



CAL-AURUM INDUSTRIES SUPPLIER QUALITY AGREEMENT

Suppliers of products, manufacturing, processes and services for Cal-Aurum Industries must agree to comply with the following quality requirements. These requirements are a minimum and may be added to by annotation on a purchase order.

Suppliers shall:

Maintain and implement a Quality System that includes a Quality Manual and covers the following subject areas:

Control of Documents and Data - The supplier must maintain effective documented procedures that ensure documents and data affecting product quality are controlled including:

- Documents are reviewed and approved prior to issue and when updated are reapproved.
- All documents and data supplied by CAI or it's customers is considered intellectual property and therefore confidential. At no time are they to be reviewed, discussed, or disclosed to parties outside your organization except as necessary to fulfill the contract.
- Documents are available at all locations where operations essential to the quality system are performed.
- Documents remain legible and readily identifiable.
- Documents of external origin are identified and controlled
- Control and index documents and data to prevent use of invalid or obsolete documents and identify obsolete documents that are maintained for legal or historical purposes.

Control of Records - The supplier must maintain effective procedures for identification, collecting, indexing, accessing, filing, storage, maintenance and disposition of quality records. All records related to the product will be maintained for at least 5 years

Resources - The supplier is responsible to provide the necessary resources to implement and maintain the quality management system and continually improve its effectiveness.

Training - The supplier must determine the for personnel performing work affecting product quality and provide for training or other actions if needed. In addition, ensure that personnel are aware of the relevance and importance of their activities and how they contribute to achieving the quality objectives and their interactions with your QMS.

Infrastructure – Suppliers must provide and maintain the infrastructure needed to achieve conformity to product requirements including a secure and safe workspace and associated utilities, process equipment and supporting services.

Planning – Suppliers must plan and develop the processes needed for product realization. Planning requirements for the product should include processes, documents, resources, verification, validation, monitoring, inspection and test activities and the criteria for product acceptance.

Determining and reviewing requirements related to the product - These are activities that are carried out by the supplier before signing the contract to ensure that the customer requirements for quality are adequately defined, free from ambiguity, documented and can be realized by the supplier.

Design Control - When necessary, the supplier must have in place procedures that establish and maintain effective control including verification and validation of the design of a product in order to meet specific requirements required by a customer including design changes. When required, provide test specimens as part of design approval.



**CAL-AURUM INDUSTRIES
SUPPLIER QUALITY AGREEMENT
(Continued)**

Purchasing - The supplier must ensure that purchased products conform to specified requirements. The process includes the selection, evaluation and re-evaluation of their suppliers and supplier (external provider and customer designated) performance. Purchasing information must include requirements for:

- Approval of product, procedures, processes and equipment
- Qualification of personnel
- Quality management system
- Flow-down of all requirements including those of the customer to external providers

Control of Production and Service - The supplier must plan for and carry out production and service in controlled conditions that includes the availability of information describing the product, work instructions, process requirements, technical data, drawings, specifications, equipment, monitoring and measuring, and release delivery activities.

Validation of processes (including special processes) – When applicable, the supplier will validate processes including those where the end result cannot be verified by measuring and monitoring.

Validation will include as applicable:

- Defined criteria for process review and approval
- Approval / validation of equipment
- Qualification of personnel
- Defined methods and procedures including testing or inspecting.
- Special requirements, critical items, statistical techniques or key characteristics
- Required records
- Revalidation, if required

Identification and traceability - The supplier must maintain an effective method for identifying a product and the status of the product from the raw material to the installation phase as applicable to the product stages for which the supplier is responsible.

Customer property- The supplier must maintain an effective method to identify, verify, protect and safeguard customer property. Customer property that is lost, damaged or otherwise found unsuitable is reported to the customer. Customer property, including any materials, parts, drawings, and/or data supplied by CAI or it's customers must be considered intellectual property and therefore confidential. At no time are they to be reviewed, discussed, or disclosed to parties outside your organization except as necessary to fulfill the contract.

Preservation of the product - The supplier must maintain effective methods to control the identification, handling, storage, packaging, preservation and delivery of a product.

Control of measuring and monitoring devices - The supplier must maintain effective methods to control, calibrate, and maintain inspection, measuring, and test equipment used by the supplier to verify conformance of the product to quality requirements.

Internal audits - The supplier must maintain effective documented procedures for the planning and implementing of internal audits to verify that the quality system is effective and complying with the Quality Manual.

Monitoring and measurement of processes – The supplier must apply suitable methods for monitoring and measuring quality management processes. Methods demonstrate that the processes achieve planned results.



**CAL-AURUM INDUSTRIES
SUPPLIER QUALITY AGREEMENT
(Continued)**

Monitoring and measurement of product – The supplier must maintain effective methods for inspection and testing activities that verify quality requirements of a product are met and documented. These methods / activities must cover receiving inspection, in-process inspections, final inspections, and documentation. The supplier must be able to identify the inspection and test status of product by a suitable means at the different stages of production.

Control of nonconforming product - The supplier must maintain an effective documented procedure to ensure that non-conforming product is prevented from unintended use or installation.

Corrective and preventative actions - The supplier must maintain effective procedures that provide for corrective and preventative actions to improve the product and prevent nonconformities.

In addition to maintaining an approved quality system, the supplier also agrees to the following:

- Answer in an expeditious manner all audit findings presented to the supplier. Finding replies will address the nonconformity and action taken to prevent its recurrence in the future.
- Notify Cal-Aurum Industries Quality Assurance and/or Material Department of any changes in the company or quality organizational structure or plan and of any events or situations that would affect the quality of the provided product or service.
- Perform and document First Article Inspection when necessary. Copies of documented First Article Inspections will be provided to Cal-Aurum Industries Quality Control Receiving Inspection department with the first shipment of products. Test specimens may be required for inspection/verification, investigation, or auditing
- When necessary, provide a Certificate of Conformity to a Cal-Aurum Industries drawing or specification.
- **The supplier agrees to provide access and assistance to representatives of Cal-Aurum Industries, their customers, FAA or other regulatory agency when visits, verification activities, audits, and product audits/inspections are required at the supplier's facility.**
- The supplier agrees to notify Cal-Aurum Industries management of all product design changes affecting the form, fit or function of any product, part, process or service sold to Cal-Aurum Industries including process changes, location of manufacture, or external providers. Company approval may be required.
- **Written Cal-Aurum Industries approval is needed when delivering any items that are suspect nonconforming. A copy of the written approval must be included with any such delivery.**
- The supplier agrees to notify Cal-Aurum Industries Purchasing and Quality Departments when nonconforming material, parts, product or processes are detected, including after delivery. The notification shall include delivered nonconforming parts, product or processes that may affect security, reliability or safety. In addition the notification shall include a clear description of the nonconformity, the part number/s affected, quantities, P.O. number references and dates delivered. **Special attention and assistance is required when materials may be counterfeit. Additional steps above and beyond normal nonconforming materials are required to prevent suspect materials from returning into the supply stream.**
- Ensure that suppliers and contractors are aware of their contributions to product or service safety and conformity, as well as the importance of ethical behavior.