



## LEE TOOL COMPANY, INC.

### **SUPPLIER PRODUCT ASSURANCE REQUIREMENTS / QUALITY FLOW DOWN REQUIREMENTS**

The Supplier requirements as noted below shall apply to all Suppliers and sub-tier Suppliers to Lee Tool Company, Inc. (Lee Tool) providing raw materials, manufactured components and/or 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. Acceptance of a Purchase Order from Lee Tool binds the Supplier to the requirements listed in this document, unless alternate Terms and Conditions have been agreed to in writing between Lee Tool and the Supplier. The Supplier is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by Lee Tool; and they are required to flow down these requirements to any sub-tier Suppliers if they are authorized to use any.

**(1) PROPRIETARY INFORMATION:** Drawing and process instructions related to Purchase Orders given to Suppliers are proprietary and unauthorized disclosure without written permission from Lee Tool is prohibited. Return all drawings and process instructions upon completion of said Purchase Order. Supplier shall ensure that all technical data (drawings, B/Ps, OP sheets, pictures, etc.) are not transmitted, shipped, mailed, emailed, hand-carried (or any other means of transmission), outside of their control unless written authorization has been given by Lee Tool.

**(2) SUPPLIER QUALITY PROGRAM REQUIREMENTS:** Suppliers shall maintain a Quality System. The Supplier's quality system shall satisfy the requirements of the ISO9001 and/or the AS9100 standard, unless otherwise approved by Lee Tool. Any substantial changes to the Suppliers' quality system must be communicated to Lee Tool in writing.

**(3) ORGANIZATIONAL CHANGES:** Suppliers shall notify Lee Tool in writing of changes in processes, products and/or services, including changes of the Suppliers name, external providers or location of manufacture, and obtain Lee Tool approval.

**(4) QUALIFIED SUPPLIER:** Suppliers to Lee Tool must achieve Approved Supplier status. Failure to achieve Approved Supplier status may result in an end of the business relationship between Lee Tool and the Supplier. The Supplier shall meet the following criteria on a quarterly basis between the Supplier and Lee Tool:

- Meet Lee Tools' quality requirements and achieve a 90%+ rating for the previous three months. In the event that the rating has not been achieved, Supplier will be removed from the Approved Supplier list. To be placed back on the Approved Supplier List the Supplier in question will be placed on probationary status and monitored to determine if re-qualification will take place.
- Shall have evidence of ISO9000 or AS9100 compliance unless otherwise approved by Lee Tool.

Lee Tool reserves the right to revoke a Supplier's Approved Supplier status at any time.

**(5) RIGHT OF ACCESS / ON-SITE INSPECTION:** Lee Tool reserves the right to perform an on-site inspection / have right of access of the Supplier's facility. Lee Tool 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. Please note that all Lee Tool Suppliers are subject to FAA/CAA on-site inspections.

**(6) CALIBRATION:** Supplier shall establish a calibration system to control, calibrate and maintain inspection, measuring and test equipment consistent with the ANSI / National Conference of Standards Laboratories (NCSL) Z540.3 or ISO 10012-2003. Supplier shall demonstrate the conformance of product to the specified requirements and traceable to the National Institute of Standards and Technology (NIST) standards. Inspection, measuring, and test equipment shall be used in a manner that ensures that measurement uncertainty is known and is consistent with the required measurement capability.

**(7) SPECIFICATION REVISIONS AND RECORD RETENTION:** 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, calibration records and inspection reports, as well as receiving inspection, in-process inspection, and final inspection records shall be retained for a minimum of 10 years unless otherwise specified by Lee Tool. Lee Tool shall have access to these records during any onsite visit or upon request. Records are to be legible, traceable and retrievable.

**(8) HEAT LOT TRACEABILITY:** Heat Lot Traceability for Raw Material used to manufacture components and parts is required and shall be retained and provided to Lee Tool upon delivery of manufactured parts.

**(9) SAMPLING REQUIREMENTS:** If the Supplier chooses to use sampling as a means for product acceptance, the Supplier shall comply with ARP9013, Statistical Product Acceptance Requirements with minimum protection levels meeting ARP9013 Figure B1. When statistical process control is used as an option for either in-process or final inspection, the Supplier shall satisfy the requirements of Aerospace Recommended Practice ARP9013/3, "Statistical Product Acceptance Requirements Using Process Control Methods" available at <http://www.sae.org/servlets/index>. In all cases, inspection requirements identified by engineering drawing or specification take precedence over the inspection requirements defined herein.

**(10) COUNTERFEIT PARTS PREVENTION:** A counterfeit parts prevention program shall be implemented. This requirement shall also be flowed down to sub-tier suppliers. At minimum, the program shall encompass the following:

- Document the necessary avoidance, detection, mitigation, and disposition processes to prevent the usage of Suspect, Fraudulent or Counterfeit Parts.
- Maintain traceability, with objective evidence, to the original manufacturer.
- Immediate notification to the Customer when Suspect, Fraudulent or Counterfeit parts are discovered.
- Ensure an effective containment process.
- Evidence that the pertinent process owners are trained on this program

**(11) NONCONFORMING PRODUCT:** Supplier product that does not meet engineering drawing and/or Purchase Order requirements shall be communicated to Lee Tool prior to product shipment. When shipping the nonconforming product to Lee Tool, the product must be tagged appropriately to avoid being received as conforming product. Lee Tool may deem any nonconforming product as Scrap. Supplier product discovered after shipment by the Supplier to be nonconforming to any engineering drawing and/or Purchase Order requirement shall be immediately disclosed to Lee Tool 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. Requests for a Return Material Authorization (RMA) number shall be provided within 48 hours. If the product is dispositioned as scrap by Lee Tool, the Supplier will be notified if formal Corrective Action is required to be submitted to Lee Tool. The response shall be submitted within 3 weeks of issue or a time frame agreed upon between Lee Tool and the Supplier. Errors with paperwork shall be resolved within 24 hours.

**(12) FOREIGN OBJECT DEBRIS:** The Supplier shall establish, document, and maintain a Foreign Object Debris (FOD) prevention program, involving the processes at Supplier's sources manufacturing, test, and inspection operations. Supplier shall control all manufacturing areas to prevent introduction of foreign objects / debris into any product delivered under this Purchase Order.

**(13) STATEMENT OF CONFORMANCE:** Each shipment must be accompanied by one legible copy of a statement of conformance unless otherwise noted in the Purchase Order. This statement shall specify that all contractual requirements have been adhered to including all specifications and other applicable documents as cited in the purchase agreement and that evidence is on file for review by a Lee Tool quality representative. The statement of conformance must contain as a minimum: the date of certification, the name and address of the Supplier certifying the part/product, Purchase Order Number, the part number, part revision as specified on the Purchase Order, quantity, manufacturing date code / lot number (as applicable), serial number(s) (as applicable), identification of quality representative (i.e. electronic or wet signature, stamp or equivalent), and date of expiration (as applicable).

**(14) AWARENESS:** The Supplier shall ensure that persons doing work under their control are aware of:

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

**(15) PACKAGING / PACKING SLIP / PACK LIST:** The Supplier shall ensure that all items are adequately packed and packaged to prevent damage or contamination during the normal course of shipment and to assure acceptance by common carriers. Best commercial practice may be used unless otherwise specified in the purchase order. All commodities sent by the Supplier should require a packing slip or packing list. Minimum information required is:

- Supplier name and address
- Shipment date
- Packing list number
- Ship to address on the P.O.
- Purchase Order Number
- Purchase Order Line Number
- Part Number
- Part Description including revision
- Quantity Shipped
- Lot Number, Serial Number, and/or Date Code (as applicable)

**(16) KEY CHARACTERISTICS (KC's):** Supplier must have an approach to define, identify and monitor Key Characteristics (KC) in applicable Supplier controlled designs that pertain to Lee Tool deliverable products. The purpose of monitoring KC's includes, but is not limited to, the prevention of Product/Process Quality Variation. The data gathered from KC monitoring will be submitted as directed by Lee Tool.

**(17) FIRST ARTICLE INSPECTION:** The Supplier shall submit a First Article Inspection Report (FAIR) that conforms to AS9102 requirements on the first production run of product. If the Supplier does not have a proper FAIR to use, please ask Lee Tool for a form to complete. A ballooned drawing must accompany the FAIR. The Supplier shall perform and submit a full FAI, or a partial FAI for affected characteristics, when any of the following events occur:

- A change in the design affecting fit, form or function of the part.
- A change in manufacturing source(s), process(es), inspection method(s), location of manufacture, tooling or materials, that can potentially affect fit, form or function.
- A change in numerical control program or translation to another media that can potentially affect fit, form or function.
- A natural or man-made event, which may adversely affect the manufacturing process.
- A lapse in production for two years or as specified by Lee Tool.
- The Supplier should, when practical, clearly identify (mark/tag – non-permanent) the product used to develop the FAI. All certifications and test reports required by the Purchase Order and/or drawing(s) shall be submitted with the FAI package which includes a copy of the assembly, sub-assembly, and detail FAI reports as applicable.

**(18) SHELF LIFE IDENTIFICATION:** Where product requires shelf life control, supplier shall be responsible for labeling Shelf Life items. Each unit package, as a minimum, must be identified with:

- The Part Number and / Specification Number
- Date of Manufacture
- Storage Temperature Requirements (if applicable)
- Date of Storage Expiration
- Name of Manufacturer
- Batch Number Assigned by Manufacturer

At least 75% of the original Shelf Life, or one-year minimum, must remain at the time of receipt at Lee Tool.

**(19) NADCAP CERTIFICATION:** If indicated in the Purchase Order that a NADCAP approved Supplier is required, the Supplier must not perform any work or process any part if they are not NADCAP approved and listed in the PRI on-line QML ([www.pri-network.org](http://www.pri-network.org) or [www.eauditnet.com](http://www.eauditnet.com)). Should a Supplier have a change to their NADCAP certification or accreditation, the Supplier MUST notify Lee Tool per the terms of the NADCAP requirements. If processing has been performed on parts where NADCAP certification is required and the processor is not NADCAP accredited or has lost their NADCAP accreditation, the Supplier will be responsible for the replacement costs of the parts including any expediting fees necessary for Lee Tool to meet our requirements to our customer.

**(20) RAW MATERIAL CERTIFICATION:** A copy of the raw material certification shall be submitted with the shipment that assures conformance to all applicable raw material specification requirements, including Conflict Mineral information, per the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, regarding Gold, Tin, Tungsten and Tantalum. Lee Tool must be informed and the smelter information must be made available to verify compliance with the requirements of the Act. Supplier must be DRC conflict free. Suppliers may only source from smelters validated as compliant to CFS protocol using the CFS compliant smelter list. These certificates must contain reference to the specification and revision to which the material conforms. All chemical, physical, and mechanical properties test results required by the specification shall be provided to Lee Tool. Traceability from the certification to the material submitted is required and shall be retained. Unless otherwise specified, material temper conditions must match the Purchase Order. As an example, aluminum bar specified as 6061-T6 may not be substituted with 6061-T651 unless specifically stated in the Purchase Order.

**(21) MATERIAL VERIFICATION:** Supplier products to be delivered on a Purchase Order require submission of a test coupon for independent testing and verification. The test coupon shall be representative of the furnished product including all heat-treat and applicable special processes as noted on the Purchase Order. When an assembly is ordered, a test coupon shall be submitted for each detail produced.

**(22) DFARS REQUIRED MATERIAL:** For Purchase Orders specified as DFAR or DFARS (Defense Regulations Acquisition Regulations System), the following clauses are incorporated in their entirety:

- DFARS 252.225-7008 and
- DFARS 252.225-7009 and
- DFARS 252.225-7010 and
- DFARS 252.225-7012

All applicable clauses above are incorporated into the Purchase Order and must also be flowed down to all sub-suppliers that provide any articles delivered under this purchase order that include Specialty Metals. All such clauses provide the same definition of Specialty Metals and prohibit Lee Tool and all of its Suppliers at every tier from incorporating Specialty Metals into US Military parts, components and/or end item deliverables unless the Specialty Metals have been smelted (the deviation clauses add "or produced") in the United States, its outlying areas, or a qualifying country listed in DFARS 252.225-7012. Exemptions to requirements of the above clauses may exist, as outlined in the clauses themselves, or by operation of applicable Department of Defense Domestic Non-Availability Determination (DNADS) posted on its public website for that purpose.

If material is found not to be compliant with DFARS, the material will be returned to the Supplier at the Supplier's expense and Lee Tool will be reimbursed for the entire cost of the material even if the material is in a machined state. If subsequent to delivery, Lee Tool or the Supplier determines that the supplied material was not DFARS compliant, the Supplier shall be responsible for any and all costs associated with any remedy including any penalties imposed upon Lee Tool from either the United States Government (or applicable contracting authority) or their contracted Supplier.

**(23) SPECIAL PROCESS CERTIFICATION:** A copy of the certified inspection report / certification shall be submitted with the shipment that assures conformance to all applicable processing requirements. These certificates must contain reference to the specification and revision to which the processing conformed, the condition to which the material was processed (when applicable), the name and address of the agency that performed the processing. Traceability from the certification to the material submitted is required and shall be retained. All lot test and inspection results as required by applicable process specification shall be reported.

**(24) IN-PROCESS SOURCE INSPECTION:** In-Process Source Inspection of detailed parts is required, prior to assembly. Supplier shall maintain In-Process Source Inspection records for those characteristics that will become hidden or not readily verifiable without disassembly. Records shall be subject to audit and made available upon request. Notify the Lee Tool Buyer to arrange inspection.

**(25) FINAL INSPECTION REPORTS:** Supplier products delivered on this Purchase Order require final inspection reports with each shipment. Final inspection reports shall include all drawing characteristics.

**(26) FAA 8130 DOCUMENTATION REQUIREMENTS:** The Supplier shall provide for all eligible parts, FAA form 8130-3 and / or the European Aviation Safety Agency (EASA) form 1.

**(27) CALIBRATION LABS:** The Calibration Supplier shall have an accredited certified Quality System certification or compliance certification to ISO 17025. All calibration services performed shall have documented traceability to NIST standards per ANSI / NCSL Z540.3 in order to demonstrate their conformance to the specified requirements.

Approval	Revision/Date	Reason for Change
<i>Victor Suist</i>	Original / May 30, 2017	Complete QMS Rewrite to AS9100D