



SUPPLIER QUALITY PROGRAM REQUIREMENTS

(Addendum A-740-003 to NMT Quality System Manual, Section 7.4 Purchasing)

UNCONTROLLED



SUPPLIER QUALITY PROGRAM REQUIREMENTS

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1.0 PURPOSE AND SCOPE

- 1.1 To establish the NMT Supplier Quality Program requirements relative to procurement of material or services for product use.
- 1.2 To convey a policy to ensure that:
 - 1.2.1 Suppliers are aware of their quality obligation.

2.0 DEFINITIONS

- 2.1 The term supplier is used to identify either the manufacturer or distributor of material or services.
- 2.2 The term material is inclusive covering raw material, items, subassemblies, components, and assemblies.
- 2.3 The term first item applies to the initial batch of material manufactured from new or redesigned production tooling.

3.0 GENERAL PROGRAM REQUIREMENTS

- 3.1 The supplier shall maintain an effective Quality Program based upon product complexity, these General Program Requirements and additional specific Purchase Order requirements. Management responsibility shall be clearly defined and the control of quality clearly, designated within the supplier's organizational structure. Any major changes to the organization shall be promptly reported to the NMT Purchasing Department. The system shall provide controls capable of maintaining conformance to specification and product integrity.
- 3.2 The Quality Program shall provide for the placement of competent inspection and key personnel who have an effect upon or who are responsible for determining product quality. Certification/Qualification of personnel performing special processes, e.g. welding, non-destructive testing, etc., shall be established and maintained.
- 3.3 The supplier shall be thoroughly familiar with the interpretation of the applicable drawings, specifications, and other contractual requirements. A system must be in place, to review the Purchase Order in its entirety, and show acceptance of all terms/conditions. If not, the supplier is required to request assistance through NMT's Purchasing Department to resolve any queries, prior to proceeding with manufacturing or services.
- 3.4 NMT's Quality Assurance personnel may conduct a survey and/or perform surveillance at the supplier's facility to evaluate the degree of capability and the implemented controls in place, to ensure a quality product. This function may



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also be extended to any subsupplier, with the suppliers' concurrence. When source inspection is contractually required, the subcontractor shall notify NMT's Quality Department a minimum forty-eight (48) hours in advance of the process to be verified to permit scheduling of personnel.

- 3.5 Workmanship shall be at a consistent high quality level, and good housekeeping practices shall be used at all times.
- 3.6 No material substitutions shall be permitted unless approved in writing by NMT's Quality Assurance Department. Approved material substitutions must be noted on any manufacturing plan, material certification, and release notes.
- 3.7 Performance of a supplier to NMT will be monitored on a continuous basis. A internal supplier rating system will monitor performance. If performance drops below an unacceptable level for a prolonged period of time (typically six to nine months) depending on the severity, the supplier will be requested to visit NMT immediately to discuss the situation. If corrective action is not implemented to bring supplier rating to a satisfactory level (typically within 3 months), it shall result in disapproval.

4.0 INSPECTION / TEST PLAN

An Inspection/Test Plan is to be prepared (for all products machined/processed if stated on the PO) and submitted to NMT Purchasing Department, including any subsequent revision, for approval prior to the start of manufacturing. The plan shall note the inspection and tests to be performed within the manufacturing cycle, and the acceptance/reject criteria. Any subcontracting of processes and the sub-suppliers name, are also to be included in the plan, including technique number where applicable.

5.0 PROCUREMENT CONTROL

Material and services (special processes), for product use, must be procured from only NMT/Customer approved sources. When there is any question regarding a processing source, contact NMT's Supplier Quality Liaison for resolution.

6.0 DOCUMENT CONTROL

The supplier's Quality Program shall ensure that all changes to drawings, specifications, test methods, and contracts are implemented (when required), at the specified times. Obsolete documents are to be withdrawn from use.

Supplier changes to their drawings, specifications, and test procedures, applicable to NMT material, shall be submitted to NMT's Quality Assurance Department for approval prior to implementation. The supplier shall be advised of approved changes via a Purchase Order amendment.



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7.0 PROCESS AND MANUFACTURING CONTROL

The supplier shall provide identification and operation instructions during the processing of material. The Inspection/Test Plan shall be part of this instruction.

The supplier shall ensure traceability of raw material to material test reports, i.e. heat number or unique code number.

8.0 INSPECTION AND TEST EQUIPMENT

The supplier shall be responsible for determining and maintaining the accuracy and stability of tools, gauges, and test equipment used for material acceptance. The accuracy of such equipment shall be traceable to the National Institute of Standards Technology (NIST), and results recorded as required per ISO 10012. NMT owned inspection tooling and gauges shall be returned for calibration by the 'due date' shown on the label attached. Drawings developed by the supplier for special inspection gauging and tooling for use on NMT's material shall be submitted to NMT Quality Assurance Department for approval prior to use.

9.0 FINAL INSPECTION AND TEST

Material shall be final inspected/tested by the suppliers Quality Control Department prior to shipment. 100% inspection is only required if stated on the PO. Inspection/Test status for each characteristic shall be documented and a report should be included with the shipment (if requested).

10.0 QUALITY RECORDS

Objective evidence (reproducible records) of inspection/tests, document changes and other quality control activities shall be maintained and made available for review by NMT's Quality Assurance Representative. Unless otherwise specified by the Purchase Order, such records shall be retained for a minimum of ten (10) years.

11.0 NONCONFORMING MATERIAL AND CORRECTIVE/PREVENTIVE ACTION

The supplier shall maintain a program which identifies, records and segregates nonconforming material. No nonconforming material will be shipped to NMT without approval from NMT's quality department and identified with a nonconforming tag. The supplier shall immediately alert NMT if shipped material is found to be nonconforming or unsuitable for use. For any rework of special processes such as heat treating and coatings, a proposed method of rework shall be submitted to NMT's Quality Assurance Department for concurrence prior to commencing rework.



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12.0 SHIPPING DOCUMENTATION

The supplier must provide adequate documents with all shipment to NMT. Documents such as delivery slips, certificate of compliance, etc. must accompany the shipment.

13.0 PACKAGING AND SHIPPING

The supplier shall maintain adequate packaging and shipping controls to assure conformance with applicable purchase order requirements. These practices shall not relieve the supplier of the responsibility for packaging and preservation methods that will ensure all materials are received in an acceptable condition, free from corrosion, damage, and/or deterioration.

14.0 NMT ACCEPTANCE

All material may be subject to NMT incoming inspection prior to shipment from supplier, and/or by NMT's Receiving Inspection, and/or during the manufacturing cycle. After acceptance of the material, continued testing and measurements, prior to delivery of the end item, may be performed as necessary. Final acceptance of the material by NMT, shall not in any way, relieve the supplier of its obligation to meet contractual or warranty requirements.

15.0 AUDITS (INTERNAL/EXTERNAL)

All suppliers must have documented evidence that internal audits have been performed (at a min. annually) on their quality system.

Suppliers must also show control of their external suppliers. The preferred methods of control include a visit to the supplier facility or desktop audit.

Note: Approval of external suppliers by NMT/Prime Contractor does not relieve the supplier of the manufactured product to NMT of their liability using these suppliers.

16.0 RIGHT OF ACCESS

Supplier shall provide right of access to NMT, NMT's customers, statutory and regulatory authorities to all facilities, at any level of the supply chain involved in the order as well as to all applicable records if and when required.