



SUPPLIER REQUIREMENTS
MANUAL

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I. Introduction

At Middletown Composites our objective is to develop a reputation of excellence in manufacturing of composite products that support our customers. In order to achieve this, continual improvement initiatives by both our suppliers and Middletown Composites will be needed.

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 suppliers 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 Requirements Manual are in addition to, and an elaboration of the terms and conditions contained in the Middletown Composites purchase orders and other binding legal agreements entered between the parties relating to the supplier relationship. To the extent that a conflict or ambiguity may arise between the terms and conditions of the Middletown Composites Purchase Orders and the contents of the Supplier Requirements Manual, the order of precedence shall be: 1) the Purchase Order(s) and 2) the SRM Supplier Requirements Manual or contact the Middletown Composites personnel as listed on the purchase order for further direction.

Middletown Composites wants 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.

Please review and understand this manual. Feel free to copy it for any members of your organization that require this information. It is your responsibility as the supplier to determine if any printed copies are at the correct revision level as listed on the Middletown Composites website. It is considered a proprietary document and should not be made available to anyone outside your company.

References:

The following publications will help in better understanding the requirements established in this manual.

- ISO-9001 Standard, latest edition
- Aerospace SAE AS-9100 Standard, latest edition
- AS-9102 Standard, latest edition
- ISO/IEC 17025 Standard, latest edition.

Section 1

Quality System Requirements

1.0 Shared Responsibilities

- 1.1 Middletown Composites will provide the 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 customers through our organization to you, the supplier.
- 1.2 Changes to our purchasing requirements will be documented and communicated to you in a timely manner by the buyer or personnel listed on the purchase order. ***No verbal revisions to purchase order or document requirements will be honored nor should they be accepted by you the supplier.*** Only the listed buyer or personnel have the authority to make revisions to the purchase order in anyway.
- 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 the listed buyer or personnel on the purchase order.
- 1.4 Suppliers will be provided with feedback information regarding nonconformance and late deliveries. All non-conformances and late deliveries will be included in our supplier monitoring system.
- 1.5 Suppliers are strictly forbidden to entice, bribe or supply unreasonable gifts to any employee of Middletown Composites.

2.0 Supplier Evaluation System

- 2.1 All critical suppliers are perpetually monitored for Performance on Delivery and 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 Middletown Composites Purchasing or Quality Manager. This information can include such items as:

- Certifications and accreditations you may have received
- Customer feedback and audit results
- Equipment lists with capacities
- Brochures
- Contact information or contact lists
- Samples of product with inspection records
- Capabilities and Processes you employ in your organization
- Status regarding your Quality Management System.
- Financial documents and forms.

This information will assist us in categorization as a “Potential Supplierwe require all “Aerospace Content Suppliers” to be compliant and preferably registered to at least ISO-9001 Quality System Standard. As an Aerospace AS-9100 supplier, we are required to use only top Quality Suppliers and we trust this is your goal also. Compliance to ISO-9001 or Aerospace AS-9100 requirements is evident by Third Party Certification.

2.3 Suggestions for improvements to existing products can be submitted to the buyer or personnel as listed in the Purchase Order. The information will be submitted to the Engineering Department Personnel for review.

3.0 On-time Delivery

3.1 Due dates as listed on the Purchase Order or purchasing information communicated to you are the date(s) the order / material is due on the dock at the location listed on the Purchase Order 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 the buyer listed on the purchase order as soon as determination is made the delivery date will not be met for any reason.

3.2 Late deliveries will require the supplier to furnish Middletown Composites Buyer:

- 1) A new firm delivery date
- 2) Reason for the product or service being late
- 3) If requested, formal corrective action

3.3 Continuous, on-time delivery of purchased products and outsourced services is critical to Middletown Composites in order to meet our customers’ needs and expectations.

4.0 Supplier Quality Performance Communication

- 4.1 All products received are expected to be fully conforming to all requirements as specified on the purchase order/requisition and other related prints, drawings and specifications. Drawings are listed on each purchase order and can be obtained from Middletown Composites.
- 4.2 Certificates of Conformance if requested/required must contain the following information:
- Raw Material: certifications must include the applicable specification for the material being purchased. Chemistry and physical property results are also a requirement for inclusion into the certification.
 - Processes with measureable results (plating, painting, heat treating, etc.): Certificates must specify in detail the standard/specification used, i.e. Specification, type, grade, class, etc.; and the actual measurement results in a range to record and document the conformance to specification.
 - Inspection Reports to the assigned drawing.
 - All Certifications and C of C's are to be attached or included with the Packing Slips.
 - An original signed C of C with a Signature and title of authorized representative must be received with the shipment.
- 4.3 Middletown Composites will notify your organization of defective material that is identified during receipt or processing at our facility and its disposition. Internal NCMR's (Non-Conforming Material Reports) are issued by the Quality or Purchasing Personnel and are tracked for action and closure by the Quality Manager. Quick decisive action is expected to mitigate the effects of the nonconformance. Purchasing will require the corrective action taken to be detailed and communicated in writing. It is critical that products conform 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 that all products meet or exceed requirements.
- 4.4 Formal "Corrective Action" in response to nonconformance is not considered a "punishment" but a tool in determination of root cause. Application of Corrective Action will include documentation from your organization as to what will be done to correct the nonconformance and prevent a recurrence. All Corrective Action will be reviewed by the Quality Manager who will work with the supplier and Middletown Composites to ensure the issue has been properly and completely addressed.
- 4.5 Debits may be issued for any rework, materials, or premium freight costs that are incurred due to the nonconforming issues for delivery or product quality.

4.6 All “Customer Requirements” that are required to be flow down to our suppliers will be listed in the purchasing information to the supplier. All documented requirements are to be followed and if you have questions or issues the Buyer or personnel noted on the PO will resolve any conflict or issues. These requirements are further outlined in Section 15 of this manual.

5.0 Supplier Performance Monitoring System

5.1 All Suppliers who supply raw materials, outsourced services, calibrations, testing and component parts will be perpetually monitored to evaluate 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 Any issues in quality or delivery will put the supplier in a “Probationary” status at the discretion of the Quality Manager with regard to the Approved Supplier Listing and also requires documented action by the supplier to correct the issue. If the issues are not resolved the supplier is put on a “Do Not Use” status or removed from our Approved Supplier Listing.

5.3 Good performance results in a lasting relationship and future business with Middletown Composites. If at any time you feel that a nonconformance has been unjustly issued, please contact the Purchasing Representative or Quality Manager for clarification or corrections

6.0 Resolution of Drawing / Print Discrepancies

6.1 If there are discrepancies in any of the purchase requirements or related documentation, please contact the Purchasing Representative 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 with all issues communicated to our Purchasing Representative. ***Resolution of the issue direct with Middletown Composites Staff outside of the named Buyer on the PO or the Quality Manager is not allowed.***

6.2 It is the supplier’s responsibility to control drawing and specification revision levels. 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.

7.0 Rejection/Nonconformance of Purchased Product

7.1 Rejected purchased products or service because of nonconformance to specification or drawing requirements, will be communicated via a “Nonconformance Material Report” or a “Corrective Action Report” to address the action needed, which may consist of:

- Return to the supplier for rework
- Return to the supplier for scrap
- Authorization to scrap product at Middletown Composites and replace at credit cost.
- Sorting onsite at the Middletown Composites facility identified in the “Nonconforming Material Report”
- Processing a “Corrective Action Report”

If the reject is discovered at our customer, or in the field, the supplier will be charged all costs associated with the issue and corrective action resulting from the issue. The supplier may also be held responsible for resulting charges imposed by Middletown Composites customer, such as warranty claims, or costs associated with a recall campaign.

7.2 Nonconforming product identified at Middletown Composites will be documented on a DMR internally and the supplier contacted by the Buyer or Quality Personnel for corrective actions. All costs incurred by Middletown Composites for sorting, rework, expediting of shipments and processing costs are debited to the supplier in question.

7.3 Middletown Composites is to be notified of any nonconforming product that has shipped to our locations once you have identified the issue. Middletown Composites does not allow any product that is not to the drawing or specification to be shipped unless specifically approved through a deviation.

8.0 Premium Freight/Fees for Late Deliveries and Nonconforming Product

8.1 Premium freight, for any reason that you are behind schedule to the due date as agreed upon, will be at the Supplier's expense. You will be required to notify Middletown Composites if for any reason you must expedite the order to us.

8.2 Please supply the Buyer with tracking information in order for Middletown Composites to maintain updated delivery information.

9.0 Surveys, Audits and Inspection

- 9.1 At times it may be required to have Middletown Composites Quality Personnel or our customer's representative inspect product and review your Quality System at your location. If the need arises, we will notify your organization in advance.
- 9.2 Internal Audits/Supplier Visits may be needed to ensure us that your Quality System is in place and functioning correctly. Internal audits at your location(s) may be outsourced to a third party independent auditor or Government Auditor as appropriate based on our customer's requirements. Suppliers are encouraged to respond positively in these inspection and audits or document reasoning to the Middletown Composites Buyer why it is not allowed for audits and inspections to take place in your facility.

10.0 Part Marking Requirements

- 10.1 All products supplied to MIDDLETOWN COMPOSITES must be correctly and **positively** identified on receipt. Small parts that are packaged in boxes, containers, and plastic bags are to have each unit identified with the appropriate number or identification and lot information.
- 10.2 All chemical and cloth products must have the complete identification noted on the products and also any shelf life must be noted as well.

11.0 Supplier Internal Nonconforming Product

- 11.1 Any nonconforming product returned 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.
- 11.2 If you identify Non-Conforming material while still in your facility, it is expected that you will segregate it and control it. It is required that any scrap be destroyed and rendered unusable. This will prevent scrap product from potentially being allowed in the product stream. Your organization is not allowed to conduct MRB or disposition to nonconforming Product. This must be requested to the Quality Department at Middletown Composites and addressed by the Quality Manager.
- 11.3 Any nonconforming material that has been shipped in error to Middletown Composites and discovered to be defective will require that we be notified immediately so we can contain the material and quarantine it our facility.

11.4 Any acceptance of known non-conforming material must be made by Middletown Composites prior to shipment and documented to identify the Personnel from Middletown Composites authorizing the shipment.

11.5 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-Conformance

12.0 Government, Safety & Environmental Regulations

12.1 All purchased materials will satisfy current governmental and safety constraints on restricted, toxic and hazardous materials as well as environmental, electrical and electromagnetic considerations. Restricted Chemicals, Agents and Materials banned by the EPA, Federal Regulation or Middletown Composites may not be used or incorporated into any orders.

12.3 The supplier is responsible for submission of an SDS sheet to Middletown Composites on request or for any new shipment or change in material supplied.

13.0 Supplier Sample Submission

13.1 All sample submission requirements will be directed in the Purchase Order by the MIDDLETOWN COMPOSITES Buyer. Objective evidence of conformance to all dimensions, notes and specifications referenced in product drawings or specifications and purchase orders must be recorded. If there are any questions or concerns about the Sample submission requirements, please direct them in writing to the Buyer listed on the purchase order or the Quality Manager.

13.2 **First Article Inspection Reports requested on the PO must use the AS 9102 Latest edition with complete records and the physical part used in the report tagged and provided with the AS 9102 report or Aerospace APQP/PPAP Process if specified.**

14.0 Supplier Records

14.1 Quality records are to be maintained to demonstrate conformance to specified requirements and the effective operation of the quality system. Pertinent quality records from the subcontractor shall be an element of these data and must be made available to Middletown Composites on request.

14.2 Production and manufacturing records, inspection records, purchase orders, amendments are to be maintained for a minimum of 15 years. Government or customer requirements supersede these requirements. All specified retention periods shall be considered “minimums”. It is suggested that your organization employ electronic record filing and storages systems that support this requirement.

15.0 Supplier ITAR & Government Documentation Requirements

15.1 Suppliers identified by the Purchasing Department as Military, Aerospace or Government Regulated are required to supply applicable documentation to Middletown Composites 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 Middletown Composites ITAR documents and program requirements and agreement for conformance.

15.2 The following requirements are expected to be enforced by your organization:

- 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.