



Aurora Technologies, Inc.

## Supplier Quality Requirements

### General Information

This document establishes Aurora Technologies, Inc. (ATI) requirements for procurement and defines supplier responsibility for assuring that purchased items conform to ATI supplied drawings, specifications and procurement requirements.

**The following notes shown below apply to all suppliers. The specific Quality Codes (QC) listed at the end of this document apply only when specified on the Purchase Order.**

### Supplier Quality Requirements (SQR)

**SQR-1** The supplier must meet all requirements on the Purchase Order (PO) including those listed on this document. Acceptance of the PO by acknowledgement and/or by shipping of product will affirm Supplier's acceptance of these requirements.

**SQR-2** Supplier shall provide a Certificate of Compliance (C of C) with each product provided to ATI affirming the products compliance to PO requirements. The C of C must include at a minimum the respective PO number, part number or material description, name of firm, date document was issued, compliance statement and signature of authorized supplier representative (electronic signature is acceptable). If lot numbers apply to the material being supplied then this must also be included on the C of C. It is expected that the supplier will maintain supporting test data or process verification data that will support material compliance and that this test data will be available upon request.

**SQR-3** Supplier shall maintain a Quality Management System (QMS) that meets the requirements set forth by ISO 9001. Preferred status will be given to suppliers with a QMS registered to ISO 9001 or AS9100.

**SQR-4** Supplier shall not deviate from material described in the PO requirements without written approval from ATI. Supplier shall prevent the use of any counterfeit parts or materials from shipping to ATI.

**SQR-5** Supplier shall notify ATI of any nonconforming product and must obtain deviation approval prior to shipping.

**SQR-6** Supplier shall notify ATI of any changes to processes or materials that could affect product, including changes of their external providers or location of manufacturer and obtain ATI's approval of these changes prior to shipping any product to ATI.

**SQR-7** Supplier shall flow down to its external providers the quality requirements listed on this Supplier Quality Requirements.



**Aurora Technologies, Inc.**

## Supplier Quality Requirements

**SQR-8** Supplier shall retain on file for a minimum period of 7 years, all records of manufacturing, inspection and test of product supplied to ATI. If the supplier is unable to keep the records for the 7 years minimum, they shall submit a written reason as to why to the ATI Corporate Purchasing Manager along with action plan to implement compliance by an agreed upon time frame.

**SQR-9** Supplier shall ensure that personnel contributing to the manufacturing of the production being provided are aware of their contribution to product conformity, product safety and the importance of ethical behavior.

**SQR-10** Supplier shall provide product that complies with the following regulatory requirements by providing letters of compliance or by providing a compliance template that meets the latest guidelines for the specific regulatory requirement to the Corporate Purchasing Manager or Safety and Compliance Manager.

**RoHS Compliant** (Restriction of Hazardous Substances Directive 2015/863)

**REACH Compliant** (Declaring any SVHC Substances of Very High Concern based on the latest REACH substances list)

**SQR-11** ATI has established a quality conformance goal of 100 % for all goods purchased. Scorecards will be provided to preferred suppliers that meet spend requirements set forth by the corporate purchasing manager. In the event a supplier drops below 99%, corrective action will be required to address how they will improve its performance in meeting our goal. The quality rating will be based on the total dollar value of rejected goods as a percentage of the overall dollar spend during a given period of time. Timely corrective action response will be required to maintain preferred status.

**SQR-12** ATI has established an On Time Delivery (OTD) goal of 100% for all goods purchased, but acknowledges there may be circumstances out of their control and will consider 95% OTD an acceptable delivery performance. Scorecards will be provided to preferred suppliers that meet spend requirements set forth by the corporate purchasing manager. In the event supplier drops below 95%, corrective action will be required to address how they will improve its performance in meeting our minimum goal. The supplier will be given a rating of 100 % if goods are delivered on or before promised date. In the event goods are received after the promise date, supplier will be given a 0% rating. The overall delivery rating will be based on total number of late receipts as a percentage of total receipts during a given period of time. Timely corrective action response will be required to maintain preferred status.

**SQR-13** Suppliers are required to complete Supplier Self-Assessment Questionnaire. If you have not done so already, please do so by following the following link and completing the form:

[https://docs.google.com/a/ati-1.com/forms/d/e/1FAIpQLSfbaZGp0fGihkSNai51W6w1aX9UX205sud7o4avnie9uwR\\_2Q/viewform](https://docs.google.com/a/ati-1.com/forms/d/e/1FAIpQLSfbaZGp0fGihkSNai51W6w1aX9UX205sud7o4avnie9uwR_2Q/viewform)



**Aurora Technologies, Inc.**

## Supplier Quality Requirements

**SQR-14** Suppliers are expected to strictly adhere to Aurora Technologies, Inc. Business Ethics Policy section 2 Conduct with Vendors – Gifts and Gratuities, which states

To ensure the highest level of objectivity in dealing with its vendors, suppliers, contractors and agencies, employees shall not:

A. Solicit, request or accept any gratuity, kickback, free services or special favors from vendors, agencies, suppliers or contractors of the Organization that would, in any way, place the Organization or the vendor in an uncomfortable or compromising position. Normal business entertainment or gifts that are consistent with generally accepted industry practice may be accepted when such have not been solicited and are not being made in return for a special consideration or decision. Cash in any amount shall never be solicited or accepted.

B. Utilize for personal use hotels, lodges or retreat facilities or other lodging owned or supplied by vendors, suppliers, contractors or agencies. Infrequent exceptions for events such as supplier sponsored seminars must have approval of the head of the organization.

### **Quality Codes (QC)**

**(Apply when specified on the Purchase Order)**

**QC-1** DX rated Purchase Order for Defense Priorities and Allocations System (DPAS). This is a regulation administered by the Department of Commerce (DoC) that implements the priorities and allocations authority contained in Title 1 of the Defense Production Act (DPA) of 1950 with respect to industrial resources. The purpose of DPAS is to ensure the timely availability of industrial resources to meet national defense and emergency preparedness requirements. Certain national defense, energy, and homeland security programs are approved for priorities and allocations support. The DoC has delegated authority to DoD to place priority ratings on its contracts in accordance with DPAS and DoD issues approximately 300,000 rated orders annually. DoD uses two priority ratings: DX and DO. DX rated programs and their orders are of the highest national defense urgency and are approved by the Secretary of Defense (SECDEF) or Deputy Secretary of Defense (DEPSECDEF). DO rated orders are of lower priority than DX-rated orders but take precedence over unrated orders. DPAS cannot be used to prioritize food, energy, health, water, or civil transportation resources. Any person who places or receives a rated order should be thoroughly familiar with, and must comply with, the provisions of 15 CFR 700 <http://www.ecfr.gov> .

**QC-2** DO rated Purchase Order for Defense Priorities and Allocations System (DPAS). This is a regulation administered by the Department of Commerce (DoC) that implements the priorities



**Aurora Technologies, Inc.**

## Supplier Quality Requirements

and allocations authority contained in Title 1 of the Defense Production Act (DPA) of 1950 with respect to industrial resources. The purpose of DPAS is to ensure the timely availability of industrial resources to meet national defense and emergency preparedness requirements. Certain national defense, energy, and homeland security programs are approved for priorities and allocations support. The DoC has delegated authority to DoD to place priority ratings on its contracts in accordance with DPAS and DoD issues approximately 300,000 rated orders annually. DoD uses two priority ratings: DX and DO. DX rated programs and their orders are of the highest national defense urgency and are approved by the Secretary of Defense (SECDEF) or Deputy Secretary of Defense (DEPSECDEF). DO rated orders are of lower priority than DX-rated orders but take precedence over unrated orders. DPAS cannot be used to prioritize food, energy, health, water, or civil transportation resources. Any person who places or receives a rated order should be thoroughly familiar with, and must comply with, the provisions of 15 CFR 700 <http://www.ecfr.gov> .

**QC-3** Supplier shall allow the right of access to ATI, ATI's customers or regulatory authorities to the applicable areas of their facilities and to applicable documented information at any level of the supply chain to affirm compliance.

### **QC-4 FRAUD AND FALSIFICATION**

This purchase order and activities hereunder are within the jurisdiction of the Department of Energy and/or the Navy. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable Federal Statutes.

Supplier agrees that all employees engaged in the performance of this purchase order will be, if they have not been previously, informed in writing prior to commencing performance of work under this purchase order that there is a risk of Federal criminal penalties associated with any falsification, concealment or misrepresentation in connection with work performed under this purchase order. Seller agrees that a signed statement shall be, if it has not been previously, obtained from said employees prior to their commencing performance of work under this purchase order that they have been so informed. Such statements shall be retained by the Seller for at least three years after final payment on this purchase order. An acceptable form for such a statement is substantially as follows:

"This company/division/department/branch performs work under contracts which are within the jurisdiction of departments of the United States Government. Some of the work performed under these contracts affects the national security of the United States and the requirements of these contracts are designed to ensure that essential attributes of the work are carefully checked or inspected and that records accurately reflect the results of all work. Any falsification, concealment or alteration of any material fact, or any false, fraudulent or fictitious statement or representation in connection with the work under any contract within



Aurora Technologies, Inc.

## Supplier Quality Requirements

the jurisdiction of the Government is not only prohibited by company policy, but may also be punishable under Federal Law. Please acknowledge by your signature that you have read and understand the above.”

Supplier must also agree to include the following statement preprinted on each manufacturing, inspection or test record used in conjunction with the subject subcontract: **“NOTE: The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a felony under Federal Statutes including Federal law, Title 18, Chapter 47.”**

**QC-5 Conflict Mineral Reporting Template required to the latest revision.** This is for metal suppliers only.

**QC-6 California Proposition 65 Compliant** – ATI requires that the product on the purchase order is Proposition 65 compliant.