



Procedure No.: CQMSP 8.4c – Supplier Guidelines

Policy: [Purchasing Process](#) as per Corporate Quality Assurance Manual.

Purpose And Scope: To define the expectations and requirements for the purchasing contract (purchase order) between PLP and the supplier.

Supplier Responsibility And Expectations:

This document establishes fundamental Purchasing and Quality Requirements for PLP Purchase Orders. These requirements are in addition to those set forth in any other contractual document. The provisions herein are an integral part of the Purchase Order. These Supplier Guidelines define the minimum quality requirements which the supplier shall establish, document and implement to be an approved PLP supplier. The requirements herein are supplemental to, and are not a replacement for, PLP terms and conditions of purchase, purchase documentation, engineering drawings and/or specifications.

Compliance with these requirements does not reduce Supplier responsibility for furnishing materials and services, which fully comply with applicable Drawing(s) and Specification(s), nor does it guarantee acceptance of materials or services by PLP. In the event that materials or services are found to be defective and cannot be demonstrated by the Supplier to be in conformance with the Purchase Order, PLP reserves the right to reject them.

PLP suppliers may be provided proprietary or confidential information. All such disclosures are covered by PLP's standard Confidentiality Agreement (NDA). In the event of being in receipt of such information, Supplier shall treat all data in strict confidence and report any intentional or non-intentional breach of confidentiality to PLP immediately upon becoming aware of such a breach.



1. QUALITY AND INSPECTION SYSTEM REQUIREMENTS:

The Supplier shall provide and maintain a quality system in conformance with: ANSI/ASQC ISO9001, latest revision or other Quality System approved by PLP, which assure compliance to purchase order requirements.

The supplier shall perform (or have performed) and documented all required inspections necessary to verify that the materials, products, processes, and/or services provided conform to all requirements of the purchase order. PLP drawings will identify critical dimensions on the component via the QC legend. Dimensions labeled as "C" and "V" indicate critical dimension.

The supplier shall assure that all required inspection and testing have been completed prior to delivery.

2. CONTROL OF CHANGES:

Supplier agrees not to make any change in material, design or process which would affect the part or any component part thereof without PLP's prior written approval. The Supplier will identify, on the Certificate of Conformance and/or packing sheet, the as built revision level of the end item product being delivered.

2.1 DRAWING AND SPECIFICATION CONTROL:

The supplier shall assure that any PLP-issued drawings, e-files, specifications, and standards are maintained in a controlled manner.

3. PURCHASE ORDER REVIEW:

The supplier shall review the terms and conditions of the purchase order within 24 hours of receipt to assure that the requirements can be met, particular attention shall be given to the price, delivery dates and payment terms. Any exceptions to this contract must be communicated to PLP in writing indicating any required changes.

4. QUALITY AUDITS:

The supplier's quality system is subject to initial and periodic quality audits to be conducted at PLP's discretion. The purpose of these audits is to evaluate the effectiveness of the supplier's quality system and the supplier's capability of providing conforming materials and/or services to PLP.

5. RIGHT OF ENTRY:

The Buyer, their customer and regulatory authorities shall be granted:

(1) Reasonable right of access to Supplier's facilities involved in the fulfilment of the purchase order and all applicable quality records.

(2) The right to verify at the Supplier's premises that subcontracted product conforms to specified requirements. Such verification shall not be used by

the Supplier as evidence of effective control of quality by the supplier.

6. PRODUCT PRESERVATION:

Unless otherwise specified by the item drawing, specification or purchase order, the Supplier is responsible for assuring that all items are effectively and economically packed for the method of transportation and type of handling involved, to assure items are delivered without damage or deterioration.

6.1 DELIVERY DUE DATE:

All references to due date shall be interpreted by the supplier as "At the PLP receiving dock" with all required paperwork. It is the supplier's responsibility to notify PLP if any order or shipment will be late prior to the order's due date.

6.2 DELIVERY RATING:

On-time delivery rating is evaluated by the number of receipts zero days late and less than five business days early divided by the total number of receipts. Delivery of product is expected at the PLP location on the date agreed to in the purchase contract.

6.3 QUALITY RATING:

The quality rating is evaluated by the number of parts rejected divided by the number of parts received. For evaluation purposes, if a lot is rejected based on sampling plan criteria the entire lot quantity will be rejected. Our acceptance goal is 100% compliance to the purchase contract.

6.4 SHIPMENT AND DELIVERY:

PLP utilizes inbound freight contracts for supplier delivery. Instructions in the purchase contract will guide you to the preferred method of delivery. It is our expectation that you will follow these instructions to minimize our overall cost of material procurement.

6.5 SHIPMENT DOCUMENTATION:

PLP desires to receive and pay for incoming goods as quickly as possible. To do this, we must have all required paperwork accompany the shipment and sent via the Advanced Shipping Notice (ASN) prior to shipment. The Advanced Shipping Notice (ASN) will be our preferred method of correspondence for shipping documentation. Purchase Order Number must be included on the packing list and invoice.

6.6 PACKAGING REQUIREMENTS:

All pallets are to be labeled with a part number, quantity, purchase order number, tare weight and gross weight. Maximum skid height should be no more than 48" high. Maximum skid weight is 908 kg or 2,000 lbs. All import packaging must meet ISPM 15 standards. Any deviation to this must be approved by PLP.



6.7 DROP-SHIPMENT PURCHASE ORDER SHIPMENT DOCUMENTATION:

Supplier shall provide the following documentation prior to shipment: Certificate of Conformance, Material Certifications, and Inspection Reports for all critical dimensions and characteristics identified on drawings and specifications. Supplier must receive a release from PLP before shipment.

6.8 SUPPLIER OBLIGATIONS:

Supplier must notify PLP of any intended or unavoidable change in manufacturing location and shall request a new component First Article Inspection (FAI) or Supplier Qualification (SQ) approval prior to implementation of any transfer. Additionally Supplier will not make changes to process or material without written approval from PLP prior to making such changes.

In the event of a non-conformity, supplier must authorize a Return Material Authorization (RMA) or approve and compensate for a sort within 48 hrs. of notification of non-conformity.

All returned material will be at the expense of the supplier.

7. NON-CONFORMING MATERIAL:

Non-conforming material may not be released to PLP without advanced prior approval from PLP through an Advanced MRB (Material Review Board). Failure to comply with this requirement may result in parts being returned and/or reflected in your Quality rating score. Submitting requests for material evaluation should be considered the exception and not the rule. The supplier is cautioned that acceptance of non-conforming material may affect the supplier's performance rating.

Supplier can request a deviation in advance of shipping, however, PLP reserves the right to accept or reject non-conforming material.

If non-conforming material is shipped to PLP and deemed unusable by PLP, PLP may at its sole discretion reject the product and require the supplier to provide replacement material or a full credit.

7.1 REPORT OF ESCAPE:

The Supplier upon discovery of a shipment / delivery of nonconforming product to PLP must provide a notice of disclosure to the PLP within 48 hours from learning of the non-conforming condition.

7.2. SUPPLIER CORRECTIVE ACTION/REQUEST (SCAR):

The supplier shall establish and maintain a corrective action system to provide prompt and meaningful action to correct adverse conditions which could result, or have resulted in the inadvertent release of non-conforming product or services to PLP. When a formal response is

required, PLP will issue a Supplier Corrective Action Request (SCAR) via e-mail or other prescribed means that is required to be addressed within a maximum of 30 days or as otherwise agreed.

The supplier will be liable for a SCAR processing fee of \$150 USD, or local equivalent currency, for each occurrence where a complaint cause is found to lay with the supplier. The processing fee may be levied at the supplier at the sole discretion of PLP.

8. CALIBRATION SYSTEM REQUIREMENTS:

Supplier shall have a calibration system that assures compliance with ISO/IEC/EN 17025 and/or ANSI / NCSL Z540-1-1994 (R2002). Any deviation or waiver of this requirement must be approved by PLP's Engineering and/or Quality Assurance Representatives.

9. CERTIFICATE OF ANALYSIS, COA/ASN:

Supplier shall provide a legible and reproducible Material Certification or Certificate of Analysis (COA) when either is specified on the purchase order or PLP drawing. The supplier must e-mail the Certificate of Compliance (COC) along with the Advanced Shipping Notice (ASN) to the receiving locations. Any questions regarding this process should be directed to PLP prior to shipment. Materials received that are identified as non-conforming will result in a MRB And possible rejection. Failure to comply on a consistent basis may result in a Supplier Corrective Action Request (SCAR).

10. MATERIAL TEST REPORTS:

A legible and reproducible copy of material test reports will accompany each shipment as applicable. Test reports will be identified with specification number and heat and/or cure lot number as appropriate. Chemical and physical test reports will include actual numerical values for each property tested in accordance with the applicable specification. When more than one specimen is required, test results of each is required on the report. Specification and revision will be shown on each test report furnished.

11. SAFETY DATA SHEETS (SDS):

All suppliers, distributors, chemical manufacturers, or importers shall provide a Safety Data Sheet (SDS) with their initial shipment and with the first shipment after an update to their SDS.

12. NOTIFICATION / ESCALATION FOR QUALITY AND/OR SUPPLY CHAIN ISSUES:

In the event the supplier cannot meet a deadline/commitment they shall immediately notify PLP of the situation.

Changes in key personnel must be communicated to PLP immediately, along with contact information for interim responsibility until a replacement is in place.



Quality and Supply Chain issues include but are not limited to:

- Material shortages/ Supply Interruptions
- Raw Material Outage
- Raw Material Discontinuation/ Changes
- Acquisitions or other organization changes that could disrupt raw material or finished product supply
- FAI or SQ requirements
- SCAR and corrective action responses
- Audit Non-Conformance Issues
- Engineering Change Control Issues
- Tooling/Design Issues
- Contract or Commercial Issues

13. APPROVED PROCESS REQUIREMENTS:

A legible and reproducible copy of special process certifications (i.e. testing, MPI, heat treat, nondestructive testing, etc.) will accompany each shipment of material, parts, or assemblies. Special processes will be performed by customer (process specification owner) approved sources.

14. FIRST ARTICLE INSPECTION:

A legible and reproducible copy of the Suppliers First Article Inspection (FAI) or supplier qualification (SQ) must be completed on the initial sample lot of each new part and any subsequent batches where changes to the design and/or manufacturing method/process have been implemented. The supplier report shall include the PLP part number, revision level, purchase order number, and actual values obtained during the measurement of all characteristics identified on the drawing or specification. Production deliveries will not be accepted prior to approval of the FAI/SQ without an advanced MRB. If the product has not been produced by the supplier within 2 years, an SQ may be required.

15. TRACEABILITY/LOT AND BATCH CONTROL:

Supplier shall maintain lot and batch control of raw materials to purchased items. Supplier must provide positive traceability of manufactured parts and assemblies to raw materials through the use of lot/batch, serial numbers or date of manufacture, as applicable, for all items in the shipment. This documentation shall be available upon request.

16. SUPPLIER RECORDS:

The supplier shall maintain records and data of all inspection-related activities and material certifications for a minimum of five (5) years after delivery date unless otherwise specified. This record retention shall apply to reworked product.

17. SUPPLIER FLOW DOWN TO SUB-SUPPLIER:

The Supplier shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

18. COUNTRY OF ORIGIN:

For any parts or materials supplied to PLP, supplier shall be able to furnish material country of origin upon request.