Supplier Quality Manual

Rev C, Date: 7/11/2023

1.0 Introduction

The Aerospace & Medical industries are both competitive and demanding with ever increasing levels of customer expectations for both product performance and reliability and related certifications of both processes and products.

Our objective is to develop a reputation of excellence in manufacturing standards, products and processes that support our customers. In order to achieve this, continual improvement initiatives will be the strategy practiced sustaining a desired outcome.

Purchased materials/services from our suppliers are a vital ingredient identified for success. The purpose of this manual is to define the basic systems and procedures we require our supplier to adhere to in order to ensure that their quality responsibilities are completely understood and executed as required and recorded for evidence of conformance in all areas.

The contents of the Supplier Quality Requirements Manual are in addition to and an elaboration of the terms and conditions contained in the L'Anse Manufacturing, Inc. purchase orders and other binding legal agreements entered between the parties relating to the supplier relationship (Supplier Contract(s). To the extent that a conflict or ambiguity may arise between the terms and conditions of the Supplier Purchase Orders and the contents of the Supplier Quality Requirements Manual, the order of precedence shall be: 1) the Supplier Purchase Order(s) and 2) the SQRM.

It is the intention of L'Anse Manufacturing, Inc. to develop a long-term partnership with those suppliers who can consistently achieve these standards. Together we can provide the desired level of quality necessary to satisfy all of our customer's needs. All references to L'Anse Manufacturing in this manual refer only to L'Anse Manufacturing and not to any affiliated organizations, customers or other suppliers.

We look forward to your commitment and support in achieving this goal.

Please review and understand this manual. Feel free to share a link to this manual with any members of your organization that require this information. The link can be found within the body of the PO.

References

The following publications are required to complete the requirements established in this manual.

- ASQ ISO 9001 Standard, latest edition
- Aerospace SAE AS-9100 Standard, latest edition
- AS-9102 Standard, latest edition
- ISO-13485 Standard, latest edition

This Supplier Manual will initially be sent to any new suppliers. Once initial review and acceptance is completed, the document can be found online at www.lansemfg.com. The Supplier Quality Manual is part of the terms and conditions of sale, Supplier Evaluation Program, and a contractual part of the requirements that are found on the Purchase Order that is issued to our suppliers.

Section 1

Supplier Development Program

The first step towards the preferred supplier status is to communicate the necessary information about your organization such as:

- Capabilities
- Status regarding your Quality Business Management System.
- Certifications/accreditations earned or received.
- Customer feedback and audit results

This information will assist us in categorization as a quality supplier. L'Anse Manufacturing requires all "Aerospace & Medical Content Suppliers" to be compliant and preferably registered to at least the ISO-9001 Quality System Standard as a minimum. As an Aerospace & Medical industry customer we are required to use only top Quality Suppliers and we trust this is your goal also. Compliance to ISO-9001, Aerospace AS-9100 or ISO-13485 Medical requirements is evident by Third Party Certification.

We encourage all of our key suppliers to take this step.

Section 2

Quality System Requirements

1. **Shared Responsibilities between L'Anse Manufacturing and its suppliers**

1.1 L'Anse Manufacturing must provide very clear, detailed purchasing requirements for purchased materials and services. This information includes specifications and record requirements that are part of the normal flow down requirements from our aerospace and medical customers through L'Anse Manufacturing to you the supplier.

1.2 Changes to our purchasing requirements must be documented and communicated to you in a timely manner. No verbal revisions in purchase order or documents requirements will be honored nor should be accepted by you the supplier.

1.3 Adequate lead-time will be given to fill the purchase requirements as agreed to and outlined in our purchasing documents. The lead time and due date must be strictly adhered to and can only be changed with documented approval from L'Anse Manufacturing Purchasing or Quality Personnel.

1.4 Suppliers will be provided with feedback information regarding non-conformance to your performance as incidents occur. All non-conformances will be included into our supplier monitoring system and evaluation process and records maintained for future use.

2. **Supplier Evaluation System**

2.1 All suppliers are perpetually monitored for Performance on Delivery & Quality as agreed to in the purchase order accepted by the supplier. The purchasing documents form the basis for the specific product, quality and delivery requirements including price.

2.2 The Initial evaluation system begins with the communication of your capabilities to L'Anse Manufacturing Purchasing or Quality Management Personnel. This information includes such items as:

- Certifications and accreditations you may have received
- Status of registration by a third party to a Quality System Standard
- Customer feedback and audits.
- Equipment lists with capacities
- Brochures
- Contact information or contact lists
- Capability of the processes offered
- Samples of product with inspection records
- Presentation on site at L'Anse Manufacturing of your organization

2.3 This will give the Purchasing & Quality Management Personnel the base information on each supplier, capabilities and current status regarding future plans towards a Third Party Registered Quality System.

3. **On-time Delivery**

3.1 Due Dates as listed on the Purchase Order or purchasing information communicated to you the supplier is the date the order / material is due on the dock at our facility and not the **ship date out of your facility.** You are required to meet the date as listed or to communicate problems or delays to us.

3.2 Continuous, on-time delivery of purchased products and outsourced services is critical to L'Anse Manufacturing in order to meet our customers' needs and expectation.

3.3 Reviews of product due at L'Anse Manufacturing will be conducted to identify any missed deliveries in comparison to the purchasing documents if shipments have been missed. An inquiry is communicated to suppliers of product that is due and has not been received requesting a firm date of shipment and reasoning as to why the purchased product or service is late. You are requested to supply credible information in a timely fashion.

3.4 If a response is not received, the Purchasing or Quality Management Personnel authorizing the purchase will contact you for the expected shipping date, reason for nonconformance to specified requirements and a request for corrective action. This information is entered into your performance history and is monitored for a trend or repeat nonconformance.

4. **Supplier Quality Performance Communication**

4.1 All products received at L'Anse Manufacturing are expected to be as specified on the purchase order/requisition and other related prints, drawings and specifications. Drawings and specification revision levels are listed on each purchase order and can be obtained from L'Anse Manufacturing or other agencies that publish and control the documents.

4.2 L'Anse Manufacturing will notify your organization of defective material and its disposition that is identified during receipt or processing at our facility. Quick decisive action is expected to mitigate the effects of the nonconformance on our process and customer products. It is critical in our industry that product be fully to the purchase order, drawing and related specifications. It is expected that your organization controls processes and performs required inspections to products to ensure only the best products can be shipped to us.

4.3 Corrective action in response to nonconformance is not considered a "punishment" but rather a tool in determination of root cause and application of corrective action and will include documentation from your organization as to what will be done to correct the Non-Conformance and prevent a recurrence.

4.4 Debits will be issued for any rework, materials, or premium freight costs that are incurred by L'Anse Manufacturing due to the nonconforming issues for delivery or product quality.

5. **Supplier Performance Monitoring System**

5.1 Suppliers will be perpetually monitored to evaluate your performance. Our "Approved Supplier Lists" is reviewed on a routine basis to identify suppliers who are having recurring issues regarding delivery and nonconforming product or any contractual issues.

5.2 Suppliers who continually fail to meet the purchasing requirements/delivery requirements will be notified of the evaluation results and what the specific issues are. It is expected that the evaluations be taken seriously and corrective actions implemented.

5.3 Failure to correct poor performance in the future will result in removal from the active supplier list, and future purchases will be suspended. Our Management Team does not communicate good performance or provide our suppliers with performance report cards. Good performance results in a lasting supplier, customer relationship and future business with L'Anse Manufacturing.

5.4 If at any time you feel that a Non-Conformance has been unjustly issued, please contact the Purchaser/Quality Manager at L'Anse Manufacturing for clarification or correction and additional Corrective Action as required.

6. **Resolution of Drawing / Print discrepancies**

6.1 If there are discrepancies in any of the purchase requirements or related documentation, please contact the Purchasing or Quality Personnel authorizing the purchase for resolution or clarification. Do not assume you have the answer or can correctly determine the information content in our behalf. A careful review of the purchase order, specifications and related purchasing information is imperative on your part and if there are issues which are communicated to our Purchasing Personnel will allow us to make certain the issue is corrected and the customer will receive quality products to specified requirements.

6.2 It is the supplier's responsibility to control drawing revision levels and specifications. If there are any questions it is better to ask the question than to proceed with incorrect information. The drawing revision, specification revision levels are communicated to your organization in the purchasing documentation.

7. **Premium Freight**

7.1 Premium freight (for any of the listed reasons below) will be at ***YOUR*** organization s' expense:

- **Behind schedule to the due date as agreed upon**
- **Material Shortages**
- **Labor Shortages**
- **Equipment Breakdowns**

7.2 You will be required to notify L'Anse Manufacturing if for any reason you must expedite the order to us.

8. **Surveys, Audits, and Inspection**

8.1 At times it may be required to have L'Anse Manufacturing Quality/Management Personnel or our customers to inspect product at your location. If the need arises, we will notify your organization in our purchasing documents, and we will ensure that the visit is feasible from your prospective. This applies as well to customer visits and inspection of processes at the supplier's facility.

8.2 Internal Audits may be needed to ensure us that your Quality System is in place and functioning correctly. Internal audits at supplier locations may be outsourced to a third-party independent auditor or Government Auditor as appropriate based on our customer's requirements with regard to ***"right of access***".

8.3 We anticipate that you will cooperate fully with any requests for information. Survey forms and required information will be requested in writing and will be based on a sound need for the information.

Section 3

Contractual Order Requirements

1. Print / Product Specification

1.1 It is imperative for **you**, your organization and **L'Anse Manufacturing,** the customer to ensure that the contract and order requirements are completely documented and understood. Our contract review process is in place to ensure all customer requirements from our standpoint are fully understood and are flowed down to our suppliers as needed or required by our aerospace or medical customers.

1.2 Any incomplete, missing or conflicting information in the order, prints, and associated documentation, will be resolved and clarified through L'Anse Manufacturing Purchasing Personnel initiating the purchase from your company. Please ensure this information is communicated and clarification obtained prior to filling our orders for products and outsourced services.

1.3 For all Medical related purchases and products, you supplier must notify L'Anse Manufacturing of any changes in purchased products prior to implementation of the change as well as any changes that will cause the product to not meet the specified requirements for the product.

2. Part Marking Requirements

2.1 All products supplied to L'Anse Manufacturing must be correctly and **positively** identified on receipt.

2.2 Small parts that are packaged in boxes, containers, and plastic bags and are to have each unit identified with the appropriate number or identification and lot information.

2.3 Specific part marking intended to be etched or engraved directly on the products are to be located on the product in the designated location per L'Anse Manufacturing Personnel or if noted on the drawing in the exact location as identified. Working surfaces are not to have any type of engraving or etching identifications on them.

2.4 Any product not properly marked to specifications will be returned and considered a Non-Conforming Product, and made part of your organization s' supplier evaluation system.

3. Non-Conforming Product

3.1 Non Conforming Product returned by L'Anse Manufacturing must be correctly processed upon receipt at your location. All paperwork will state that the product returned was non-conforming with documentation that identifies the specific issues/issues. Your organization is responsible to ensure that the records and documentation that accompany the replacement product contain information certifying that the matter was resolved and what actions took place.

3.2 If you identify Non-Conforming material while still in your facility. It is expected that you will segregate it and control it from affecting us internally. It is required by L'Anse Manufacturing as well as our aerospace and medical customers that any scrap be destroyed and rendered unusable. This will prevent scrap product from potentially being allowed in the product stream.

3.3 Any Non conforming material that has been shipped in error to us by your company will require that we be notified immediately so we can contain the material and quarantine it our facility pending disposition by your organization.

3.4 Any acceptance of known non-conforming material must be made by authorized by the L'Anse Manufacturing Quality Manager in writing in the form of an official concession prior to shipment. This concession document will also identify the personnel providing the authorization and must be made a part of the official records of the transaction at your facility.

3.5 A document specifically listing the following information is required to be sent:

- Part Numbers
- Purchase Order Number
- Print Specification / Dimension
- Actual Condition of the Non-Conforming part.

3.6 Authorized L'Anse Manufacturing Personnel will make the decision to accept or reject the product and provide you with information regarding the decision. These records must be maintained by your organization and a copy of the record forwarded to the Quality Manager at L'Anse Manufacturing for inclusion into our records system.

4. Government, Safety & Environmental Regulations

4.1 All purchased materials used in part manufacture will satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials; as well as environmental, electrical, and electromagnetic considerations applicable to the country of manufacture and sale.

4.2 The supplier is required to provide any requested information on content of products such as SDS information

5. Supplier FAIR Requirements

5.1 FAIR requirements will be communicated to your organization by our purchase order or during the quotation process. If FAIR is a requirement contractually, your FAIR submission is to be submitted to the AS-9102 Requirements latest edition.

5.2 FAIR requirements will also be required to be recorded on the latest level records and forms available with the AS-9102 Standard or upon request from L'Anse Manufacturing Quality Manager. All FAIR submissions will contain:

- Objective evidence of conformance to all dimensions, notes, and specifications referenced in product drawings or specifications. This requirement is the actual results of your measurements, not check boxes showing accept or reject.
- Actual results recorded in the same units as the drawing or specifications
- Identification of your personnel performing the inspections
- Listing of the gage identification number that was used for the measurement that provides traceability to the calibration records.
- Identification of the drawing, specification or document number and the related revision level.

5.3 Your organization will perform the necessary inspections and tests to determine conformance with all drawing and specification requirements. In order to confirm the validity of the test results for chemical, metallurgical or physical testing results, your laboratory the laboratory must be accredited to ISO/IEC 17025 and a copy of the certificate and scope for the laboratory registration be supplied to L'Anse Manufacturing Quality Manager.

5.4 If your organization cannot perform all the required inspection or tests within an accredited laboratory, such services must be procured from a third party source accredited to ISO/IEC 17025 and a copy of their certificate and scope of their laboratory registration supplied to L'Anse Manufacturing Quality Manager along with your FAIR documentation and product test results.

5.5 If there are any questions or concerns about the FAIR submission requirements, please direct them in writing to the Quality Manager at L'Anse Manufacturing.

6. Supplier Records

6.1 All supplier records associated with purchase orders and contracts from L'Anse Manufacturing are to be retained at your facility for a minimum of 15 (fifteen) years from the date of creation. These records must be made available to L'Anse Manufacturing Personnel, government, or our customer on request.

7. Supplier ITAR & Government Documentation Requirements

7.1 Suppliers identified by the Purchasing Department as Military, Aerospace or Government Regulated are required to supply applicable documentation to L'Anse Manufacturing related to:

- ITAR Registration
- ITAR Documentation, Data & Records Control, distribution, and confidentiality
- Control of subcontracted products and processes with downstream suppliers that required controlled documents and information
- Acknowledgement of L'Anse Manufacturing ITAR documents and program requirements and agreement for conformance.

7.2 The following requirements are expected to be enforced by your organization as required:

- United States Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. These countries include the Democratic Republic of the Congo and the nine countries with which it shares an internationally recognized border: Angola, Burundi, Central African Republic, and Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.
- DFARS requirements for metals produced in the United States or recognized approved allies.
- Anti-Bribery and Kick Back regulations.
- Anti-Slave, Child, Migrant and Foreign Nationals Labor
- Any other Government or Flow Down Requirements as listed.
- Ethical Business Practices in all areas and activities.

Section 4

ADDENDUM

1. Supplier Quality Requirements Manual Acknowledgement

This manual is being maintained and updated at the following address:
https://lansemfg.com/supplier-quality-requirements-manual-2

This link is also added to the body of each of our PO's for reference, so that you can review and ensure you have the most current revision at all times. Acceptance of an LMI PO acknowledges acceptance of these Supplier Quality Requirements.

By signing below, you agree to abide by the latest revision of the L'Anse Manufacturing Supplier Quality Requirement Manual.

Supplier Name: _____

Address: _____

City: _____ **State:** _____ **Zip Code:** _____

Phone: _____ **Fax:** _____

Acknowledged by: _____

Title: _____

Date: _____

You can fax or e-mail a copy of this acknowledgement form to:

L'Anse Manufacturing, Inc.
Attn: Terra Sweeney
Terra.S@lansemfg.com
(906) 524-7166