



Purchasing WI 0002

Supplier Quality Manual /

Standard Terms & Conditions

1 Supplier Expectations

1.0 Introduction

This Supplier Quality Manual/ Standard Terms and Conditions has been created to assist our suppliers in understanding the purchasing expectations and quality requirements for products and/or services supplied to Ultimate Hydroforming, Inc. This document communicates the operating principles, general expectations, and procedures of Ultimate Hydroforming, Inc. Adherence to the guidelines described within is required by all Ultimate Hydroforming, Inc. suppliers. Acceptance of any and/or all purchase orders constitutes acceptance and commitment on behalf of the recipient to comply with this documents content. These guidelines are provided as supplement to, and do not replace or alter, any purchase agreement which are included as requirements of applicable drawings, specifications and other contractual documents. This document describes the minimum requirements for which the supplier has responsibility.

1.1 On-Time Delivery

Ultimate Hydroforming, Inc. requires all suppliers to meet on-time delivery requirements. To further clarify this, we consider unauthorized early (more than 10 business days) and unauthorized late and partial deliveries (more than 2 business days) or over shipments to be unacceptable. The quantity shipped per order cannot vary from specified quantity without prior written consent.

1.2 Transportation Costs

Unless otherwise instructed, a supplier shall ship, as directed by Ultimate Hydroforming, Inc. Any excess transportation costs, due to the supplier not meeting the shipping instruction requirements, will be deducted from the purchase price.

2 Supplier Quality Requirements

2.0 Product, Procedure, Process, Equipment Approval

Ultimate Hydroforming, Inc. must approve the product, any procedures and processes associated and the equipment used. If any changes occur after the initial approval the supplier shall notify Ultimate Hydroforming, Inc. of such changes.

2.1 Resources

Suppliers are expected to have the resources necessary (qualification of personnel, property, facilities, equipment and materials) to supply the products and/or services required to accommodate Ultimate Hydroforming, Inc.'s production schedule and/or PO requirements. The supplier should provide for fluctuations in requirements due to scheduling changes.



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2.2 AS9100/ISO 9000 Conformance

Suppliers of Ultimate Hydroforming, Inc. are requested to be compliant to AS9100 / ISO 9000 and/or IATF16949 international quality standard. In addition, we encourage our suppliers to seek a third-party accreditation. Dimensional service and calibration sources are to be compliant to ISO-17025 / A2LA at a minimum. Supplier quality systems shall be formally documented, implemented and maintained to ensure suppliers' products and/or services conform to the identified purchase specifications, engineering or material specifications and/or contract requirements. The suppliers' quality documentation shall be made available to Ultimate Hydroforming, Inc. upon request.

2.3 Configuration Control

Each article delivered under a purchase order must be identified with a part number or other identification. All purchased materials and services are subject to inspection for compliance to the purchase order and all applicable quality requirements. No material or process substitutions, quantity variations or splits from the purchase order may be made without prior written authorization from Ultimate Hydroforming, Inc. Information concerning the identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data will be communicated to the supplier when they quote the job, on the purchase order and/or on the supplementary documents from Ultimate Hydroforming, Inc.

2.4 Identification and Traceability

All suppliers to Ultimate Hydroforming, Inc. must have a lot identification system that distinguishes one lot from another when shipping finished product. Each lot of material should be clearly identified on the product (where applicable) and/or on the product packaging. All material lots should be traceable to raw or component material lots as identified by the supplier's supplier.

2.5 Testing

If any tests are required, the purchase order and/or supplementary documents would state that information and requirements to the supplier including reference of test specimens.

2.6 Key Characteristics

Products and/or services provided by suppliers must be at the highest level of quality.

When drawing, specification, and/or Purchase Order include "key characteristic" requirements the Supplier shall utilize Variation Management to ensure key characteristic integrity. The Supplier shall develop control plans for applicable key characteristics and shall have a Cpk goal of 1.33 or better.



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2.7 Sampling Plans

The sampling plan for Aerospace hardware/product characteristics will be divided into three categories: Critical, Major and Minor. The acceptance value will be “0” for all categories.

The acceptance value of “0” means, if any characteristic is found defective, the lot must be 100% inspected for that characteristic. Any hardware with a defective characteristic would be processed as nonconforming product.

Critical characteristics are those defined as key, material, special processes, etc. Critical characteristic will be 100% inspected.

Major characteristics are those with a tolerance band of .010” or less. The sampling plan shown below is based on an AQL 1.0.

Lot size	Sample size
1 to 13	All
14 to 150	13
151 to 500	50
501 & Over	80

Minor characteristics are those with a tolerance band of .0101” or greater. The sampling plan shown below is based on an AQL 4.0.

Lot size	Sample size
1 to 25	5
26 to 150	8
151 & Over	13

2.8 Control of Nonconforming Product

The supplier shall ensure that nonconforming product/materials is identified and controlled to prevent unintended use or delivery. The supplier shall notify and not ship nonconforming product/materials without prior authorization by Ultimate Hydroforming, Inc.



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2.9 Changes in Product, Process and Facility Location

The supplier is responsible to notify Ultimate Hydroforming, Inc. of any changes in product and/or process, any changes of manufacturing facility location, including supplier change and receive approval of such change.

2.10 Supplier/Sub-Tier Flow Down

Suppliers of Ultimate Hydroforming, Inc. are required to communicate all information and requirements related to the job to any supplier they use to produce Ultimate Hydroforming, Inc.'s products.

2.11 Product/Service Responsibility

Suppliers are fully responsible for the quality of their products/services including their sub-tier suppliers. Both are responsible that the quality of their products/services meet all Ultimate Hydroforming, Inc.'s requirements, specifications and drawings as identified on the purchase order. Zero defects are expected from our suppliers.

2.12 Record Retention

Suppliers and sub-tier suppliers shall establish and maintain records to provide evidence of conformity to requirements. Records shall remain legible, readily identifiable and retrievable. Product history records shall be maintained for a minimum of 10 years or as required by the purchase order. For Williams International, record retention is to be a minimum of 20 years unless otherwise specified on the Purchase Order.

2.13 Right of Entry

Ultimate Hydroforming, Inc. and its customers or any applicable regulatory authority shall have the right to enter the suppliers' facility to perform inspections or surveillance audits to verify the quality of work, records and to ensure compliance to the contract. When applicable, the access requirement shall be flowed down by the supplier to the suppliers' sub-tier sources.

2.14 Certification of Conformance

Certifications or Certificate of Conformance: When required by the purchase order the supplier will provide a C of C or Certification as specified. This document will contain the specifications as applicable to include the revision letter and when required the original manufacture will be identified, the heat or manufacturing lot number, serial numbers, testing requirements, or any language necessary to confirm that all the requirements of the specification have been met.



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2.15 Controlled Processes

When required in the body of the purchase order the Supplier must use end Customer approved sources and/or flow down the customer approve source requirement to their supplier. If support is needed to determine customer approved sources, contact Quality at UHI.

2.16 Characteristic Flow Down

As required the supplier must flow down all applicable purchase order requirements to their suppliers including key characteristics.

2.17 Processes

For processes specified and documented, notify the organization of changes in product and or process, changes of suppliers, changes of manufacturing facility location and where required, obtain organization approval and or end customer approval.

2.18 Order Acceptance

Acceptance of our purchase order is your acceptance of our Standard Terms and Conditions.

2.19 Boeing Specific

As applicable, the supplier is responsible to have a system in place and comply with Boeing D950-11059-1 "BDS Seller Special Tool Requirements and Boeing D6-51991 "Quality Assurance Standard for Digital Product Definition at Boeing Suppliers". If the supplier has questions or needs support in determining the requirements of the Boeing standards, they should contact the Quality Manager at Ultimate Hydroforming, Inc.

2.20 Packaging, Documentation and Shipment

Articles shall be packed to protect against damage from weather or transportation damage. The documentation as specified in the body of the purchase order shall accompany the shipment. Any shipment received without the required certification or proper documentation shall be subject to return to the Supplier at their expense. Shipment schedules will be as specified in the body of the contract.

2.21 Aerospace Parts

In the event that the purchase order is for an Aerospace Field part, there may be additional requirements of the supplier as well as any sub-tier suppliers.

The supplier must conduct a review of all the purchase order requirements to ensure their product or service conforms to those requirements.



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The supplier's Quality Management System must address the requirements contained in this document.

Suppliers are required to flow down type-design data to sub-tier suppliers.

The supplier must maintain and calibrate precision measuring and test equipment with a method that is traceable to a recognized standard.

A First Article Inspection (FAI) may be required using AS9102 forms as well as a number of additional documents such as: material certifications for raw materials, calibration records for gages used, process flow, traveler or routing sheets, control plans, inspection sheets, test records for special processes, appearance samples, functional test results as specified in print and/or specifications, Part Submission Warrants, capability studies, run at rate documentation and certificate of conformance (C of C) documentation. See the current AS9100 Standard for a better understanding of other possible requirements.

3 Special Requirements

3.0 The supplier will complete a First Piece Inspection for items on the purchase order.

First Article Inspections for AS9100 classified parts will be recorded on the AS9102 forms. Otherwise, utilize Ultimate Hydroforming's designated form or the supplier's form with Ultimate Hydroforming, Inc. approval.

The First Article Inspection report must show evidence of acceptance by the supplier's quality assurance representative. The first article(s) shall be produced on production equipment and using processes which will be utilized on production runs.

When requested, the first article(s) may be performed on prototype articles to determine conformance status to available data. Additionally, the supplier shall perform subsequent first articles per the requirements of AS9100 (i.e., following every major tooling or design change, and subsequent to any evident quality degradation for a specified part or article).

Records of all first article activity will be documented as required in AS9100 (AS9102), treated as quality / acceptance records and made available to Ultimate Hydroforming, Inc., our customers and regulatory authorities.

The supplier is responsible for ensuring items provided under the purchase order are packaged in such a manner that the product integrity is preserved, contamination and corrosion are prevented, no physical damage occurs, and it prevents damage, deterioration or loss in transit.

The supplier shall label the exterior of the container to ensure adequate identification needed to ensure the identity of the product being shipped. The supplier must ensure the handling and



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shipping methods for a proper and on-time delivery without damage to the product. The supplier shall ensure that any special labeling requirements shall also be listed in the appropriate shipping documents and on each package.

3.1 Warranty

The supplier warrants, that regardless of any inspection and acceptance by Ultimate Hydroforming, of articles or services furnished under this Contract, that such articles or services will be free from defects in material and workmanship; conform to all applicable specifications, standards, samples and drawings; be fit and sufficient for the purpose which they are intended; be produced in compliance with all applicable Federal and State laws and regulations and municipal ordinances and regulations. If any such product results in additional cost to Ultimate Hydroforming due to defects in material or workmanship, Ultimate Hydroforming has the right to regain such cost from the supplier.

3.2 Environmental

The Supplier shall comply with all governmental and safety constraints on restricted toxic and hazardous substances used in the processing or production of the product for UHI.

3.3 SDS Sheets

The SDS sheets will be provided for products supplied as required by government regulations.

3.4 ITAR

If defined on the Purchase Order, products or documents supplied to you contain information whose export is governed by the U.S. International Traffic in Arms Regulation (ITAR). This information must not be presented to or transferred to a foreign person or entity without the proper authorization of the U.S. Government. Violations to these ITAR regulations may result in administrative, civil or criminal penalties.

3.5 Prevention of Counterfeit Parts

You must take appropriate action to ensure that Parts, Products or Material supplied by you are not counterfeit. You need to have a Prevention of Counterfeit Parts Plan in place to ensure conformance to AS9100D, Section 8.1.4.

3.6 Contribution to Product/Service Conformity

This is being written to notify you, and for you to notify your personnel to ensure you are aware of your contribution to product or service conformity.



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3.7 Product Safety

You are to support Product Safety by ensuring robust management of special requirements, critical items and key characteristics as addressed within this document and as defined by AS9100D.

3.8 Ethical Behavior

It is necessary to understand the importance of ethical behavior in your business operations and treat all personnel in an ethical and fair manner while doing business with UHI.

4 Supplier Selection and Performance

4.0 Supplier Evaluation and Selection

Criteria for evaluation and selection of suppliers for placement on Ultimate Hydroforming, Inc.'s Approved Supplier List is based on the suppliers' abilities to consistently deliver defect free products and/or services, meet our delivery requirements, be cost competitive and be responsive to Ultimate Hydroforming, Inc.'s needs.

4.1 Supplier Monitoring

Approved supplier performance will be measured monthly. Suppliers must score at least a minimum of 87% in their Performance Rating in the monthly Supplier Rating system. Failure to do so may require the supplier to submit a corrective action plan for improvement.

The supplier may be contacted to discuss development goals to assist in the improvement of their performance. Supplier performance shall be measured on their ability to meet Ultimate Hydroforming, Inc.'s expectations and requirements. To remain on the Approved Supplier List, suppliers must meet minimum requirements defined.

4.2 Probation Criteria

Approved suppliers whose ratings fall below 87 for a three month period will be put on probationary status. A request will be issued to the probationary supplier to submit a written Action Plan with improvements, responsibilities and implementation dates to be returned to Ultimate Hydroforming, Inc. Quality Manager and Purchasing Manager to review the submitted action plans. Acceptable plans will be acknowledged, and the supplier will submit progress reports. Suppliers who show minimal improvement in ratings in the following 12 months may be subject, but not limited to:

- a) On-Site Survey
- b) Limited access to new business
- c) Removal from Approved Supplier Status



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Unacceptable Action Plans will be critiqued, and reviewed with the Supplier until a satisfactory Action Plan can be developed or the supplier is removed from the Approved Supplier List. Suppliers shall not be awarded new orders if they have been removed from the Approved Supplier List. If a supplier is determined to be unacceptable, the Purchasing Manager will initiate the appropriate actions to find other qualified resources prior to the removal of the supplier from the Approved Supplier List. In the event a supplier is a mandated source by an Ultimate Hydroforming, Inc. customer, then the customer's approval will be required.

5 Revision History

Date	Description
12-30-2010	Document Created
09-10-2021	Updated to New Format and Added WI Number
08-21-2023	Added IATF-16949 as a potential standard requirement; added ISO-17025 / A2LA for dimensional services & calibration sources.