

QUALITY REQUIREMENTS FOR SUPPLIERS

Purpose: Established minimum quality system requirements for suppliers providing product (materials or services) to Superior Tube Company.

1. Responsibilities

- 1.1 It is the responsibility of Superior Tube Company, Inc. (STC) to provide product requirements by specification or other standards. These requirements may be invoked whole or in part by reference within the STC purchasing specification or purchase order.
- 1.2 It is the responsibility of the supplier to provide product or services purchased by STC with the requirements of the purchase order. The supplier will notify the buyer of any exception to the purchase order prior to shipment to the buyer or the buyer's customer. Failure to comply with this requirement shall be cause for rejection.
- 1.3 Unless otherwise specified, material shall be supplied to the latest revision available at the time of order acknowledgement.
- 1.4 It is the responsibility of the supplier to maintain a program that ensures employee awareness of:
 - Contribution to product or service conformity;
 - Contribution to product safety;
 - Importance of ethical behavior.

2. Reference Document

- 2.1 Superior purchasing Terms and Conditions apply and can be downloaded at www.superiortube.com.

3. Supplier Quality System Approval

- 3.1 STC reserves the right to approve the Supplier Quality System in any manner deemed appropriate (e.g. audit, performance ratings, manual/procedure review and approval, receiving inspection, etc.).

Suppliers are subject to control and monitoring to evaluate performance (nonconformances, delivery, certifications, etc.). When applicable, actions may be required for performance improvement. If not resolved, the supplier may be removed from STC's Approved Supplier List.
- 3.2 The supplier must maintain the quality system approval as flowed down on the purchase order.
- 3.3 Supplier Requirements
 - 3.3.1 Any change(s) that affect either the procedures used to provide this service or the quality system of your organization must be communicated to Superior Tube Company prior to implementation. Examples of such change include but are not limited to: change of ownership, location, industry focus, the use of an alternative processing agent or non-standard equipment, and addition or removal of a critical processing step, which may impact quality of the delivered product.

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- 3.3.2 Unless otherwise specified in the purchase order information, use latest revision of industry specification.
- 3.3.3 The requirements of 10CFR Part 21 apply to this order. If the supplier does not have a 10CFR Part 21 program, the following requirement applies:
- 3.3.3.1 Upon discovery of a defect or non-conformance in a product or service provided against this purchase order, the supplier shall notify STC within five (5) working days of discovery.
- 3.3.4 Fraud or deliberate malpractice is strictly prohibited by STC with the same expected of STC suppliers. Examples of fraud or deliberate malpractice include but are not limited to the following:
- False documentation of records and data.
 - Omitting an operating, inspection or test, yet documenting it is done.
 - Ignoring specifications, manuals, or special instructions.
- The supplier shall maintain a program to make employees aware of Fraud & Deliberate Malpractice.
- 3.3.5 Supplier shall ensure identification and traceable to the initial melt.
- 3.3.6 The Supplier will provide:
- legible and accurate test reports or certifications for each heat or lot of material. Each test report or certification shall include the following statement:
 - **Note: The recording of false, fictitious, or fraudulent statements or entries on this document may be punishable as a felony under federal statute.**
 - Original manufacturer's certification, when required, shall not be altered with the intent to change or obscure data or information.
 - Immediate notification upon discovery of nonconforming product that has shipped or is about to ship.
- 3.3.7 Supplier shall not out-source service unless approved by STC.
- 3.3.8 STC does not flow down design and developments controls from our customers.
- The purchase order states the requirements, including special instructions, purchasing specifications, exceptions, special instructions and/or key characteristics. Supplier must submit written deviations from those requirements for approval by STC prior to acceptance of the order.
- The supplier shall flow-down to sub-tier suppliers, when such supplier is approved by STC, the requirements of the purchase order, including key characteristics where required.
- 3.3.9 When statistical techniques for product acceptance or related instructions for acceptance are required, these will be stated on the purchase order or included in the purchasing specification.

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- 3.3.10 The supplier shall conform to requirements of AS6174 Counterfeit Material
- 3.3.11 The supplier shall comply with the Dodd Frank Act Section 1502, Conflict Free Material.
- 3.3.12 Supplier Record Control
 - 3.3.12.1 Supplier shall maintain retention of records pertaining to the product for a minimum period of ten (10) years or that required by contract or regulatory authority. Records pertaining to the product include:
 - Buyers purchase orders
 - Records of test results
 - Specifications, drawings provided to the supplier
 - Training records or certifications of persons performing inspections or tests
 - Inspection documents, including production documents where evidence of inspection is recorded.
 - 3.3.12.2 Supplier shall be capable of retrieving and providing records to the buyer within a reasonable amount of time.
 - 3.3.12.3 Records shall not be released to a third party without prior written consent of the buyer.

4. Right of Access

The right of access to the applicable areas of the plant, manufacturing facilities and to applicable documented information at any level of the supply chain for the STC, the STC customer, and regulatory authorities shall be assured.

Revision History

| Revision | Date | Description | CAPA |
|----------|-----------|---|---------|
| 18 | 1/16/2020 | Added 3.3.3 and 3.3.4 and renumbered remaining paragraphs in section 3. | A-C1209 |
| 19 | 2/26/2020 | Purpose section: Added "or services". Para 3.3.6: Added the note regarding the Fraud & Falsification statement to appear on each supplier report or certification. | A-C1215 |
| 20 | 7/31/2020 | Section 4: Revised to comply with AS9100D, 8.4.3 (L). | A-C1229 |