



# Supplier Quality Assurance Manual

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# Revision History

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0	3/16/2010	Initial Issue
1	4/20/2010	Section 1 web link correction & Sect 4 Changes required for Ibis notification

REVISION	Date	Approvals	
1	4/20/2010	President/CEO	Thomas Buckner
1	4/20/2010	SR VP Operations	John Owens
1	4/20//2010	VP Product Assurance	Andrew Rapp

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## 1. Purpose

The Ibis Tek Supplier Quality Assurance Manual provides a concise understanding of our of quality expectations and outlines the minimum requirements that our suppliers and sub-suppliers must meet. It is the intent of Ibis Tek to do business with Suppliers who are able to provide parts/materials/processes and services consistently to procurement specifications, at a competitive price, and in accordance with (IAW) the required delivery schedule.

A “Hard” copy of this manual is provided to suppliers for review, acceptance and return to Ibis Tek for placement in supplier files. It is expected that the supplier understands and complies with the applicable requirements as defined in this manual. Copies and required documents can be obtained from our website at: [http://www.ibistek.com/about\\_us/sqam.php](http://www.ibistek.com/about_us/sqam.php).

It is the responsibility of all Ibis Tek suppliers to check periodically for any changes that may have occurred. Any questions should be directed to supplier Purchasing Agent or Buyer for referral to the Supplier Quality Group. Supplier requirements contained in this Manual will only be modified or waived by Ibis Tek Vice President of Product Assurance.

## 2. Scope

This manual specifically applies to all suppliers and sub-Suppliers which require “Approval” as defined by our ISO 9001 Quality Assurance Manual. This manual does not alter or reduce any other contractual requirements covered by Ibis Tek purchasing documents and requirements defined by engineering drawings or specifications, and does not supersede any applicable governmental regulations and quality requirements of Ibis Tek Customers.

## 3. Cooperative Management Attitude

Ibis Tek expects Suppliers’ top management to share our commitment in meeting our product quality and delivery expectations through continuous improvement efforts. It is also expected that Suppliers fully support the relationship between our company and our customers by demonstrating flexibility in assisting Ibis Tek in meeting all of our customer requirements and our Quality Policy and Objectives.

### **IBIS TEK Quality Policy and Objectives**

Ibis Tek is fully committed to providing high-end quality and cost-effective deliverables to the Commercial and Defense industries with the following objectives:

- ISO 9001 Quality Management Systems
- Total Quality Management Initiatives
- Continuous Improvement Initiatives
- Supply Chain Management Improvement Initiatives
- Diversified Business Growth

Due to the serious nature of the Defense Industry, Ibis Tek has a serious concern when a supplier’s product or services shuts down an Ibis Tek production line. Our industry is driven by Quality Products/Services on tight schedules. Ibis Tek highly suggests that all Suppliers have contingency plans in place to meet the demanding schedules. Any condition causing a line shutdown warrants the supplier’s immediate action to facilitate Ibis Tek Production Operations and may result in associated costs charged back to the Supplier.

#### 4. Quality Management System, Qualification and Approval

##### a. Quality Management System:

Ibis Tek requires all suppliers to comply with Quality Management Systems certified to ISO 9001 or other industry Quality Management Systems, where established by the supplier. Suppliers are encouraged to develop Quality Systems to meet ISO 9001 requirements and strive to obtain certification. At a minimum level, suppliers shall have a documented Quality System consisting of a Quality organizational structure, trained personnel, procedures and documentation system which ensures that all product conforms to drawing, specification and procurement requirements and to provide Zero Defect product, shipments, delivery, and excellent supplier services.

Any time the supplier undergoes an ownership, facility relocation, major management restructuring, or major process changes including production location or facility, new equipment and tooling, sources of components and anytime a process or procedure is made that will affect the part or component being produced the Supplier must notify the Ibis Tek Buyer, in writing, in advance of the change for evaluation and requirements for new First Article Submission per Section 5.

ISO Certified suppliers shall notify Ibis Tek Supplier Quality Representative within 10 working days if their Certificate of Registration is put on suspension. The supplier shall forward a new copy of its certificate if it has expired.

##### b. Survey/Audit and Source Inspection:

Quality System survey/audits and Source Inspections including production process capability and product evaluation are conducted by Ibis Tek Supplier Quality Group for supplier, evaluation, verification and qualification where:

- A supplier is being qualified as a new supplier or considered for new product or additional business.
- First Article Inspection/Testing for product and process qualification/acceptance is performed at the supplier facility.
- Supplier fails to submit acceptable First Article Inspection package or response to SCAR Supplier Corrective Action Reports.
- When the quality of supplied product does not meet Ibis Tek Drawing, Math Data requirements and requires supplier evaluation to determine responsibility and cause.
- To assist the suppliers in improving performance as needed or requested.

##### c. Source Inspection:

- Source Inspection is a program that is performed by the Ibis Tek Supplier Quality Management at a supplier's site, utilizing the supplier's resources. It includes supplier audit of Quality System documentation and records control, production processes and process capability, product inspection/testing processes, records, and equipment calibration controls.
- Products that contain ballistic and/or critical characteristics designated by Ibis Tek, an Ibis Tek Supplier Quality Representative, or Ibis Tek's Customer Representative, or Government Source Inspector may conduct source inspection prior to or during FAI sample production run, inspection and testing.

##### d. Personnel and Process Qualification, Training and Certification:

- All personnel who have direct impact on Ibis Tek product/material quality shall be trained and qualified to applicable Standard Operating Procedures that are specifically utilized or

developed for Ibis Tek product or and special processes including Welding, Painting and Coating.

- Welding Inspectors and Operators shall be certified to AWS Welding Codes or Ground Combat Vehicle Weld Code – 19207-12479550 steel, and/or Ground Combat Vehicle Weld Code – 19207-12472301 Aluminum.

**e. Documentation and Records/Data Control :**

Documentation and records described herein shall be maintained for 7 years and be made available for review or retention by Ibis Tek and/or Ibis Tek’s Customer Representative upon request:

- Records of inspection/test to verify compliance to applicable drawings and/or specifications.
- Records of calibration for inspection/test equipment use for product acceptance.
- Records of personel experience, training and qualification.
- Records of Certification of processes and personnel for processes such as welding, heat treat, plating, anodizing, NDE, and Painting etc., utilized for Ibis Tek product production.
- Records of Ibis Tek PO/Contract, applicable drawings, specification and manufacturing processes.
- Records of Nonconformance and Supplier Corrective/Preventive Action related to Ibis Tek product

All documents including prints, drawings, manuals, specifications, records and functional parts received from Ibis Tek, are the property of Ibis Tek and shall be returned to Ibis Tek upon request.

When Ibis Tek issues revised prints, specifications or manuals, the obsolete copies shall be marked obsolete and returned to Ibis Tek Purchasing Buyer upon request.

**f. Supplier Qualification and “Approved” Rating :**

Before use of supplier product for production purposes, suppliers shall be qualified for “Approved” rating status and placement on Ibis Tek Approved Supplier List. The minimum qualifications are:

- The Supplier Quality System is approved by survey/audit processes.
- The supplier product is approved for production by “First Article Inspection/Testing” processes.

**5. First Article Inspection (FAI) – Package and Submission Requirements**

A “*First Article Inspection Plan (Appendix-1)*” shall be submitted to the supplier Ibis Tek Purchasing Buyer at least 2 weeks before the first production shipment is due per the delivery schedule set by Ibis Tek, and when one of the following conditions is met:

- A new supplier – Level-Two First Article Inspection package submission required.
- A new product launch by an existing supplier – Level-Two First Article Inspection package submission required.
- Product design/process change(s) made to an existing product (the change(s) may be initiated by Ibis Tek or by supplier) – Level-One First Article Inspection package submission required.
- A new process, and/or new equipment, and/or a new tooling are added to an existing production line – Level-One First Article Inspection package submission required.
- A new sub-supplier is added to an existing product – Level-One First Article Inspection package submission required.

## 6. First Article Inspection - Samples and Documentation Requirements

The following lists the minimum requirements for First Article Inspection package; Ibis Tek reserves the right to request additional information.

- a. **FAI Sample:** FAI product samples shall be produced with production intent processes: including equipment, tooling, personnel and Standard Operating Procedures. The samples shall be randomly pulled from 1<sup>st</sup> production run. For a single cavity tool process, 6 samples are required for FAI submission unless otherwise specified by Ibis Tek Supplier Quality Representative. For multiple-cavity tool process, 2 samples from each cavity are required for FAI submission unless otherwise specified by Ibis Tek Supplier Quality Representative.
- b. **Level-One Submission:** *First Article Inspection Warrant (Appendix-2), Certification of Conformance (Appendix-3A or -3B), Functional/Dimensional/Appearance Inspection Report (Appendix-4), a bubbled drawing(s), and 2 FAI samples.*
- c. **Level-Two Submission:** *First Article Inspection Warrant (Appendix-2), Certification of Conformance (Appendix-3A or -3B), Functional/Dimensional/Appearance Inspection Report (Appendix-4), a bubble drawing(s), 2 FAI samples, Production Inspection Plan (Appendix-5), Packaging and Labeling Specification unless otherwise specified by Ibis Tek.*

FAI submission requirements above shall be fully fulfilled unless otherwise specified by Ibis Tek Supplier Quality Representative in writing.

## 7. Engineering/Process Change Requirements

- a. Ibis Tek Purchasing Buyers are responsible to provide suppliers with the latest revision of Ibis Tek product drawing(s) and engineering specifications. Revisions which change current product design dimensions, specifications, processes the suppliers shall submit a ***“First Article Inspection Plan (Appendix-1)”*** to Ibis Tek Purchasing Buyer and revised product/part approval.
- b. Suppliers shall submit a ***“Supplier Change Request (Appendix-6)”*** along with ***“First Article Inspection Plan (Appendix-1)”*** to Ibis Tek Purchasing Buyer for any supplier initiated changes to product, packaging, labeling and processes that have been FAI approved and may affect the fit, form or function of the product. Suppliers will be responsible for the total cost incurred due to unapproved change(s).

## 8. Product Marking and Identification Requirements

Where required by Ibis Tek Drawing specification, specific part marking or Supplier Identification marking shall be applied as required.

## 9. Product Packaging, Shipment and Delivery Requirements

- a. Ibis Tek's Quality and Delivery targets are 100% on-time delivery to designated location, full quantity, Zero defects, and pricing as stipulated on the PO. Any defective product may result in rejection and return of defective product to the Supplier.
- b. Packaging shall prevent any product damage, marring, or chipping during shipping and in accordance with any pre-approved Packaging and Labeling specification where applicable.
- c. Returnable packaging owned by Ibis Tek shall be handled and stored in a manner that will prevent damage or loss. Prior to use, it is the suppliers responsibility to inspect, clean and repair or replace

returnable packaging to ensure that the packaging will protect product during storage, handling and transit.

- d. All Supplier Packing Slips shall reference the Ibis Tek PO#.
- e. With each shipment, Suppliers are required to provide, at minimum level, a signed “*Certification of Conformance (Appendix-3A or -3B)*”.

Any shipment that fails to comply with the above or other SQAM requirements may be rejected and not received until supplier resolution, product Nonconformance Reporting (NCR) or Supplier Corrective and Preventive Action (SCAR) and delay invoicing and payment by Ibis Tek.

## 10. Non-Conforming Material Control Requirements

When defective material is detected at Ibis Tek, a “Non-Conformance Report” will be initiated internally at Ibis Tek and the Supplier will be contacted for Ibis Tek disposition decision. Within 24 hours, the Supplier shall respond with either issuing a written return authorization, or a written scrap authorization at Ibis Tek. If Ibis Tek’s disposition is to use the material after 100% sorting or rework, the Supplier will be responsible for arranging the sorting or rework and the any costs incurred at Ibis Tek.

If a response is not received from the Supplier within 48 hours of issuing a nonconforming material report, Ibis Tek Purchasing may issue a debit memo and the product be returned to the Supplier without authorization and at supplier expense.

## 11. Supplier Corrective Action Report (SCAR) Requirements

- a. When a “*Supplier Corrective Action Report (Appendix-7)*” is received from Ibis Tek, within the following 24 hours, the Supplier shall establish a Containment Plan to include 100% inspection, of all remaining product and the identification and removal of all defective product prior to further shipment.
- b. A copy of the SCAR and 100% inspection report shall be attached and shipped with any further shipments. Without a written approval from Ibis Tek Supplier Quality Representative, the shipment without the SCAR copy and 100% inspection report will be rejected at Ibis Tek Incoming Inspection.
- c. The Supplier shall continue the Containment Plan until a deep-dive root cause analysis is completed and corrective action is implemented and verified by Ibis Tek Supplier Quality Representative. A completed “Supplier Corrective Action Report (SCAR)” shall be submitted to Ibis Tek Supplier Quality Representative within 30 days of SCAR issuance or extention may granted by the Quality Rep. upon request.

## 12. Supplier Monitoring and Rating

Ibis Tek Procurement and Product Assurance Departments continuously monitor and rate all Suppliers using a Supplier Scorecard. Supplier performance is measured on the supplier’s ability to meet Ibis Tek requirements for Product/Material Quality, Delivery Performance, and responsiveness. Suppliers must remain in good standing on Ibis Tek’s Approved Supplier List. Failure to do so will place that supplier as an “At-Risk” supplier to our Program Management Office (PMO).

Ibis Tek Buyer or Quality Representative will notify all suppliers in our “At-Risk” category and may then be issued a SCAR for Supplier Corrective Action and Preventive Action for evaluation and continued supplier approval and continuous improvement.

### **13. Confidentiality**

Ibis Tek shall only disclose proprietary information to suppliers on a need to know basis. Ibis Tek and our suppliers maintain a healthy and confidential relationship via a SIGNED and ACTIVE Non-Disclosure Agreement (NDA). Proprietary Information may include, but not limited to, Bill of Material (BOM), solid models, 2D and electronic drawings, software, etc. By acceptance of any Purchase Order/Contract, the Supplier accepts accountability in protecting Ibis Tek, and Ibis Tek Customer, Proprietary Information. THIS INCLUDES NOTIFICATION TO IBIS TEK PRIOR TO THE RELEASE OR TRANSFER OF PROPRIETARY INFORMATION TO A THIRD PARTY; IBIS TEK WILL THEN MAKE THE DECISION TO INITIATE A THIRD PARTY NDA WITH THE THIRD PARTY.

Original proprietary information, as well as all copies of proprietary information must be destroyed when they are no longer needed or must be returned to the originating source when requested. Proprietary Information is not to be released and/or disclosed to competitors of Ibis Tek.

#### **Supplier Executive Management Acceptance and Sign Off:**

**Acceptance of all Ibis Tek Purchase Orders implies that this document is understood and the requirements will be met.**

**Supplier Representative:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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