

Tool Technology, Inc. is registered to the quality management systems of ISO 9001:2015, ISO 13485:2016, SAE AS9100:2016 and to the International Traffic in Arms Regulations (ITAR). As part of our conformity to these standards and regulations we must inform you of your obligations as a supplier to Tool Technology, Inc.

The following Quality Requirements apply to all Purchase Orders:

**TTI QR 1 - SURVEILLANCE** - TTI reserves the right to perform periodic audits of Seller's Quality Assurance system, and to witness and/or conduct inspections and tests to ensure materials or supplies meet the procurement document requirements; review Corrective Action activities and other records that impact hardware or service quality.

**TTI QR 2 - CHANGES** – Supplier must not accept verbal changes to the Specifications, Drawings or Purchase Order Requirements without supporting documentation from TTI.

**TTI QR 3 - DISCREPANCIES** – Supplier must disclose any deviations from supplied drawing or specifications to TTI immediately. Deviations will not be approved without written confirmation from the buyer. Rework is not permitted unless written approval is obtained from buyer. Supplier and/or any of their Suppliers/Subcontractors DO NOT have authority to disposition 'USE AS IS', 'REWORK', 'STANDARD REPAIR PROCEDURES (SRPS)' or 'NON-SRPS' via their Material Review Board (MRB). The aforementioned dispositions, as well as any deviations and/or requests for waivers, requiring MRB disposition shall be submitted to TTI for approval. The Supplier/Subcontractor shall utilize the appropriate nonconforming material disposition form and submit it to the Buyer for TTI approval.

**TTI QR 4 - CORRECTIVE ACTION REQUEST** – Suppliers may be removed from the ASL if an "Acceptable" rating is not maintained. Suppliers are notified immediately of quality problems with the issuance of a Discrepant Material Report and/or Corrective Action Request. Response by the supplier to a Corrective Action Request is required **within 15 days**. Suppliers may also be contacted if late delivery issues result in problems at TTI.

**TTI QR 5 - DOCUMENTATION** – TTI will not accept delivered items if the supplier fails to submit certifications or other documentation specified in the purchase order. **Certifications for all materials, procedures and processes must be certified to the latest revision in effect at the time of shipment.**

**TTI QR 6 - PACKAGING** – Unless otherwise specified in the Purchase Order, the supplier must use best commercial practices to package items for protection and preservation for delivery to TTI.

**TTI QR 7 – CERTIFICATE OF CONFORMANCE** – A certification of conformance shall accompany each shipment signed by the Quality Manager, or an authorized representative, stating the product supplied is in full conformance with all configuration and required test specifications, that all raw material conforms to the applicable specifications. Inspection and test data, physical and chemical analysis and in-process inspection data are retained on site for review by TTI upon request. The C of C shall be legible and include the following at minimum: TTI Purchase Order number, part number, revision letter (if applicable), quantity and lot numbers(if applicable), and specified description or process performed to the latest revision in effect at the time of shipment.

**TTI QR 8 – CHEMICAL AND PHYSICAL TEST REPORTS** – For raw material shipments physical and chemical test report certifications shall be supplied with each shipment. Test reports shall be legible and include the raw material designation, specification and revision letter (material must be certified to the latest revision in effect at the time of shipment), results of all testing requirements, the mill name and heat number; and any other requirements specified on the Purchase Order and must be traceable to the material.

**TTI QR 9 – RECORD RETENTION** – For NON-AEROSPACE orders Supplier shall retain all records pertaining to the requirements of the Purchase Order for a minimum of three (3) years. For AEROSPACE orders Suppliers shall retain all records pertaining to the requirements of the Purchase Order for a minimum of ten (10) years. In either case, Supplier shall notify TTI prior to destruction, and shall allow TTI access to all applicable records.

**TTI QR 10 – SURVEY/AUDIT RIGHTS** - Supplier is required to provide right of access to TTI, our customers and/or regulatory authorities to the applicable areas of all facilities, at any level of the supply chain involved in the order, and to all applicable records.

**TTI QR 11 – CHANGES TO AND MOVEMENT OF WORK** - Supplier is required to notify TTI of any changes in product and/or process, changes of suppliers, and changes of manufacturing facility location, and to obtain our approval prior to making the change.

**TTI QR 12 – SUB-TIER FLOW DOWN** - Supplier is required to flow down to your supply chain the applicable requirements in the purchasing documents, including customer requirements, special requirements, critical items or key characteristics of customer requirements.

**TTI QR 13 – IDENTIFICATION & TRACEABILITY** – Traceability of items shall be by lot number rather than individual serial number. Seller shall assign a lot number to all items in a specified manufacturing/processing lot.

**TTI QR 14 – SPECIALTY METALS** – DFARS 252.225-7014 Preference for Domestic Specialty Metals (Apr 2003) applies to this order if specialty metals are being furnished, unless otherwise specified. Contact TTI Purchasing for clarification if necessary.

**TTI QR 15 – EXPORT/IMPORT CONTROLS (ITAR)** - Drawings or specifications provided to supplier constitute Technical Data within the definition of the U.S. International Traffic in Arms Regulations (ITAR) and are subject to the export control laws of the United States. Transfer of this Technical Data by any means to a foreign person or foreign entity, whether in the United States or abroad, without a prior export license or other approval from the U.S. Department of State, is prohibited.

**TTI QR 16 – DPAS REQUIREMENT** - Supplier is required to comply with the Defense Priorities and Allocations System (DPAS) in fulfilling purchase orders that pertain to defense-related contracts. We will specify a priority rating of DX (highest) or DO (lowest) on these purchase orders to inform you of your requirements. Rated orders take precedence over all unrated orders, as necessary, to meet required delivery dates. Suppliers receiving rated orders must give them preferential treatment as required by DPAS 15 CFR Part 700.

**TTI QR 17 – FOREIGN OBJECTS AND DEBRIS (FOD)** - Where applicable, Supplier shall comply with NAS412 to prevent Foreign Object Damage (FOD) to manufactured products. If required, Supplier shall establish and maintain an effective FOD prevention program through a Continual Improvement approach that proactively addresses and controls conditions and actions leading to FOD.

**TTI QR 18 – COUNTERFEIT PARTS AVOIDANCE** – Supplier shall have controls in place to reduce and mitigate the risk of counterfeit components and/or assemblies to TTI in compliance of AS5553 and their Quality Management System. This procedure outlines the process of procuring parts from reliable sources, assure authenticity and conformance of procured parts, to control parts identified as counterfeit and report counterfeit parts to TTI and Government Investigative authorities. Any questionable items should be referred to TTI immediately.

**TTI QR 19 – APPROVED SUPPLIERS** - Where applicable, TTI maintains an Approved Suppliers List (ASL) as part of our commitment to our quality management system (QMS). Additions to, or deletions from, the ASL are based on several factors including supplier performance. We have implemented a supplier performance evaluation system to track quality of product and timeliness of delivery from our suppliers. **TTI Supplier performance goals are 100% for Quality and 100% for On-Time Delivery.** We define Quality as 0 rejects. We define On-Time Delivery as deliveries 0-14 days early and 0 days late. We monitor performance to this criteria and request supplier action as determined necessary.

**TTI QR 20 – GENERAL REQUIREMENT** - Supplier is required to use customer-designated or approved external providers, including process sources, as specified.

**TTI QR 21 – GENERAL REQUIREMENT** - Supplier is required to ensure that personnel are aware of their contribution to product conformity and product safety and the importance of ethical behavior.