# Supplier Quality Requirements Manual

**Revision – F**

**03/14/2024**

## 1.0 Purpose

The purpose of this manual is to communicate the quality requirements pertaining to the systems, processes, tools and procedures for qualification and continuation of a member of Acme Industries' supply base.

## 2.0 Scope

This document applies to all purchased components and services used for production. Acceptance of Acme Industries, Inc. purchase order(s) includes acceptance of the requirements listed in this document.

## 3.0 Quality System Requirements

All suppliers must be compliant to a Quality system, such as ISO9001, ISO/TS 16949, Mil-I-45208 or other Acme Industries, Inc. specified system. At this time, Acme Industries, Inc. does not require certification to ISO-9001, or any other specific Quality standard; however, suppliers are required to use this standard as a basis for their quality system development. Acme Industries, Inc. requires that suppliers have systems in place that provides parts, materials, processes and services that meet Acme Industries, Inc. drawings, specifications, standards and purchase order requirements.
For those suppliers whose quality system is registered with a 3rd party, any change in a 3rd party approval/certification status must be communicated, in writing, to Acme Industries, Inc.

All documentation must be communicated to Acme Industries, Inc. in English, unless otherwise specified. Suppliers must maintain and have access to an electronic form of communication such as the internet, e-mail or fax capability.

## 4.0 Supplier Evaluation/Assessment

Self-Audit – Perspective suppliers to Acme will be required to complete a self-audit of their quality system prior to consideration for business. This is an initial assessment of a supplier's quality system to determine if they meet the pre-qualification requirements of Acme Industries. Acme form QF-0601 will be used for this initial assessment.

On-Site Assessment – At the discretion of Acme's Supply Chain Management, Purchasing and Quality, an on-site assessment may be required prior to sourcing decision. This survey will evaluate the capability of the supplier in the following disciplines: Engineering, Manufacturing, Quality, and Purchasing, among others, in an effort to determine the risk associated with sourcing with a given supplier. The results of this survey will be shared with the supplier and corrective action may be required.

Relates to complying and maintaining AS9100D certification, Aerospace Quality Management System – If Acme's Aerospace related customers requiring sub-tier suppliers must be certified, then suppliers must be certified or exception must be taken with the requirements.

## 5.0 Supplier Monitoring

It is our expectation that our suppliers will continually demonstrate the ability to provide products, processes and services that are defect free and delivered on-time, every time. It is critical that suppliers continually improve and seek a higher level of performance. Supplier performance will be an integral part for determining future business awards. Select suppliers will be monitored at the discretion of Acme.

The following categories are evaluated as supplier performance and maximum attainable score will be 100 points:

Delivery to Schedule – 40 Points

Quality(PPM) – 40 Points

Relationship (timely communication level of suppliers' business/organizational status, timely response to PO acknowledgement, managing urgent requests, timeliness to CAR response) – 10 Points

Flexibility (ability to adapt to changing requirements, schedules, including pricing competitiveness) – 10 Points

Suppliers with less than equal to 70 points in scorecard will be subject to Supplier Risk Management Review and might require Corrective Action Report (CAR) to be completed and submitted to improve overall supplier performance to acceptable level. Retention of supplier scorecard records will be 3 years.

## 6.0 Production Part Approval Process (PPAP)

Acme Industries requires validation of products and services prior to production. The latest revision of the AIAG PPAP Manual is used as a guideline. Unless otherwise specified, a Level 3 PPAP is required, but depending upon Acme's OEM requirements this might be adjusted. Quantity required for dimensional inspection will be 3 pieces per cavity or production stream unless otherwise specified.

All shipments of PPAP material must be clearly identified on all four (4) sides on the outside of the shipping container.

Shipment of production material is not permitted unless a signed Part Submission Warrant (PSW) is on file with the supplier.

Process Changes – Process changes shall be communicated in advance of implementation and follow the guidelines of AIAG PPAP Table 3.1.

Annual Layout – Annual layouts may be required and should be discussed upon sourcing. A new part submission warrant (PSW) will be required with annual layouts.

## 7.0 Safe Launch Process

Depending on the product/service provided, a Safe Launch Process may be required to assure product quality repeatability is maintained across subsequent production lots. Characteristics, quantity and duration of Safe Launch will be mutually agreed upon between Acme and the supplier.

## 8.0 Deviation Requests

Non-conformances to requirements must be communicated to Acme prior to shipment on Acme Deviation Request Form QF-2007. A supplier does not have authorization to ship product with non-conformances unless a signed copy of this form is obtained and this signed copy must accompany product at the time of shipment.

## 9.0 Material/Process Certifications

All material must traceable to raw material certifications (chemical & mechanical) as well as certification to any other non-destructive testing listed on the engineering document (blueprint and/or specification) and be made available upon request.
All materials must accompany Certificate of Conformance (COC) paperwork when the shipments are received in Acme Industries' receiving dock.
Special processes including, but not limited to, heat treat, painting, and plating must be certified in accordance with the engineering document (blueprint and/or specification).
If certifications are required to be provided with shipments it will be stated on the purchase order.

## 10.0 Corrective Action Requests

Corrective action requests (CARs) will be issued at the discretion of the Acme's Quality organization. CARs will not be issued for each nonconformance, but when the magnitude of the problem disrupts production, becomes a repeat or recurring issue or impacts Acme's customer. Containment is expected immediately upon receipt of the CAR and formal written reply within 14 days. Responsiveness to corrective actions will be tracked and reflective in the Relationship portion of Supplier Monitoring.

CAR is also required to suppliers with less than equal to 70 points on the scorecard per section 5.0

## 11.0 Controlled Shipping

When repeated efforts fail to protect Acme and/or Acme's customer from nonconformances, Controlled Shipping may be implemented.
Controlled Shipping (CS1) is a method of 100% inspection, separate from production controls, and will be in place until effective corrective action is in place. Supplier will be responsible for the cost of these additional inspections and will be required to provide regular reporting results of inspections.
If these actions prove to be ineffective it may be required to engage an independent 3rd party to perform the necessary inspections (CS2) for which the supplier will be responsible for the associated costs.

## 12.0 Record Retention

Suppliers shall maintain all ACME relevant monitoring and measurement and supporting quality management system records for 10 years after production, unless approved otherwise.

## 13.0 Right of Access

The right of access by ACME Industries and our customer and regulatory authorities to the applicable areas of facilities and to applicable documented information at any level of the supply chain.

## 14.0 Prevention of Counterfeit Parts

ACME typically requires that suppliers use Original Component or Equipment Manufacturers, or their authorized sources, for products that will be delivered to ACME. If a supplier suspects a counterfeit item has infiltrated its supply chain, the supplier must quarantine the item and take immediate corrective action. ACME also requires suppliers to provide immediate notification if it is suspected that a counterfeit item has been delivered to ACME.

## 15.0 Supplier awareness Requirements

Suppliers shall ensure their employees and people working on their behalf are aware of:

Their contribution to product or service conformity – ACME expect our suppliers to deliver product and/or service 100% compliant with all POs, technical drawings, engineering specifications, and other contract requirements.

Their contribution to product safety – Suppliers shall implement processes to assure a robust management of associated risks, safety critical items, key characteristics, and personnel training.

The importance of ethical behavior – ACME gains credibility by adhering to our commitments, displaying honesty and integrity, complying with applicable laws and regulations. We require the same high standard of ethics and business conducts from our suppliers.



**Revision History**

| Rev | Description | Date | Revised by |
|---|---|---|---|
| - | Original Release | Sept. 16, 2011 | B. Wood |
| A | Changes to Section 4.0, 5.0, 9.0, & 10.0 | Jan. 19, 2015 | Y. Chu |
| B | Added paragraphs 12 & 13 | Oct. 30, 2015 | O. Miessner |
| C | Modified section 5.0 | May 13, 2016 | Y. Chu |
| D | Added Section 14.0 | May 31, 2017 | Naiyu Sun |
| E | Added Section 15.0 | July 30, 2021 | Naiyu Sun |
| F | Updated section 13.0 Right of Access | March 14, 2024 | William DeLeon |
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