



Stephens Precision, Inc.
293 Industrial Drive, Bradford, VT 05033
Phone: 802/222-9600; Fax 802/222-9688
www.stephensprecision.com

QD1064 Supplier Quality Assurance Requirements (SQARs)

Rev. 1.4
Effective date: 7/19//2022

Page 1 of 6

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Current revision level available electronically: QD1064

Supplier Quality Assurance Requirements (SQARs)

Scope: This procedure applies to suppliers and their sub-tier suppliers supplying a product or applying a process to be incorporated into parts manufactured at Stephens Precision for which our customer requires traceability and a robust Quality Management System, generally ISO 9001 or AS9100.

Purpose: To assure that flow-down and purchasing requirements are met, and to ensure a product of consistent, predictable quality.

100. General

Definitions. Stephens Precision, Inc. has established and maintains this procedure to ensure that purchased product used in quality-related activities conforms to specified requirements. The terms “supplier” and “vendor” are used interchangeably and refer to the organization from whom Stephens Precision, Inc is obtaining a product or service. They flow down to sub-tier suppliers, when applicable. SPI refers to Stephens Precision, Inc., as does “we,” “us” and “our”. The term “SQARs” stands for this document, our Supplier Quality Assurance Requirements.

101) Quality Management System. The supplier is handling the items we purchase in accordance with the supplier’s quality system and the standards it was designed to comply with. We require the Supplier to notify us if, at any time during the fulfillment of our Purchase Order, the status of the supplier’s Quality Management System changes. This would include but not be limited to, a change in location of operations, in ownership or management, the supplier’s ability to comply with requirements or the supplier’s certification to NADCAP or other registration.

102) Changes. If there are changes in the product or in the process, or changes in its definition, the supplier is required to notify us and obtain our approval before proceeding to fill the Purchase Order.

103) Non Conforming Product. We require the supplier to notify us if the product, or the method used to produce it, does not or cannot conform to our requirements. Arrangements must be made prior to shipment for us to approve the non-conformance or revise the Purchase Order or determine the method of disposition. Non-conforming parts and reworked parts must be identified as such. If they bear a serial number, that serial number may not be re-used. Depending on our customer, there may be specific non-conformance reporting requirements. We



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Page 2 of 6

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may require the supplier to fill out a specific form or to provide us with data for such a form.
Positive Recall: If a nonconformance or potential nonconformance is discovered after it has been shipped, please notify us within 12 hours of this discovery. We may in turn need to notify our customer within a similar deadline.

104) Evidence of Acceptance of Purchase Order. The supplier shows evidence of acceptance of the PO when the supplier:

- a) signs and returns a copy, or
- b) makes reference to it in a communication to us (letter, phone, fax, or email), or
- c) begins to furnish parts, or
- d) if the supplier has not refused the Purchase Order within 10 days of its issue, we consider that it has been accepted.

200. Order of Precedence

In the event of conflicting statements between purchase documents, the following order shall prevail:

- 1) The Purchase Order
- 2) The Drawing or Print
- 3) Specifications or standards.

300 – Right of Entry

It is agreed, that in the execution of this purchase order, Stephens Precision, Inc. and/or its prime contractor, including Regulatory Agencies, will be permitted on site to review supplier facilities and procedures, as deemed necessary.

400. Verification of Purchased Product we may verify that the product we are purchasing meets our needs in a variety of ways, which could include:

- 1) Requests for Certificates of Conformance, test reports or other records will be stipulated on the Purchase Order.
- 2) SPI, its customers and any appropriate regulatory authorities reserve the right to perform scheduled on-site inspections of all facilities, audit the supplier's systems and all applicable records involved in this purchase order. This requirement needs to flow-down to sub-tier suppliers.
- 3) These or similar verification activities does not preclude subsequent rejection of the product, nor does it absolve the supplier of the responsibility to provide acceptable product.



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Page 3 of 6

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500. Record Retention:

We expect the supplier to keep quality records pertaining to the processes followed and the items purchased that were used in filling our Purchase Order for THREE (3) Years, unless otherwise specified on the Purchase Order. *The delivery of such records to us does not release the supplier from this retention requirement unless expressly exempted in writing by our Purchasing agent*

600. Flow-down of Federal Regulations and other Flow-down Requirements.

- a) Federal Acquisition Regulations apply, as appropriate to the size of this Purchase Order.
- b) The supplier is required to comply with all federal and state laws and regulations that apply to the supplier's industry. *This includes but is not restricted to ethical behavior, equal opportunity, human trafficking reporting, conflict minerals avoidance, product safety, labor and immigration laws, also flow-downs from AS9100 section 8.4.3.*
- c) If you are handling technical data marked with an ITAR designation, Clause 709) below applies to you. In addition, the Department of state requires that any person or company that engages in the business of either manufacturing or exporting defense products or services is required to register with the Office of Defense Trade Controls. Details are given at the website <http://www.pmdtc.org>.
- d) These requirements also apply to sub-tier suppliers.

700. Specific Requirements that may be invoked on the purchase order:

701) Stephens Precision may list or reference some specific requirements on the Purchase Order that apply to the specific job. This could include but is not limited to:

- industry specifications, process requirements,
- equipment to be used, qualification of personnel,
- key characteristics requirements for testing, calibration, or inspection,
- DPAS rating (see clause 706 below)

a restricted choice of special-process suppliers approved by our customer.

If we have not furnished specifications, drawings, or standards that are needed, please contact us.



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Page 4 of 6

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702) Special Process Suppliers and Inspection & Test Facilities must have their calibration equipment traceable to NIST, and test facilities NADCAP-approved. Supplier's employees involved with calibration or final inspection must have evidence of a current annual eye exam, passing Jaegar 2, on file.

703) Off-Loading of work normally performed in-House to another supplier requires prior approval from Stephens Precision. The supplier must flow down to this sub-tier vendor any applicable requirements in our purchasing documents, including revision levels and key characteristics, if they apply. Supplier must have a Counterfeit Parts Prevention Program in place.

704) Where Special Process Certifications of Conformance are required, they must be traceable to Stephens Precision's Purchase Order number.

705) Marking and Packaging. Include Purchase Order number, part number and revision, and quantity on the Packing List. If similar parts are in the same box, they must be suitably identified as to which is which. Package the items to appropriately prevent deterioration or damage during shipping.

706) – Government-rated contracts (DPAS ratings)

Rated orders are identified in the purchase order by a priority rating consisting of the rating – either DX or DO – and a program identification symbol. Rated orders take preference over all unrated orders as necessary to meet required delivery dates. Among rated orders, DX rated orders take preference over DO rated orders. For more information, see the following link:

<http://guidebook.dcmamil/38/DPAS%20Guidebook.htm>

Suppliers are required to flow the rating to subtiers for the item they need to fill the orders. This provision ensures that suppliers will give priority treatment to rated orders from contractor to subcontractor to suppliers throughout the procurement chain.

707) PREFERENCE FOR DOMESTIC SPECIALTY METALS.

The seller agrees to incorporate into any articles to be delivered under this purchase order specialty metals melted in the United States, its possessions, or a qualifying country. Specialty metals are defined in Defense Federal Acquisition Regulation Supplement DFARS 252.225-7014 and Qualifying Countries are listed in DFAR 225.872-1(a).

In addition to information related to this purchase order, and as a minimum, certification for specialty metals shall include the following:



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Page 5 of 6

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- a. Material Specification.
- b. Origin or name and location of melting facility.
- c. Lot, heat, or batch number.

708) Suppliers furnishing raw materials of aluminum, carbon and stainless steels must include a Certificate of Chemical Analysis and Mechanical Properties with the shipment. For suppliers of plastics, copper, red metals and low carbon steels we require a Certification of Compliance from the distributor.

709) ITAR REQUIREMENTS. Stephens Precision is committed to complying with U.S. export regulations and that commitment extends to our supply base. If you receive prints that are identified as ITAR or Export-sensitive, we ask you to follow the restrictions described on the print.

The technical data provided by Stephens Precision, Inc. to suppliers is governed by the United States International Traffic in Arms Regulations (ITAR).

Supplier hereby represents and agrees that all technical data provided to supplier by Stephens Precision, Inc. hereunder will be used in strict compliance with the ITAR and solely for the performance of the work hereunder. Supplier agrees to implement procedures for restricting access to said technical data to U.S. citizens only. If during the performance of the work, supplier is required to provide such technical data or part thereof to a sub-tier supplier, Supplier may do so provided that such sub-tier supplier is located within the United States and further provided that supplier has imposed upon said sub-tier supplier the same ITAR obligations as contained herein. Disclosure and access to said technical data by a foreign national is subject to relevant approvals being obtained from the U.S. State Department. Supplier shall, upon completion of the work hereunder, including any warranty period, ensure that supplier shall destroy or return to Stephens Precision, Inc. all of said technical data.

710 – FOREIGN OBJECT DEBRIS (F.O.D.) –

Supplier shall assure cleanliness of products provided. Delivered product must be clean and free from any debris, such as machined chips, burrs, grinding dust, forming materials, corrosion, oil and other foreign material on surface to prevent F.O.D. entrapment. All shipment packaging must be F.O.D. compliant and free of any debris such as staples, clips, etc.



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UTILIZATION of Small, woman-owned, minority, and disadvantaged businesses: Do you qualify for one of these categories?

No

Yes. Please specify: _____ and attach any supporting documentation.

SIGNATURE SECTION

Please check the appropriate box below indicating acceptance of these Supplier Quality Assurance Requirements, sign and return it to: Stephens Precision, Inc, 293 Industrial Drive, Bradford, VT 05033 or FAX the signed copy to: 802/222-9688. Or email to: ann@stephensprecision.com

Accepted

Accepted, with variance: (describe or reference a document describing the variance sought.)

 Company Name

 Signature of Authorized Person

 Job Title

 Name (please print Clearly)

 Date