

QUALITY ASSURANCE PROCUREMENT REQUIREMENTS

This document defines the quality requirements that apply to Monogram Systems Purchase Orders. These requirements supplement the terms and conditions of the Purchase Order. All applicable drawings, specifications, test procedures, and certifications listed in these requirements and our Purchase Order must be complied with in order to provide an acceptable quality product. Any deviations or waivers from the quality requirements specified in this document or on the purchase order must have written approval from Monogram Systems Quality Assurance prior to shipping the item. When submittal of supplier data is required by the Purchase order, the data must be attached to the packing slip and accompany the shipment.

Change of Product or Process: The supplier is not authorized to implement changes in the product design, materials or specified processes without approval from Monogram Systems. Written approvals shall be included with the shipment.

Corrective Action Requests: Request for corrective action will be forwarded to suppliers by Monogram Systems when formal corrective action is required. The supplier shall give priority to the analysis of cause and propose corrective action. It is mandatory that replies be received within the period indicated on the corrective action request. Failure to comply will result in removal of the supplier from the Approved Supplier List.

Product Conformance: Seller agrees that product supplied on a Purchase Order conforms in every respect to the applicable specification and/or drawings. Evidence of conformance must be furnished upon request. The applicable documentation shall be maintained by the supplier for a minimum of 7 years or longer if specified by the Purchase Order.

Control of Sub-Tier Suppliers: The supplier is responsible for control and conformance of all items procured from sub-tier suppliers. The supplier must flow down all requirements to any sub-tier suppliers.

Non-conforming Material: The seller is not authorized to perform material review action of non-conforming material with the intent of delivering such non-conforming material without authorization from Monogram Systems Quality Assurance. Monogram Systems must approve dispositions of any departure from drawings, specifications, or other Purchase Order requirements. The approval document must accompany the shipment.

Right of Access: The supplier shall provide Monogram Systems, Monogram Systems customers and regulatory authorities the right of access to the supplier and sub-tier suppliers facilities and applicable quality documentation. Monogram Systems, accompanied by a customer or regulatory authority, reserves the right to perform any inspections, tests, or audits necessary to verify compliance to the specified requirements at anytime during the execution of this P.O.

Certification Requirements: All certification must contain the following information: Monogram Systems Purchase Order Number; Quantity, description, part number, and revision level as specified on the Purchase Order; Serial Numbers, as applicable; and the Name of the Supplier. The certification shall be signed by the Suppliers authorized quality representative.

Certificates of Conformance: A Certificate of Conformance containing the following statement must accompany each shipment of specified product: "We hereby certify that the material supplied on this order complies in every respect to the specifications and/or drawings referenced on this order. Documented evidence is on file and available for review upon request."

Identification of Limited Shelf Life Product: The supplier must identify each limited life item, package or container of limited calendar life product with the manufacture date and manufactures shelf life, in addition to the normal identification requirements of part number, description and quantity. Special handling conditions or instructions must be recorded on the shipping document when applicable. Each limited shelf life item must be received with a minimum of 80% of the manufacturer's shelf life remaining.

Static Sensitive Devices: Product that is static sensitive is to be handled and packaged to prevent electrostatic damage. Package shall be in accordance with Paragraph 5.11 of MIL-STD-1686. Containers shall be identified as static sensitive and marked per MIL-STD-129.

Serialized Parts: Product supplied with a serial number must be permanently marked in accordance with the engineering drawing. When not specified, the method of marking is determined by the supplier and must be permanent, not to interfere with operation, function, or assembly of the item. The supplier is to maintain a system for serial numbers to provide traceability to the date of manufacture. Serial numbers must be listed on the shipping documents and certificates for each shipment.

Product Identification and Packaging: All delivered product must be marked with Monogram Systems part number. The number shall be placed on bags, tags or labels as appropriate for the product supplied or as specified on the drawing. All parts must be free of Foreign Objects (FOD) prior to packaging. Product must be packaged and handled in a manner to prevent damage and contamination from any foreign objects in handling, transit and storage.

Calibrated Equipment: Measuring tools or equipment used to verify conformance to product requirements shall be calibrated at scheduled intervals and traceable to NIST.

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Process control: Special processes such as heat treat, NDT, plating, coatings, welding, special cleaning performed or subcontracted by supplier require certification in accordance with the applicable specifications. Suppliers must assure that processes are in accordance with the applicable specifications. Suppliers using sub-contracted processes must maintain objective evidence of the capabilities & performance of sub-tier suppliers. Monogram Systems has the right to disqualify those suppliers deemed unsatisfactory.

Production control: The supplier must establish and maintain a documented system defining & controlling production, manufacturing, & assembling processes to meet the requirements called out in the applicable drawings, specs and PO's. Suppliers shall plan production processes that affect product quality and assure they are carried out under controlled conditions. All production equipment, tools & numerical control (NC) machine programs shall be validated prior to use as well as maintained & inspected periodically according to documented procedures. The supplier's quality system shall contain objective evidence that all manufacturing & inspection operations have been completed as required. If work is transferred on a temporary basis outside of the supplier's facilities, the supplier will define the processes to control & validate the quality of the work. The supplier will establish process controls & development of control plans where key characteristics are defined.