

Purpose

- This document establishes Supplier Product and or Service Quality Assurance Requirements.
- Unless otherwise specified, requirements referenced herein shall be in effect and binding from the date of purchase contract.

Definition and Abbreviation

- A. ORDER means the purchase order and or other written and binding contract with Supplier and or Vendor (Seller).
- B. BUYER or "KMI" (organization)
- C. External provider (supplier/vendor) means legal entity that contracts with Buyer under this Supplier Product Assurance Requirements.
- D. SPAR means Supplier Product Assurance Requirements.
- E. Special Processes are those yielding products which cannot be adequately evaluated for conformance through inspection or nondestructive testing. These include welding, plating, heat treating, bonding, soldering and so on. Special processes are evaluated through one or more of the following processes: certification, training records of personnel involved in the process, process procedures or work instruction and destructive testing of samples.
- F. "KMI" hereafter referred to as "Organization"

SPAR-1 Prohibited Practices

Supplier shall not implement any changes to the externally provided product, process or service including the change of external providers manufacturing location without prior notification to Buyer and written approval by Buyer. Changes can include but are not limited to product specification, product identification, material, processes.

Supplier shall not make any changes in product design, composition, configuration (including fit form and function), material or fabrication without prior approval by Buyer in writing.

SPAR-2 Unauthorized Submittal of Production Parts

When the order requires Buyer acceptance of first article, Supplier shall not submit part from production run prior to Buyer's acceptance of first article.

SPAR-3 Responsibility for Conformance

Purchased items and or processes shall be certified to purchase order requirements. Product shall be inspected prior to shipping and meet specified requirements. If purchased items and or processes are outsourced Supplier shall request a written approval from buyer; and all SPAR applies to sub-tier Supplier.

Certificate of conformance is required for all purchased processes and or product stating that the purchase order specific requirements have been met.

SPAR-4 Documentation

Buyer may refuse to accept items delivered under the Order if Supplier fails to submit the certification, test data or reports specified in the Order.

All records that are created by and/or retained by external providers shall be controlled and identified in such a way to allow for traceability to the purchased service and or process, cross-reference customer purchase order and or job number. All records shall be stored in such a way to allow for timely retrieval, prevent damage and ensure legibility.

SPAR-5 Record Retention

External provider shall control records and/or documents created by or maintained by external provider is such documents are required to ensure conformity to requirements in regards to the provided product, process, and service.. Documents shall be maintained for 10 years unless otherwise specified. Documents shall be kept readable and accessible within 48 hours of notification.

Documents shall be disposed of after retention time. Disposition can include but is not limited to shredding, burning or deletion of soft copies.

SPAR-6 Certification of Conformance

With each shipment of items covered by this Order, the Supplier shall submit a certificate of conformance, signed by a responsible representative, which shall constitute a representation by supplier that:

- a) Material and/or services used are those which have been specified by Buyer. All purchased material shall be supported with a certificate stating the material chemical or physical composition, verification of origin of material and any other required evidence of conformance of such items to applicable specifications noted on purchase contract and/or Customer drawing;
- b) Processes used to fulfill the purchased contract were in compliance with applicable specifications noted on the purchase contract and/or Customer drawing;
- c) Certification furnished under the terms of the Order shall be supported by test records, and data is subject to audit by Buyer. In case of drop shipment, a copy of the Certificate of Conformance shall accompany the shipment and a second copy shall be sent to the Buyer at the time of shipment.

SPAR-7 Corrective Action Request

Buyer will request corrective action from Supplier when a quality problem exists. Supplier shall respond within 7 business days. Corrective action shall include the following information: analysis of cause, immediate action taken and long term corrective action taken.

SPAR-8 Standards of Workmanship

Supplier shall maintain standards of workmanship directly applicable to the nature and level of work performed under this Order. Buyer reserves the right to perform in process inspections and or audits at any time during the life of the purchase order.

All personnel involved in the externally provided process shall be competent and if applicable qualified. If a qualification validation is required, the organization shall state the requirement on the purchase contract.

SPAR-9 Nonconformance

External provider shall notify organization of any nonconformity, changes in product and or processes, and arrange for approval. Supplier shall initiate a discrepancy report for any departure from the drawing and/or purchase requirement.

SPAR-10 Access to Facilities

Supplier shall grant access to organization, and organization's job related customers, and regulatory authorities to all facilities and records and applicable documented information involved in the order. This applies to any level of the supply chain. Organization will notify the external provider if onsite verification or validation activities are required on the external provider's premises.

SPAR-11 Lot control and Product and/or Service Identification

Product shall be clearly identified and separated per purchase requirements listed on the purchase contract. Minimum identification requirements are: part number, revision letter, lot number. Items furnished under this Order shall be identified on the smallest unit packaged.

SPAR-12 Quality System

Supplier shall maintain a quality system that complies at a minimum with ISO 9001. All equipment used in the purchased process and/or for the purchased item shall be calibrated and the calibration system shall be maintained. Waivers to quality system requirements are not valid unless obtained in writing from Buyer. Supplier's quality system may be subject to audit by Buyer's Quality Representative.

SPAR-13 Packaging and Shipping

Unless otherwise specified in the purchase contract, Supplier shall package all material in a manner to ensure protection against cross contamination, product mix-up and/or exposure to foreign objects, corrosion, oxidation, deterioration. Furthermore, all product shipped from your facility shall be packaged in a way to preserve the conformity and integrity of the product, protection from environmental conditions (such as extreme temperature and water) during storage, handling and delivery to the intended destination.

SPAR-14 Flow Down

Supplier shall flow down all applicable requirement including organizations customer requires to sub-tier Suppliers. Supplier shall apply appropriate controls to their direct and sub-tier external providers, to ensure that requirements are met.

SPAR-15 Approval

All purchased product, process and service shall be verified or validated as applicable prior to shipment to organization.

SPAR-16 Interaction

All interaction concerning product, process or service performance (with a potential adverse effect on the sellable good) between the organization and the external product, process, and service provider shall be in writing.

SPAR-17 External Provider's Performance Monitoring Method

All external providers are monitored based on on-time delivery, product/process or service performance and responsiveness. Performance data are available upon request.

SPAR-18 Special Quality Requirements

If special requirements apply the organization shall flow the requirements down to the supplier in form of written instructions. Special requirements are, but not limited to: design and development control, critical items or key characteristics, test, inspection and verification requirements, product and process verification/validation requirements, the use of statistical techniques for product acceptance and related instructions for acceptance by the organization.

If organizations customer requires a designated external provider the requirement shall be recorded on the purchase contract. If applicable the external provider shall provide specimens for design approval, inspection/verification, investigation or auditing.

SPAR-19 Counterfeit Parts

The organization prohibits the use of counterfeit parts. The organization will periodically validate/verify purchased product, processes, and services to ensure that no counterfeit parts are used.

SPAR-20 Conflict Material

All Suppliers to this organization are required to disclose any use of "Conflict Minerals". Organization reserves the right to cancel any purchase order whose content is manufactured or contains "Conflict Material" All Material Certs shall clearly state the use of conflict materials.

SPAR-21 Awareness

The external process provider shall ensure that personnel are aware of their contribution to product or service conformity, their contribution to product safety, the importance of ethical behavior.