



## Procedure No.: CQMSP 8.4c – Supplier Guidelines

**Policy:** Purchasing Process per [Corporate Quality Assurance Manual](#).

**Purpose And Scope:** To define the expectations and requirements for the purchasing contract (purchase order) between PLP and the supplier. This contract must be accurate for pricing, terms, delivery, and quality requirements for goods and services.

### **Supplier Responsibility And Expectations:**

#### **ACTION**

#### **Quality System**

Suppliers are required to establish and maintain a quality system and processes which assure compliance to purchase order requirements.

#### **Inspection Requirements**

The supplier shall perform (or have performed) and documented all required inspections necessary to verify that the materials, products, processes, and/or services provided conform to all requirements of the purchase order. PLP drawings will identify critical dimensions on the component via the QC legend. Dimensions labeled as “C” and “V” indicate critical dimension.

#### **Purchase Order Review**

The supplier shall review the terms and conditions of the purchase order within 24 hours of receipt to assure that the agreed-upon requirements can be met (Including Payment Terms). Any exceptions to this contract must be communicated to the buyer in writing indicating any required changes. Of particular concern are agreed-upon pricing and delivery dates.

#### **Drawing and Specifications Control**

The supplier shall assure that any PLP-issued drawings, e-files, specifications, and standards are maintained in a controlled manner. When revisions to such drawings are received, supplier shall assure previous revisions in all locations are destroyed.

#### **Supplier Corrective Action Request (SCAR)**

The supplier shall establish and maintain a corrective action system to provide prompt and meaningful action to correct adverse conditions which could result, or have resulted in the inadvertent release of non-conforming product or services to PLP. When a formal response is required, PLP will issue a Supplier Corrective Action Request (SCAR) via e-mail or fax that



is required to be responded to within a maximum of 30 days or as otherwise specified.

### **Records**

The supplier shall maintain records and data of all inspection-related activities and material certifications for a minimum of five years after delivery date.

### **Final Inspection and Testing**

The supplier shall assure that all final inspection and testing have been completed prior to delivery.

### **Non-conforming Material**

Non-conforming material may not be released to PLP without advanced prior approval from PLP through an Advanced MRB. Failure to comply with this requirement may result in parts being returned and/or reflected in your Quality rating score. Submitting requests for material evaluation should be considered the exception and not the rule. The supplier is cautioned that acceptance of non-conforming material may affect the supplier's performance rating.

Supplier can request from the PLP buyer a deviation in advance of shipping, however, PLP reserves the right to accept or reject non-conforming material. Contact the PLP buyer to request the Advanced MRB.

If non-conforming material is shipped to PLP and deemed unusable by PLP, supplier may provide replacement material or a credit as determined by the responsible buyer.

### **Quality Audits**

The supplier's quality system is subject to initial and periodic quality audits to be conducted at PLP's discretion. The purpose of these audits is to evaluate the effectiveness of the supplier's quality system and the supplier's capability of providing conforming materials and/or services to PLP.

### **COA/ASN**

Supplier shall provide a Material Certification or Certificate of Analysis (COA) when either is specified on the purchase order or PLP drawing notes. The supplier must e-mail the Certificate of Compliance ([COC](#)) along with the Advanced Shipping Notice ([ASN](#)) to the receiving locations e-mail address (ASNCOCALB for Albemarle NC, ASNCOCROG for Rogers AR and ASNCOCCLC for Cleveland OH). Any questions



regarding this process should be directed to the PLP Buyer prior to shipment. Materials received that are identified as non-conforming will result in a rejection and a MRB (Material Review Board). Failure to comply on a consistent basis may result in a Supplier Corrective Action Request ([SCAR](#)).

### **Delivery Rating**

On-time delivery rating is evaluated by the number of receipts zero days late and less than five business days early divided by the total number of receipts. Delivery of product is expected at the PLP location on the date agreed to in the purchase contract. This is a KPI on your supplier scorecard. Scorecards are generated quarterly for our top suppliers.

### **Delivery Due Date**

All references to due date shall be interpreted by the supplier as "At the PLP receiving dock" with all required paperwork. It is the supplier's responsibility to notify the PLP buyer if any order or shipment will be late prior to the order's due date.

### **Quality Rating**

The quality rating is evaluated by the number of parts rejected divided by the number of parts received. For evaluation purposes, if a lot is rejected based on sampling plan criteria the entire lot quantity will be rejected. Our acceptance goal is 100% compliance to quality criteria agreed upon in the purchase contract. This is a KPI on your supplier scorecard.

### **Delivery**

Supplier shall assure that all shipments are prepared and transported in accordance with purchase order requirements (if any are listed). All materials must be clean and free of debris and oils that do not enhance product performance in assembly. All deliveries that are ½ truckload and larger, as well as silo shipments, must be scheduled in advance with the receiving department. For all bulk/silo shipments, the driver must provide sample material and certs upon arrival.

### **First Article Inspection**

A first article inspection (FAI) or supplier qualification (SQ) must be completed on the initial sample lot delivered of each part/revision combination. The supplier report should include the PLP part number, revision level, purchase order number, and actual values obtained during the measurement of all characteristics identified on the drawing or specification. Production deliveries will not be accepted prior to approval of the first article.



### **Shipment and Delivery**

PLP utilizes inbound freight contracts for supplier delivery. Instructions in the purchase contract will guide you to the preferred method of delivery. It is our expectation that you will follow these instructions to minimize our overall cost of material procurement. As mentioned previously, delivery is the date the material or service is expected at the PLP facility.

### **Shipment Documentation**

PLP desires to receive and pay for incoming goods as quickly as possible. In order to do this, we must have all required paperwork accompany the shipment and sent via the Advanced Shipping Notice ([ASN](#)) prior to shipment. (Reference COA/ASN section listed above). The Advanced Shipping Notice ([ASN](#)) will be our preferred method of correspondence for shipping documentation. Purchase Order Number must be included on the packing list and invoice. Each container must be labeled with part number, quantity and tare weight.

### **Drop-shipment Purchase Order Shipment Documentation**

Supplier shall provide the following documentation prior to shipment: Certificate of Conformance, Material Certifications, and Inspection Reports for all criticals and visuals identified on drawings and specifications. Supplier must receive a release from PLP before shipment.

### **Supplier Obligations**

Must notify PLP if the location of manufacturing has been altered since original component First Article Inspection (FAI) or Supplier Qualification (SQ) approval. Supplier will not make changes to process or material without written approval from a PLP representative prior to making such changes.

In the event of a non-conformity, supplier must authorize a Return Material Authorization (RMA) or approve and compensate for a sort within 48 hrs. of notification of non-conformity. All returned material will be at the expense of the supplier.