requirements, whether the Supplier performs the work, or the work is performed by the Supplier's sub-tier sources. When the Supplier uses sub-tier sources to perform work on products and/or services scheduled for delivery to Electro Miniatures Corp., the Supplier shall include (flow-down) on Purchase Orders or Contracts, to his sub-tier sources, all of the applicable technical and quality requirements of the Electro Miniatures Corp. Contract, including when applicable the requirement to document and control 'key characteristics' and/or 'key processes', and to furnish certifications and test reports required by the applicable 'Q' Clauses.

3.1.4 Access to Suppliers Facilities

3.1.5

During Contract performance, the Supplier shall grant reasonable access to Supplier's facilities to representatives of Electro Miniatures Corp., Electro Miniatures Corp. customers, US government and/or regulatory agencies for the purpose of evaluating Suppliers conformance to all Contract requirements. When applicable, the access requirement shall be flowed-down by Supplier to Suppliers' sub-tier sources.

3.2 Document Control

3.2.1 Applicability of Documents

All documents, including drawings and specifications, Electro Miniatures Corp., Industry, National, International, Federal, US Government and others, are applicable to and considered part of the Contract requirements when such documents are specified directly in the Contract or in documents referenced by the Contract. Unless otherwise specified by the Contract, all of the lower tier documents referenced in Contract specified documents are applicable to the Contract.

3.2.2 Document Revision Status

Unless otherwise specified by the Contract, the document revision in effect on the date of issue of the Contract, applies to the Contract.

3.2.3 Document Sources

Copies of Electro Miniatures Corp. proprietary documents, or Electro Miniatures Corp. customer proprietary documents, required by the Supplier to comply with Contract requirements will be furnished to the Supplier by Electro Miniatures Corp. with the Contract. Copies of Industry, National, International or US Government documents and Standards are generally available on the internet or from commercial sources. The Supplier is responsible for obtaining such documents, including current revision of such documents. Any problems experienced by the Supplier in obtaining required documents should be brought to attention of the Electro Miniatures Corp. Buyer.

3.2.4 Control & Release of Electro Miniatures Corp. Furnished Documents

Proprietary documents furnished by Electro Miniatures Corp. to the Supplier are furnished solely for Supplier to use during performance of work on the Electro Miniatures Corp. Contract. Proprietary documents are Electro Miniatures Corp. or Electro Miniatures Corp. customer documents and may be furnished to the Supplier in hard copy, electronic or another format. The Supplier is responsible for controlling and maintaining such documents to preclude loss, damage, alteration and/or deterioration.

Unless authorized by Electro Miniatures Corp. Buyer in writing, the Supplier may not transmit or furnish any proprietary documents, or copies of such documents, to anyone outside the Supplier's business organization except to a sub-tier source used by the Supplier for performance of work on the Electro Miniatures Corp. Contract. The Supplier shall return to Electro Miniatures Corp. all proprietary documents with the last delivery of products or services on the Contract. In those cases where proprietary documents were furnished to the Supplier in electronic format or media, the Supplier shall purge such documents from the Supplier's electronic database immediately after the last delivery of products on the Contract. Electro Miniatures Corp. may request the Supplier to furnish objective evidence that proprietary documents have been purged from the Supplier's electronic database. The Supplier shall invoke a similar 'document control' clause or statement on the Supplier's Purchase Orders or Contracts to his sub tier sources, when such sources will be in receipt of Electro Miniatures Corp. proprietary documents during performance of work for the Supplier.

3.3 Prohibited Practices

The following acts and practices are prohibited, unless approved by Electro Miniatures Corp. in writing. In addition, the Supplier shall invoke (flow-down) the requirements of sections 3.3.1 through 3.3.5 to all of the Supplier's sub-tier sources performing work for the Supplier that is scheduled for delivery to Electro Miniatures Corp. on the Contract.

3.3.1 Unauthorized Facility Changes

During performance on the Contract, the Supplier shall give Electro Miniatures Corp. written notice before relocating any production, inspection or processing facilities; or, transferring work between different facilities; or, when applicable, prior to initiating any changes in the source of major components procured by the Supplier and designated for use in or for installation on products scheduled for delivery to Electro Miniatures Corp.; or, making any other changes which may affect product quality, reliability or integrity. Such changes are subject to approval/disapproval by Electro Miniatures Corp.

A change in ownership or a change in the individual designated as the management representative with respect to the Suppliers quality/inspection system shall be construed as a facility change and requires the Supplier to notify Electro Miniatures Corp.

3.3.2 Unauthorized Product Repairs & Salvage

The Supplier may not perform any repairs such as welding, brazing, soldering, plugging, peening, bushing, or, use of paints, adhesives or plating, or use any standard or other repair practice or method, on products damaged or found to be discrepant during fabrication or processing, or, on defects in castings or forgings, unless such repairs are specifically permitted by the applicable drawing or specification, or are specifically authorized by Electro Miniatures Corp. in writing for each occurrence. Unless specifically authorized by Electro Miniatures Corp., this prohibition also applies to reworking products by removing plating (stripping) and re-plating. In those cases, where Electro Miniatures Corp. authorized product repair, salvage or stripping has been accomplished, the Supplier shall include on the packing list/shipper or on a separate attached document a list of the products that have been subjected to such Electro Miniatures Corp. approved repair, salvage or stripping, and the method used.

3.3.3 Unauthorized Product Changes or Substitutions

The Supplier may not make any changes or substitutions to any products or services required by the Contract, drawing, specification, standard, or other applicable document without prior written authorization by Electro Miniatures Corp. Authorization may be contingent on Electro Miniatures Corp. conducting an on-site review of the proposed product or service changes at the Supplier's facilities, or the facilities of the Supplier's sub-tier sources.

3.3.4 Use of Non-Conventional Manufacturing Methods

Unless required by the drawing, specification, or Contract, the Supplier may not use Electrical Discharge Machining (EDM), Electro Chemical Machining (ECM), laser or abrasive water jet cutting or drilling, flame spray coatings, or any other non-conventional manufacturing method or process on products scheduled for delivery to Electro Miniatures Corp. without prior written authorization by Electro Miniatures Corp. This prohibition also applies to the use of such processes by the Supplier's sub-tier sources. Authorization by Electro Miniatures Corp. may be contingent on Electro Miniatures Corp. conducting a review and approving the method, facilities, equipment and qualified personnel at the Supplier's facilities or the facilities of the Supplier's sub-tier sources that will perform the operation or process. In addition, when authorized, such operations and processes may only be performed by Electro Miniatures Corp. approved sources.

3.3.5 Altering Data on Documents

The use of any method that causes the original data on documents to be obliterated and unreadable (i.e. the use of correction fluids, correction tape, write-over, or other methods) to correct, modify or otherwise alter the data and/or entries on any certifications, test reports or other documents required by the Contract, is strictly prohibited. Corrections may be made on inspection reports such as FAIR's, providing it is clearly obvious that a correction was made and it is signed (initialed) or stamped by an authorized individual. Upon receipt at Electro Miniatures Corp., products or services represented by documents that show evidence that they have been corrected or altered in an unauthorized manner are subject to return to the Supplier at Supplier's expense.

3.4 Contract Changes & Their Effectivity

3.4.1 Electro Miniatures Corp. Initiated Changes

The Supplier shall incorporate, at the specified and agreed upon effectivity points, all changes initiated by Electro Miniatures Corp. and communicated to the Supplier through a formal Contract change and/or amendment. Such changes may be in the form of revised drawings, specifications, tests, inspection or fabrication methods, etc., and may apply to products as well as to the Supplier's management and administrative systems. The Supplier's business management system shall include appropriate controls and records, including controls at the Supplier's sub-tier sources, which provide objective evidence that changes were incorporated as required by the Contract. Objective evidence may be in the form of date, lot, serial number, revision letter, or other positive identification. Such records are subject to on-site verification by Electro Miniatures Corp. at the Supplier's facilities or the facilities of the Supplier's sub-tier sources.

3.4.2 Supplier Initiated Changes

The Supplier may not make any changes in product design, drawings, performance specifications, materials or processes that will result in a Class I change (as defined by MIL-STD-973) without specific approval by Electro Miniatures Corp. in writing prior to making such changes in products or data. When applicable, the Supplier shall flow-down this requirement to the Supplier's sub-tier sources. The Supplier may make changes on products under Supplier's proprietary engineering design control that result in a Class II change (as defined by MIL-STD-973) and that do not affect the above criteria. The Supplier shall furnish a copy of the change prior to the initial delivery of products to Electro Miniatures Corp., so that Electro Miniatures Corp. can verify that the change does not violate the above requirements.

3.5 Certifications

3.5.1 Certification Requirements

The Supplier shall furnish with the initial delivery of products and/or services on the Contract, all certifications, test reports and other documents (hereafter certifications), issued by the Supplier or by the Supplier's sub-tier sources that are required by the specific "Q" Clauses listed on the Contract. The Supplier is responsible to ensure that all certifications furnished by the Supplier, or by the Supplier's sub-tier sources, are complete, legible and reproducible, accurate and in compliance with all Contract requirements. Electro Miniatures Corp. reserves the right to return all products to the Supplier at Supplier's expense when the certifications that support the products are not properly executed.

When the Electro Miniatures Corp. Contract includes provisions for incremental product deliveries, after the initial delivery of products and certifications, the Supplier may on subsequent deliveries, provide additional copies of the certifications, or note on the packing list/shipper and the CofC, the date that the initial certifications were delivered to Electro Miniatures Corp.

3.5.2 Certification Language & Content

All certifications shall be in the English language and as a minimum include the following information and data:

name of the issuing organization (company),

part number and revision (including Electro Miniatures Corp. part number when applicable)

quantity processed and/or delivered

Electro Miniatures Corp. contract number, and if applicable the Line Item & Release Number

name and signature that meets the requirements of 3.5.3, of the authorized official of the issuing organization.

3.5.3 Acceptable & Authorized Signatures

All certifications and test reports shall include the typed or printed name and an acceptable signature of the authorizing company official. The following methods are the only Electro Miniatures Corp. approved and acceptable methods for applying signatures to certifications: (a) actual signatures rendered in ink by the signing official; (b) facsimiles of actual signatures such as rubber stamps; or (c) machine or computer graphics generated facsimile signatures.

When quality or inspection stamps are used in lieu of signatures, such stamps shall clearly identify the issuing organization and the authorized individual to whom the stamp is assigned.

The issue, use and control of such stamps shall be governed by documented procedures in the Supplier's Quality Management System.

3.5.4 Electronic Signatures

When the Supplier elects to use electronic signatures on electronic documents, the following rules apply:

application of electronic signature must be under the direct control of the person whose name appears on the document, electronic signature may only be applied at the location or facility where the individual is located and the individual must have direct access to the products or services, and supporting data to monitor the process, perform inspections and ensure that the products or services conform to all Contract requirements, the preparation of electronic documents and application of electronic signatures is governed by documented procedures in the Suppliers Quality Management System to ensure the validity and integrity of all electronic documents, and by application of an electronic signature, the Supplier certifies that the signature was applied by the authorized company official in compliance with a. b. & c. above

3.6 Maintenance of Records

Unless otherwise required by the Contract, the Supplier shall maintain all records that provide objective evidence of compliance to the Contract requirements for a minimum of seven years after the last delivery of products and/or services on the Contract. Such records include drawings, specifications, work instructions, certifications and test reports and any other records generated in the course of procurement, manufacturing, testing, processing, inspecting, preserving, packaging and shipping products to Electro Miniatures Corp., and when applicable include records generated by the Supplier's sub-tier sources. Such records may be in any form including, electronic, hard copy or microfilm and shall be handled and stored in a manner to preclude deterioration or loss during the time period specified. Upon request, the Supplier shall be capable of retrieving & delivering required records to Electro Miniatures Corp. within ten (10) working days or sooner from date of request by Electro Miniatures Corp. Prior to discarding, transferring to another facility, or destruction of such records, the Supplier shall notify Electro

Miniatures Corp. in writing and allow Electro Miniatures Corp. the opportunity to gain possession of such records including applicable records at the Supplier's sub-tier sources.

3.7 Nonconforming Products & Material Review

3.7.1 Identification, Segregation & Control

Any products found to be nonconforming to Electro Miniatures Corp. drawings, specifications, Contract, or other applicable requirements either by the Supplier or the Supplier's sub-tier sources, shall be identified, segregated and reworked or replaced with conforming products prior to delivery to Electro Miniatures Corp. Electro Miniatures Corp. reserves the right to reject and return any nonconforming products to the Supplier at the Supplier's expense.

3.7.2 Supplier Material Review Authority

All nonconforming material shall be submitted to Electro Miniatures Corp. for disposition.

3.7.3 Submittal to Electro Miniatures Corp. MRB for Disposition

Unless otherwise specified in the Contract, in order for the Supplier to submit nonconforming products to Electro Miniatures Corp. Material Review Board (MRB) for disposition, the Supplier shall submit a request to the Electro Miniatures Corp. Buyer. When authorized by the Buyer, the Supplier shall complete the required MRB forms that will be furnished, along with instructions for their completion, to the Supplier by the Buyer. Electro Miniatures Corp. MRB will not accept for review and disposition any products that can be reworked to meet drawing or specification requirements, or, are obviously scrap. After review and disposition by Electro Miniatures Corp. MRB, a copy of the form describing the MRB disposition will be returned to the Supplier. A 'use-as-is' or 'repair' (salvage) disposition by MRB does not relieve the Supplier of the legal responsibility and liability for such products.

The Supplier may not ship to Electro Miniatures Corp. any nonconforming products that have not been dispositioned by Electro Miniatures Corp. MRB unless authorized by Electro Miniatures Corp. in writing. When Electro Miniatures Corp. MRB dispositioned products are delivered to Electro Miniatures Corp., the Supplier shall reference on the packing list/shipper the serial number of the MRB document which describes the Electro Miniatures Corp. MRB disposition. When the Supplier's shipment includes products dispositioned by Electro Miniatures Corp. MRB along with conforming products, the products dispositioned by Electro Miniatures Corp. MRB shall be segregated and marked or tagged so as to permit easy identification upon receipt at Electro Miniatures Corp.

3.7.4 Supplier Notification of Nonconforming Products Delivered to Electro Miniatures Corp.

When the Supplier has determined that nonconforming product(s) have been delivered to Electro Miniatures Corp., the Supplier shall notify the Electro Miniatures Corp. Buyer within twenty-four (24) hours of the initial discovery. The Supplier shall use receipt acknowledged e-mail or other positive notification method.

The notification shall include the following information:

- Supplier name
- Electro Miniatures Corp. Purchase Order or Contract number
- Part number and description

- Affected quantity and serial numbers (if known)
- Dates delivered (if known)
- Brief description of the nonconforming condition

The initial notification shall be followed by a formal "Disclosure Letter" delivered to the Electro Miniatures Corp. Buyer within five (5) days of the initial notification.

The Disclosure Letter shall include the following information:

- A. Complete description of the nonconforming condition(s)
- B. The affected quantity of products (including serial numbers when applicable) and dates delivered to electro miniatures corp.
- C. Potential effect of the nonconformance on the performance, reliability, safety and/or usability of the product(s)
- D. Recommendations for electro miniatures corp. Action including for products that electro miniatures corp. May have already delivered to its customers
- E. Immediate action taken by supplier to contain the nonconforming products
- F. Root cause analysis of the nonconforming condition
- G. Root cause corrective action plan and schedule
- H. The plan and schedule for verifying the effectiveness of the corrective action

In those cases where data (A) through (H) above is under investigation and incomplete, the Supplier may request, from the Electro Miniatures Corp. Buyer, authority to submit an interim disclosure letter. The interim letter shall include as much information as available and identify the due date for completion of the investigation and the date final disclosure letter that includes all (A) though (H) data will be submitted to Electro Miniatures Corp. Electro Miniatures Corp. reserves the right to participate in the nonconforming product investigation at the facilities of the Supplier or its sub-tier sources.

3.8 Re-Submittal of Products Previously Rejected by Electro Miniatures Corp.

Products returned to the Supplier by Electro Miniatures Corp. and re-worked or replaced by the Supplier and re-submitted to Electro Miniatures Corp. shall be clearly identified as re-submitted products.

The Supplier's packing list/shipper shall include a statement that the products delivered are:

- Replacement, or
- Reworked to meet all applicable requirements, and include reference to the Electro Miniatures Corp. rejection document serial number.

3.9 Product Identification

The Supplier shall identify all products delivered to Electro Miniatures Corp. in accordance with the drawing, specification and/or Contract requirements. Unless permitted by drawing and/or specification, steel stamping and vibro-engraving identification methods are prohibited, except on product identification nameplates or decals and on attached metal tags.

3.10 Preservation, Packaging and Shipment

Unless otherwise required by the Contract, the Supplier shall incorporate good commercial standard practices for the preservation, packaging and shipment to preclude damage to products during shipment to Electro Miniatures Corp. or deterioration while in storage at Electro Miniatures Corp. Identification on packages shall include the contract number to which they apply.

CAUTION: Due to the acid nature of ink, the use of newspapers for packaging, storage or shipment of any products is prohibited. In addition, the use of brown wrapping paper for packaging or storing of cadmium plated parts is prohibited.

4.0 Reference: Quality Clause