SUPPLIER QUALITY REQUIREMENTS MANUAL

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1 Purpose

The purpose of this manual is to inform Custom Power external providers (hereafter must be referred to as "Suppliers" unless otherwise specified) of the requirements Custom Power has regarding external provider's processes required for the purpose of doing business with Custom Power.

2 Scope

The information in this manual applies to all current Custom Power Suppliers (including their respective external providers) and Suppliers that have interest in doing business with Custom Power.

3 Definitions

TERM	DEFINITION	Reference Standard
"Shall"	Indicates a requirement	AS9100
"Should"	Indicates a recommendation	AS9100
"May"	Indicates a permission	AS9100
"Can"	Indicates a possibility or a capability	AS9100
Concession	Permission to use or release a product or service that does not conform to specified requirements	ISO 9000
Configuration	Interrelated functional and physical characteristics of a product or service defined in product configuration information	ISO 9000
Contract	Binding agreement EXAMPLE: Purchase Order	ISO 9000
Defect	Nonconformity related to an intended or specified use	ISO 9000
Design Authority	Design authorities are responsible to determine affect form, fit and function	N/A
Deviation permit	Permission to depart from the originally specified requirements of a product of service prior to its realization	ISO 9000
Document	Information and the medium on which it is contained	ISO 9000
Documented Information	Information required to be controlled and maintained by an organization and the medium on which it is contained EXAMPLE: work instructions, travelers, routers, test reports, shipping documents	ISO 9000

Document Change Order (DCO)	Release and change revision-controlled product definitions, configurations, and manufacturing/test information (e.g., parts, design drawings, tooling/test equipment, manufacturing and test procedures, software/firmware, etc.). A DCO provides implementation and disposition information for changed items, sets effectivity dates, and transfers data into the ERP system to enable manufacturing operations.	QSF-4.2.3-3 (Custom Power use only)
Engineering Work Request (EWR)	Internal form used to formally capture and request approval for proposed product changes in an effort to gate decisions on whether work should begin and on the scope of work to be done (example: changes to product configuration information, manufacturing or testing that change the product configuration, customer problem requests, requirements, etc.). The EWR process allows for visibility, communication, budgeting, planning, and decision-making regarding proposed work request.	QSF-8.3-3 (Custom Power use only)
External Provider or Supplier	Provider that is not part of the organization EXAMPLE: Producer, distributor or vendor of a product or a service	ISO 9000
Fit	The ability of an item to physically mate or interconnect with or become an integral part of another item.	AS9100
Form	The shape, size, dimensions, mass, weight, material, and visual (or non- visual) parameters which uniquely characterize an item. For software, form denotes the language and media.	AS9100
Function	The action(s) an item is designed to perform.	AS9100
Management System	Set of interrelated or interacting elements of an organization to establish policies and objectives and processes to achieve those objectives; management system can address a single principle or several disciplines	ISO 9000
Measurement	Process to determine a value	ISO 9000
Measuring equipment	Measuring instrument, software, measurement standard, reference material or auxiliary apparatus or combination thereof necessary to realize a measurement process	ISO 9000
Nonconformity	Non-fulfillment of a requirement; may be referred to as defect	ISO 9000
Notification of Escape	Notification that product or service provided did not conform to requirements	N/A
Output	Result of a process	ISO 9000
Procedure	Specified way to carry out an activity or a process	ISO 9000

Process	Set of interrelated or interacting activities that use inputs to deliver an intended result	ISO 9000
Product	Output of an organization that can be produced without any transaction taking place between the organization and the customer	ISO 9000
Provider or Supplier	Organization that provides a product or a service	ISO 9000
Quality Management System (QMS)	Part of a management system with regard to quality	ISO 9000
Repair	Action on a nonconforming product or service to make it acceptable for intended use	ISO 9000
Requirement	Need or expectation that is stated, generally implied or obligatory	ISO 9000
Rework	Action on a nonconforming product or service to make it conform to the requirements	ISO 9000
Scrap	Action on a nonconforming product or service to preclude its originally intended use	ISO 9000
Service	Output of an organization with at least one activity necessarily performed between the organization and the customer	ISO 9000
Specification	Document stating requirements EXAMPLE: Quality manual, quality plan, technical drawing, procedure document, work instruction.	ISO 9000
Purchasing Representative	Buyer responsible for the placement of the contract with the supplier	N/A
Use-as-is	Disposition of material with one or more nonconformances determined to be usable for its intended purpose in its existing condition without compromise to product integrity or performance.	N/A
Verification	Confirmation, through the provision of objective evidence, that specified requirements have been fulfilled	ISO 9000

4 References

ID	DESCRIPTION
ANSI S20.20	PROTECTION OF ELECTRICAL AND ELECTRONIC PARTS, ASSEMBLIES AND EQUIPMENT (EXCLUDING ELECTRICALLY INITIATED EXPLOSIVE DEVICES)
ANSI Z1.4	SAMPLING PROCEDURES AND TABLES FOR INSPECTION BY ATTRIBUTES
ANSI Z1.9	SAMPLING PROCEDURES AND TABLES FOR INSPECTION BY VARIABLES FOR PERCENT NONCONFORMING
AS13000	PROBLEM SOLVING REQUIREMENTS FOR SUPPLIERS
AS5553	COUNTERFEIT ELECTRICAL, ELECTRONIC, AND ELECTROMECHANICAL (EEE) PARTS; CUSTOM POWEROIDANCE, DETECTION, MITIGATION, AND DISPOSITION
AS6081	FRAUDULENT/COUNTERFEIT ELECTRONIC PARTS: CUSTOM POWEROIDANCE, DETECTION, MITIGATION, AND DISPOSITION - DISTRIBUTORS
AS9100	QUALITY MANAGEMENT SYSTEMS - REQUIREMENTS FOR AVIATION, SPACE, AND DEFENSE ORGANIZATIONS
AS9102	AEROSPACE FIRST ARTICLE INSPECTION REQUIREMENT
AS9131	AEROSPACE SERIES - QUALITY MANAGEMENT SYSTEMS - NONCONFORMITY DATA DEFINITION AND DOCUMENTATION
AS9138	AEROSPACE SERIES - QUALITY MANAGEMENT SYSTEMS STATISTICAL PRODUCT ACCEPTANCE REQUIREMENTS
AS9145	AEROSPACE SERIES – REQUIREMENTS FOR ADVANCED PRODUCT QUALITY PLANNING AND PRODUCTION PART APPROVAL PROCESS
AS9146	FOREIGN OBJECT DAMAGE (FOD) PREVENTION PROGRAM - REQUIREMENTS FOR AVIATION, SPACE, AND DEFENSE ORGANIZATIONS
Executive Order 13556	CONTROLLED UNCLASSIFIED INFORMATION
ISO 14001	ENVIRONMENTAL MANAGEMENT SYSTEMS
ISO 17025	GENERAL REQUIREMENTS FOR THE COMPETENCE OF TESTING AND CALIBRATION LABORATORIES
ISO 9000	QUALITY MANAGEMENT SYSTEMS — FUNDAMENTALS AND VOCABULARY
ISO 9001	QUALITY MANAGEMENT SYSTEMS — REQUIREMENTS
NAS 412	FOREIGN OBJECT DAMAGE (FOD) PREVENTION GUIDANCE DOCUMENT

QSF-7.4.3	SUPPLIER SURVEY
QSF-8.2.4-1	FIRST ARTICLE INSPECTION REPORT
QSF-10.2-4	SUPPLIER CORRECTIVE ACTION REPORT

5 Supplier General Requirements

Suppliers must comply with the latest revisions of Supplier Quality Requirements Manual, SQM-001 and other documents referenced herein in order to maintain “Approved” status within Custom Power’s Approved Suppliers List (ASL).

Suppliers must establish compliance to this document and maintain evidence of compliance. If Supplier identifies gaps in compliance, they shall escalate them to Custom Power Purchasing representative and CUSTOM POWER Supplier Quality; Supplier must initiate corrective action to address any gaps identified.

If conflict between this document and any other requirements flow down exist, order of precedence is as follows:

- Purchase Order
- Drawings
- Specifications
- Terms and Conditions
- Supplier Quality Requirements Manual, SQRM-001

All communication between Suppliers and Custom Power must include a Custom Power Purchasing Representative.

5.1 Supplier Initial Evaluation

Suppliers must complete a survey for initial evaluation and submit to Custom Power Purchasing; submission of this form does not guarantee approval.

5.1.1 Supplier Quality Management System (QMS)

Supplier should, as a minimum, have a QMS that is certified to latest revision of ISO 9001 or AS9100; loss of QMS certification may result in removal from Custom Power’s ASL. Supplier must provide a copy of its QMS certificate and/or applicable regulatory certificates upon request by Custom Power.

Custom Power may request to audit supplier in cases where QMS is not certified.

Custom Power may request an audit at any time despite supplier’s QMS certification status.

Supplier must furnish Custom Power with a controlled copy of the Supplier's Quality Manual and supporting procedures in English upon request. The supplier's quality management system documentation must include supplier's quality policy and quality objectives.

Supplier must notify Custom Power of any substantive changes to the Supplier's QMS, top-level management, and/or quality management by resubmitting survey for Custom Power review and approval.

Any gaps identified during audit findings may result in a SCAR requiring corrective action per section 8. If findings result in Opportunities for improvement, the supplier may choose whether they want to address the opportunity. Custom Power must review what actions were taken for any previous audit findings in future audits to ensure effectiveness or may review what actions, if any, were taken by the Supplier to address opportunities for improvement provided from audit results.

5.2 Business Continuity

Suppliers must have a business continuity plan which would allow for the safeguarding, storage and recovery of engineering drawings, electronic media, and production tooling in the event of damage or loss; this could be done through the storage of records at a separate offsite location. This plan should also contain contingency plans to satisfy Custom Power requirements in the event of significant utility interruptions, labor shortages, and equipment failure and field returns.

5.3 Policy Expectations

5.3.1 Environment

All Custom Power suppliers must have an environmental policy that supports Custom Power Environmental and Safety Policy. Custom Power seeks to do business with suppliers who observe the principles of sustainable development in the design, production, use and end-of life disposal of their supplied products and services. Custom Power will reduce or discontinue business with suppliers who do not endeavor to support Custom Power Environmental and Safety Policy.

Suppliers must achieve awareness and compliance with all relevant laws and local codes.

We are communicating our Environmental and Safety Policy below:

Custom Power firmly believes in the protection and sustainability of the environment; therefore, we seek to achieve this policy through the commitment stated in our **C.O.R.E.** values:

- **C**reate a safe and healthy environment by identifying, assessing, eliminating, or mitigating all risks associated with safety and environmental hazards in the processes and products.
- **O**perate in an ethical and responsible manner to comply with customer requirements and all applicable environmental, health and safety legislation.
- **R**eduction of wastes through reduce, reuse, recycle and safely disposing of hazardous materials.
- **E**nsure effective prevention of occupational injuries or illness and effective preparation for environmental / safety emergencies that could impact the people, processes or products.

We believe that each employee has the right to derive personal satisfaction from his/her job and the prevention of occupational injury or illness is of such consequence to this belief that it will be given top priority at all times. It is our intention here to initiate and maintain complete accident prevention and safety training programs.

Each individual from top management to the working person is responsible for the protection and sustainability of the environment and for the safety and prevention of occupational injury of those persons in their charge and coworkers around them.

By accepting mutual responsibility and commitment stated in our **C.O.R.E.** values, we will contribute to the well-being of personnel.

Our commitment to environmental awareness and preservation is reflected throughout our business.

We are clearly communicating Custom Power environmental policy to interested parties and encourage our business partners and suppliers to promote environmental responsibility among their employees.

Within these communications, Custom Power may request information regarding environmental programs at suppliers facility and utilize this information in determining our overall environment impact as a business, therefore any process or material changes made by our suppliers that significantly affect individual environment concerns must be communicated to Custom Power. Environmental communications are considered just as essential as change notifications related to material production. Change notifications may be submitted to Purchasing Representatives and/ or Quality Representatives from Custom Power.

5.3.2 Control Unclassified Information (CUI)

Suppliers must ensure that all data/information including CUI is to be managed and controlled to ensure compliance within Executive Order 13556.

5.4 Right of Entry

Suppliers that manufacture or provide services to CUSTOM POWER defined requirements shall be subject to audit by Custom Power, its customers and regulatory agencies. Access must be granted to all facilities, processes, inspections and investigate records, work instructions and related record upon request. Supplier must be notified in advance of Custom Power's intent to audit and provide reasonable accommodation to support date(s) requested.

6 Support

Suppliers must determine the resources needed for the establishment, implementation, maintenance, and continual improvement of the quality management system.

6.1 Measurement Traceability

Suppliers must have a process to maintain measurement traceability used on Custom Power products. Supplier's process as minimum must ensure that measurement equipment is:

- Identified to determine status
- Calibrated and/or verified against measurement standards traceable to international or national measurement standards; when no such standards exist, the basis used for calibration or verification must be retained as documented information.
- Safeguarded from adjustments, damage, or deterioration that would invalidate the calibration status and subsequent measurement results.
- Recalled when it requires calibration or verification.
- Calibrated or verified under suitable environmental conditions.

Supplier must conduct a documented investigation, if the measurement equipment is found to be at or beyond 200% of the precision band at the time of verification. Supplier must submit a Notification of Escape to Custom Power if investigation reveals a quality impact on delivered products to Custom Power.

6.2 Control of Documented Information

Changes to documented information must be recorded, dated, and traceable to a qualified person making the change (e.g., name, signature, stamp, electronic signature) with a permanent marking method and the original information being legible and retrievable after the change.

Retention period for documented information needed to provide evidence of conformance must be 10 years.

Prior to discarding, transferring to another organization, or destruction of such records, Suppliers must notify Custom Power in writing and give Custom Power the opportunity to gain possession of the records. These requirements are applicable to records generated by supplier's sub-tier sources.

7 Operations

7.1 Contract Review

Suppliers must ensure that it has the ability to meet the requirements for products and services required by Custom Power and flown down by the PDI; this includes but is not limited to the requirements of the contract and Terms and Conditions. The organization must conduct a review before committing to supply products and services to Custom Power; review may include ensuring they are provided the necessary Custom Power owned tooling to produce the product, ensuring they have the documentation for the configuration required per the contract, checking for obsolesce, checking for the latest configuration, etc.

Suppliers must reach out to their respective Custom Power Purchasing representative if there are any requirements that cannot be met prior to contract acknowledgement.

Supplier must ensure that when fulfilling contracts that were part of an RTV, that a teardown report accompanies the product being returned to Custom Power; if the parts were replaced, the tear down report must note that.

7.2 Control of Externally Provided Processes, Products, and Services

Suppliers must maintain a register of its external providers that includes approval status and the scope of the approval.

Suppliers shall establish, implement, and maintain a documented process to ensure that all sub-tier suppliers comply with applicable Custom Power specifications, quality requirements, and customer-specific flow-down requirements communicated by Custom Power.

Suppliers must be responsible for the quality of materials and components provided by their sub-tiers, suppliers, and subcontractors; this does not include Custom Power provided material.

Suppliers must periodically review external provider performance including process, product and service conformity, and on-time delivery performance.

7.2.1 Custom Power Designated Suppliers

Where specified by requirements, Suppliers must purchase products, materials or services from Custom Power designated suppliers.

Custom Power involvement does not eliminate the suppliers' responsibility that the sub-tiers or subcontractors utilized meet the criteria to be on the supplier's ASL and maintain acceptable performance to remain on their ASL.

7.3 Product and Service Provision

7.3.1 Configuration Management

Suppliers must ensure that they are building to configuration defined by the contract.

Suppliers may request that their Custom Power Purchasing representative confirm that there have been no changes to the technical package.

Suppliers must have a Configuration Management process to ensure that any changes are controlled.

7.3.2 Traceability

Suppliers must have the ability to:

- Trace all products manufactured from the same batch of raw material, or from the same manufacturing batch to the destination.
- Trace its components to the assembly and then to the next higher assembly, for assemblies.
- Maintain a sequential record of its production (manufacture, assembly, inspection/verification) to be retrievable, for product.

7.3.3 Part Marking

The supplier must mark the part as dictated per the specifications flown down by Product Manufacturing specifications or drawings.

7.4 Property Belonging to Custom Power

Supplier must exercise care with the property belonging to Custom Power while it is under the supplier's control or being used by the supplier's organization.

Supplier must identify, verify, protect, and safeguard Custom Power's property provided for use or incorporation into the products and services.

Suppliers must notify Custom Power within 7 days of any Custom Power owned property that is lost, damaged, or otherwise found to be unsuitable for use; the notification must include documentation on what occurred.

7.5 Preservation

The supplier must ensure that they have a method of ensuring the safety of the product throughout the manufacturing process and in transit to Suppliers must notify Custom Power within 7 days of any Custom Power owned property that is lost, damaged, or otherwise found to be unsuitable for use; the notification must include documentation on what occurred.

7.5.1 Shelf Life

With each delivery of materials or products that have a limited or specified shelf life, the Supplier must furnish data that shows:

- Manufacture date,
- Expiration date or shelf life,
- Lot or batch number
- When applicable, any special handling or storage requirements.

Unless otherwise specified by contract, for all shelf-life limited materials or products delivered to Custom Power, the remaining shelf life must be a minimum of 75% of the total shelf life for the material.

7.5.2 Workmanship

When workmanship standards are not referenced on Custom Power specifications, the Supplier must follow industry-accepted standards for the products being provided or their internal workmanship standards.

7.5.3 Awareness

Supplier shall ensure that all persons engaged by the supplier in fulfilment of the order are aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.

7.5.4 FOD

Suppliers must plan, implement, and control processes, appropriate to their organization and the product, for the prevention of inclusion of FOD in product delivered to Custom Power.

Suppliers may use AS9146 and or NAS 412 for guidance on setting up a FOD prevention program as applicable to their industry or products being delivered to Custom Power.

7.5.5 Counterfeit Product

Suppliers must plan, implement, and control processes, appropriate to their organization and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product delivered to Custom Power.

Suppliers may use AS5553 and/or AS6081 for guidance as applicable to their industry or products being delivered to Custom Power.

7.5.6 Electrostatic Sensitive Devices (ESD)

Suppliers must plan, implement, and control processes, appropriate to their organization and the product, for handling of ESD product delivered to Custom Power.

Suppliers may use ANSI S20.20 for guidance as applicable to their industry or products being delivered to Custom Power.

7.5.7 Packaging

Suppliers must plan for packaging designed to prevent product contamination, deterioration, or loss and to eliminate shipping damage.

7.6 Production Process Validation

For material and other specified requirements for which the Supplier does not have the equipment to test, the Supplier must obtain material certifications (or test reports) from their sub-Supplier or other test agency.

The material certification reports must include the following information:

- Specification/Drawing number.
- Specified material/dimensional/physical requirements.
- Inspection/test results.
- Signature of the organization that performed the testing.

The reports must be traceable to the Supplier's material through lot/heat/coil/ batch numbers or the like. A simple statement that the material meets the requirements is not acceptable.

7.6.1 In-Process and Final Inspection

Suppliers must develop an inspection plan to be used for the inspection of products delivered to Custom Power to cover all levels of the build.

Using the inspection plan, Suppliers must collect data to maintain records to establish compliance to all levels of the build.

All critical characteristics must be 100% inspected. If weight is a requirement per specifications, it shall be considered a critical characteristic and therefore be 100% inspected. All other features may use sampling for acceptance with the sampling plan of the Supplier's choice.

Suppliers may use AS9138, ANSI Z1.4 or ANSI Z1.9 as guidance applicable to their industry or products being delivered to CUSTOM POWER.

7.6.2 First Article Inspection (FAI)

When required, supplier must perform FAIR per AS9102 to validate the first part(s) produced.

Supplier must submit a full FAIR package that includes AS9102 Form 1, Form 2, Form 3, balloon drawing, and supporting certifications for the buy level; Supplier must ensure that they obtain FAIR approval prior to shipment of the balance due on the contract.

Supplier must retain all FAIRs per AS9102 and certification records for sub-component items but are not required to be submitted for CUSTOM POWER approval; records shall be submitted to CUSTOM POWER upon request.

Any parts produced via mold must have 1 FAIR per mold.

Any nonconformances identified shall be submitted to Custom Power per the guidelines of section 8.7. If a deviation number is granted to accept the product, it must be noted in the FAIR report along with the supplier's nonconformance number.

7.6.3 Special Processes

For processes where the resulting output cannot be verified by subsequent monitoring or measurement.

Suppliers must ensure that they have inspection gates within their process that will allow them to verify conformity to special processes.

7.6.4 Part Certification

A Certificate of Conformance is required with each shipment of all items manufactured per Custom Power specifications. If product being shipped to Custom Power is from an RTV, the Custom Power NCMR number used for the RTV must be referenced on the CoC.

All documents submitted at time of shipment, i.e., packing slip, invoice, certificate of conformance, etc., must reference Custom Power's contract number and internal part number and when applicable, part revision.

If part serialization is required, this must be noted in the shipping documentation.

7.6.5 Production Part Approval Process (PPAP)

When PPAP is required by the contract, the Suppliers may use AS9145 for guidance of the requirements to be submitted for Custom Power approval.

7.6.6 Source Inspection and Delegated Inspection

When source inspection or delegated inspection is required per the contract, the third-party source inspector must use the inspection plan specified by the contract.

7.7 Control of Nonconforming Product

Suppliers may rework product and will not require Custom Power approval unless otherwise stated.

Nonconforming material must not be sent to any Custom Power facility or customer without a written concession or deviation permit.

All requests for concession, deviation permit, or specification change must be submitted to Custom Power Purchasing representative.

7.7.1 Design Authority

Custom Power must have the design authority for all Custom Power designed products where the suppliers is building per the specifications provided by Custom Power. As the design authority, Custom Power requires that any dispositions of “use-as-is” and “repair” at any level of the build go through the approvals listed in the following sections: submission for approval may be in the form of deviation permit, concession or notification of escape.

For Supplier designed items, Suppliers may disposition “use-as-is” or “repair” as long as the nonconformance does not affect the specifications required by Custom Power. Dispositions of “use-as-is” and “repair” for any Custom Power specifications go through the approvals listed in the following sections: submission for approval may be in the form of deviation permit, concession or notification of escape.

7.7.2 Notification of Changes

Suppliers shall notify Custom Power of any changes to processes, design details, products, services or certifications/ approvals, including changes of their external providers or location of manufacture and obtain Custom Power's approval prior to implementing the changes. In the event a supplier's production facility relocates, a first article may be required.

7.7.3 Request for Specification Changes

Requests for specification changes include but are not limited to obsolesce, incorrect tolerances on the print, typos, material changes, etc.

When requesting a BOM change due to obsolesce, the supplier may provide a recommended alternate part if one is identified.

Submission for specification changes does not relieve the supplier of the responsibility to comply with requirements, if the changes cannot be made before the parts need to ship, the supplier must ensure to request a deviation permit or concession until the changes are implemented.

Supplier's request for change, may result in an EWR and/ or DCO to implement the change process at Custom Power.

7.7.4 Request for Deviation Permit or Concession

Suppliers must request a deviation permit prior to creation of a nonconformance.

Suppliers must request a concession after the creation of a nonconformance.

If directed by the Custom Power, the Supplier must send samples of non-conforming product to Custom Power for evaluation. The cost of any testing required in determining the acceptability of the product may be charged to the Supplier.

Supplier must follow the process in section 9 of this document to ensure that appropriate actions are taken to eliminate the cause of nonconformity.

7.7.5 Deviations Granted by CUSTOM POWER

If a concession or deviation permit are granted, the permission from Custom Power to use the product may be granted via NCMR – "use-as-is" disposition.

NCMR number must appear on the Supplier's shipping documents with quantities associated.

Suppliers that manufacture deviated items must identify their product as stated in the instructions within the NCMR time frame specified by the Director of Quality Assurance. Once the expiration date is reached, no new work may be done under the deviation. Suppliers may request an extension of the deviation.

7.7.6 Notification of Escape

Supplier must have a process to notify Custom Power of any products or services provided to Custom Power that are found to be nonconforming after delivery.

Suppliers may use AS9131 for guidance of the requirements to be submitted with the notification.

7.7.7 Return to Supplier

When parts are returned to Suppliers for scrap, the Supplier must provide the Custom Power Purchasing representative with a certification of destruction to show evidence of scrap.

8 Corrective Action

Supplier must acknowledge the receipt of notification of nonconformance from Custom Power within 24 hours.

Supplier must perform containment within 48 hours of notification of nonconformance from Custom Power.

Suppliers must have a root cause and corrective action process consistent with the 8D methodology in AS13000 for all escapes to Custom Power; Suppliers may use form QSF-10.2-2, 8D Corrective Action Report or equivalent AS13000 8D template.

For all supplier non-conformances that are escalated to Custom Power, Suppliers must submit form QSF-10.2-2 or equivalent AS13000 8D template with D1-D5 completed within 15 days of notification of nonconformance from Custom Power. Supplier's response is subject to Custom Power approval, if the supplier's response is rejected, the supplier must resubmit response within 7 daysof rejection.

9 Calibration Services

Suppliers providing calibration services must ensure that it must be done in accordance with ISO 17025 as a minimum. Calibration or verification must be performed against measurement standards traceable to international or national measurement standards; when no such standards exist, the basis used for calibration or verification must be retained as documented information.

10 Metrics

Supplier performance will be evaluated monthly based on supplier on-time delivery data and supplier quality data.

10.1 On-Time Percentage

An on-time percentage is calculated based on the total number of units scheduled for delivery for a given month vs. the total number of units actually received on time. For example, if a given supplier has only one delivery of 1000 units scheduled for one specific month, and Custom Power receives 750 units on time, and 250 units late, then that supplier's on-time performance percentage for that quarter is 75.0%. A delivery is considered to be on time if it is received on or before the scheduled due date.

10.2 Quality Percentage

A quality percentage is calculated based on the number of units received for a given month vs. the number of units rejected for quality reasons that were determined to be the supplier's responsibility for that month. For example, if a supplier delivers 1000 units in a given month, and 3 units are found to be defective, that supplier's quality percentage for that month is 99.7%. If an entire lot is rejected because the number of units found to be defective exceeds the designated AQL, then the entire lot will be considered defective.

11 Authority and Responsibility

Functional Owner:	Custom Power Quality
Functional Participant(s):	Custom Power Purchasing, Engineering and Quality