



Supplier Quality Manual

Scope

The purpose of this document is to outline PFI Precision's expectations for its supply base with regards to its Organization, Quality, and On Time Delivery (OTD).

1.0 Organization

- 1.1** PFI prefers that only one supplier representative be assigned as the main point of contact to handle orders or any other issues that may arise.
- 1.2** PFI requires its supply base to be certified to one of the Quality Management Systems such as IATF, ISO, AS; if a supplier is not certified to one of these systems, then a Supplier Self Audit shall be completed in lieu of it.
- 1.3** PFI regularly reviews its supply base to ensure compliance with this requirement and keeps a copy of the supplier's certificate on file.
- 1.4** If a supplier's status changes regarding their compliance with this requirement, it shall be the responsibility of the supplier to notify PFI of the change.

2.0 Quality

- 2.1** PFI requires its supply base to have a Gage Control program in place and maintain records to ensure the integrity of the product or services provided.
- 2.2** PFI requires compliance data to be supplied upon request; this may be in the form of a PPAP, FAI, CoC, etc.
- 2.3** PFI requires material certificates to be supplied for all raw materials either purchased as such or as a finished product.
- 2.4** All raw materials supplied to PFI shall be RoHS and REACH compliant; when required, a Certificate of Compliance (CoC) shall be provided.
- 2.5** PFI monitors its supply base for the quality of the products or services being provided. PFI has set forth a Quality goal of 25 ppm for its supply base; this is based on the number of orders rejected divided by the number of orders received for a given month. If a supplier exceeds this goal for three consecutive months, a corrective action will be issued for failing to meet the quality goal; independently, a corrective action may be issued for a rejected order. Once a corrective action has been issued, the supplier shall submit the root cause within 10 calendar days, a corrective action plan within 15 calendar days and verification within 60 calendar days before the corrective action can be closed. Failure to comply with these requirements will result in being classified as "Conditionally Approved" and, if there is no improvement shown, ultimately the removal from PFI's supply base.



2.6 In the event of a rejection, PFI expects a timely resolution to limit the impact to our customer(s). PFI reserves the right to pass along any financial liabilities incurred because of an order being rejected.

3.0 On Time Delivery

3.1 PFI has set forth an On Time Delivery goal of 95% on time, failure to meet this goal for three consecutive months will result in a corrective action being issued. Once a corrective action has been issued, the supplier shall submit the root cause within 10 calendar days, a corrective action plan within 15 calendar days and verification within 60 calendar days before the corrective action can be closed. Failure to comply with these requirements will result in being classified as “Conditionally Approved” and, if there is no improvement shown, ultimately the removal from PFI’s supply base.

4.0 Feedback

4.1 PFI values the feedback of our supply base so, once a year, PFI sends out a Supplier Feedback Survey to solicit your feedback. By completing the form and returning it to us, it helps us become a better customer for you, so please take the opportunity to complete the form and return it to the sender.

5.0 Cost Control

5.1 PFI appreciates the input and assistance from our supply base in helping keep costs down; if you have any suggestions that would help us reduce costs and / or improve your process and make you more efficient, please let us know so we can work together for the profitability of our companies.

6.0 Partnership

6.1 PFI values the relationship we have with our supply base, and we treat it as a partnership; for both of our companies to succeed, we need to work together and keep the lines of communication open so that everyone benefits from the relationship. Timely updates regarding availability, delivery status, and price changes are just a few examples of the communication required to maintain a healthy partnership.

For questions or concerns, please contact us at (937) 845-3563:

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