Supplier Quality Agreement

Approvals are electronically recorded in the eQMS.

This Quality Agreement is entered into as of (Effective Date) by and between: **Boyd** (Buyer) and (herein "*Supplier*").

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Overview

This agreement communicates Boyd's minimum quality requirements for *Supplier*. By signing this document, *Supplier* agrees to comply with these requirements which apply to all processes, products, and/or services provided to Boyd by *Supplier*

Boyd reserves the right to flow down additional requirements to satisfy specific customer and/or business requirements. When Boyd has requirements that differ from those included in this agreement, it is communicated on Purchase Order (PO) or another Boyd- approved document. In those cases, the PO or other approved document will prevail.

SCOPE AND APPLICABILITY

This agreement applies to, but is not limited to all materials, components, finished assemblies, and product-related services provided to Boyd. This applies regardless of *Supplier's* industry, regulatory accreditation, or certification status. Further, *Supplier* is responsible for ensuring that every member of its supply chain complies with the requirements set forth herein.

1.0 DEFINITIONS AND TERMINOLOGY

Throughout this document the following terms are defined as follows:

- **Calibration Service Provider:** Organization qualified to perform calibration services on Measuring and Test Equipment (M&TE) used in the production and inspection of products sold by **Boyd.**
- **Certificate of Conformance (CofC):** Document, signed by an authorized representative of *Supplier*, attesting that a particular product is manufactured or serviced in accordance with applicable quality management system requirements, the specifications, Purchase Order notes and this agreement.
- **Certificate of Analysis (CoA):** Document, issued by an appropriate authority, which certifies the quality and purity of material used, documenting the analysis methods used and the results obtained.
- **Certificate of Test (CoT):** Document signed by an authorized representative attesting that identified product has been tested to identified test specifications and includes a conclusion regarding compliance with the test specification.
- **Counterfeit Part:** An unauthorized copy, imitation, substituted, or modified part (e.g. material, part, component), which is knowingly misrepresented as a specified genuine part of an original manufacturer or authorized distributor.
- **Distributor:** A contracted party carrying out the purchase, splitting, storage or sale of products without affecting the original manufacturer's product characteristics or conformity.
- **Part Manufacturer:** Manufacturer of parts for which the design, manufacturing, inspection data, and marking requirements necessary to demonstrate conformity of the part are in the public domain and published or established as part of officially recognized standards.

- **Raw Material Manufacturer:** Manufacturer of raw material that conforms to an established industry or national authority-published specification (e.g., AMS materials
- **Laboratory Service Provider:** Organization qualified to perform testing (e.g., chemical, metallurgical, electrical).
- **Non-conformance:** A non-fulfillment of a requirement. The requirement may be specified or implied.
- **Specification:** Any requirement with which a product, process, service, or other activity must conform.
- **Special Process Supplier:** Supplier that only provides special processes on Member products (i.e. not a part manufacturing supplier).

2.0 Requirements

2.1 Quality Management System

Boyd has adopted the quality system requirements of ISO 9001 for general manufacturing, AS9100 for aerospace products, and ISO 13485 for medical device products. Additionally, Boyd is required to meet the compliance standards set by other industrial and regulatory standards, as defined by its customers. Therefore, Boyd requires its suppliers to establish, document and maintain a quality management system as a means of ensuring that product conforms to specified requirements.

Supplier agrees to submit, or provide access to, the most current version of the following documents, when available:

- *Supplier's* quality manual or a written description of their quality management system.
- Quality management system certificates (e.g. ISO 9001, AS9100, ISO 13485, ISO 17025, etc.) from an accredited Certification Body.
- Special process certificates (e.g. NADCAP, ASTM)

Supplier is responsible for notifying Boyd when the status of any accreditation or registration changes e.g. certificate renewal, de-certification, etc. *Supplier* is responsible for ensuring that Boyd has the most current revision of *Supplier's* quality certification by submitting it directly to Boyd or providing access to it via a website or portal.

Part manufacturers, raw material manufacturers, distributors, and service providers: If *Supplier* does not have a certified and/or documented quality management system, Boyd verifies that the *Supplier* is compliant to all Boyd and any flow down requirements from Boyd's end customer.
Supplier compliance to minimum standards may be accomplished by on-site audit, self-survey form, or other method as determined appropriate by Boyd.

Special Process Suppliers must be certified or accredited by the body or agency required for the special process contracted to Boyd.

Calibration Service Providers and Laboratory Service Providers must be certified to the current revision of ISO 17025.

2.2 Required Documentation

When specified by contract, *Supplier* shall provide product or material control documentation prior to Boyd's acceptance of product or material. Examples of control documentation required may include but are not limited to:

- Certificates of Conformity, Certificates of Analysis, and/or Certificates of Test
- First Article Inspection Reports (FAIR)
- Environmental/ storage requirements compliance
- Shelf-life requirements
- Proof of part or material authenticity (Counterfeit Part/Materials Controls)
- Material Compliance Evidence (RoHS, REACH, Prop 65, etc.)
- Production Part Approval Process (PPAP) submission
- Part Submission Warrants (PSW)
- Control Plans
- Process Flow Mapping and/or Inventory Process Flow Mapping
- Identification and control of product lot and/or part traceability
- Identification and control of Special or Key Control Characteristics
- Failure Modes and Effects Analysis (FMEA)
- Process and Tooling Validation

2.3 Record Retention

Boyd requires *Supplier* to establish and maintain records to provide evidence of conformance to contractual requirements and confirmation of the effectiveness of *Supplier*'s Quality Management System. Records shall be:

- Retained for a minimum of 3 years or as otherwise specified by contract.
- Made available to Boyd or regulatory authorities, when requested.
- Stored in a manner that ensure they are legible, readily identifiable and retrievable.

Certificates of Conformance/Analysis/Test shall contain identifiable lot numbers, when required by contract that certificates are required.

2.4 Competence

Supplier shall determine the necessary competence of person(s) doing work under its control that affects the performance and effectiveness of the quality management system and ensure that these persons are competent on the basis of appropriate education, training, or experience. The *supplier* shall, where applicable, take actions to acquire the necessary competence, and evaluate the effectiveness of the actions taken and retain appropriate documented information as evidence of competence.

Note: Consideration should be given for the periodic review of the necessary competence.

2.5 Process/Product Change Control

Supplier shall make no changes to approved processes, materials, engineering or workmanship requests to Boyd delivered in writing and specify if the change is temporary or permanent.

Temporary deviations, either quantity or time-specific, from specifications or validated processes may be allowed by written concession from Boyd provided they do not affect form, fit or function or any critical-to-quality characteristics. All authorized deviation parts are to be labeled for identification and shall be accompanied with a signed copy of the deviation authorization.

Permanent changes, whether initiated by Boyd or *Supplier* shall be appropriately documented, approved and identified by revision level. These changes may require a new PPAP submission as specified by Boyd.

***Supplier* shall make no changes or substitution to materials, processes or designs of the product until Boyd written approval has been received, including manufacturing location changes.**

2.6 Identification and Traceability

Supplier shall establish and maintain documented procedures for identifying and preserving product identity and conformity to purchase order or other documented requirements. These procedures document the processes throughout all stages of receipt, storage, splitting of lots and distribution, showing traceability to original manufacturer's product documentation. Part and/or lot traceability is required to be furnished on all shipped parts or materials documentation.

2.7 Age and Environmentally Sensitive Material

Supplier shall establish a documented & verifiable procedure for identification, handling, packaging, storage & protection of raw materials & products.

Supplier shall systematically control time, temperature, environmentally sensitive & hazardous material within a defined acceptable range that include any "special" storage or handling conditions, when required by manufacturer's specifications.

For material with limited shelf life, *Supplier* shall show on each container and also on the certificate, the cure or manufacturing date, expiration date or shelf life & lot's batch number.

Supplier shall assure that the materials have =/> 90% of their remaining shelf life upon delivery of age sensitive materials unless documented deviation is permitted.

2.8 Prevention of Counterfeit Parts

Supplier shall plan, implement and control processes, appropriate to Suppler prevention of counterfeit or suspect counterfeit part use and their inclusion delivered to Boyd.

By providing Boyd with a Certificate of Conformance (C of C) or Certificate of Analysis (C of A), *Supplier* is confirming that they have provide Boyd with products that are not, or do not contain, counterfeit parts or materials. *Supplier* is responsible for maintaining records of material or product authenticity traceable back to the OEM.

2.9. Non- Conformances

Materials, products or services that do not meet the agreed upon specification may be deemed non-conforming. Boyd will notify Supplier of any nonconformances. If it is decided to return the nonconforming product/material to Supplier, Supplier is responsible for all costs of the return, including reasonable administrative costs. If sorting or rework is done at Boyd in order to meet scheduling needs, Supplier is responsible for the costs of such action.

Any rework of product either delivered or discovered prior to delivery must have Boyd approval and be re-inspected according to original requirements.

In cases where Boyd provides product/,materials to Supplier for processing, and Supplier identifies that these are delivered nonconforming, Supplier shall notify Boyd immediately for disposition. Any such product returned to Boyd shall be identified as nonconforming and segregated from parts such as it is clear which product was deemed nonconforming. Boyd will obtain approval from Supplier for all sorting cost before sorting.

2.10 Corrective Action

When Boyd finds nonconforming conditions and/or determines that Supplier's performance is not meeting expectations, Boyd will issue a request for corrective action. Supplier is responsible for acting immediately, acknowledging receipt of Boyd's request. The acknowledgement shall contain:

- Supplier point of contact information (phone number, email, etc.)
- Containment action description and verification, including all affected products/materials in Supplier's inventory and in transit to Boyd, as applicable.
- Product identification (part number, lot number, purchase order number, etc.) as applicable.

Supplier shall provide Boyd a formal Corrective Action Report per the timeline communicated to Supplier at the time of notification. The formal Corrective Action Report shall contain at minimum:

- Description of the reported non-conformance
- Containment action(s)
- Root cause with verification
- Corrective action
- Verification of containment and corrective action
- Preventive actions against recurrence of NC(s)
- Verification that all process documents have been updated (flow diagrams, FMEAs, and Process Control Plans.
- Assigned action owners
- Implementation/effective dates

NOTE: Changes to product and/or processes are subject to Boyd's or its customer's change control procedures (see 2.5 Process Product Change Control) and may require a new PPAP submission.

2.11 Quality Audits and Reasonable Access

Boyd reserves the right to perform audits or assessments of *Supplier's* processes and Quality Management System (QMS) as deemed necessary.

Supplier agrees to grant reasonable access to Boyd, its customer, and/or regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain.

2.12 Supplier Code of Ethical Conduct

Supplier will conduct its business fairly, impartially, in an ethical and proper manner, in full compliance with all applicable laws and regulations. In conducting its business, integrity must underlie all company relationships, including those with customers, suppliers, communities and among employees, who shall also be made aware of their contribution to product or service conformity, safety, and the importance of ethical behavior

3.0 Signatures

Boyd	**Supplier**
By_____	**By**_____
Signature	**Signature**
Print name_____	**Print name**_____
Title _____	**Title**_____
Date_____	**Date**_____

Boyd Internal Instruction:

If *Supplier* agrees to all requirements without exception, the Purchasing agent may sign as the authorized Boyd agent.

If *Supplier* takes exceptions to any of the requirements listed, the divisional Quality Management Representative or a Corporate Quality Representative must review and approve the exceptions. The quality representative then signs as the authorized Boyd agent.

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