



Supplier Quality System Requirements

Supplier Approval – To be considered for business with Hagans Plastics Company (HPC), the supplier must complete and submit form 1032 – Supplier Self Evaluation Questionnaire for approval. At the discretion of HPC, an on-site audit may be required. Upon approval, the supplier will be added to the HPC Approved Vendors List.

Quality Management System – A certified or compliant quality management system is not required to do business with HPC. However, a supplier that maintains a certified quality management system may be given preference over one that does not.

Interaction – The primary point of contact is your HPC buyer who will direct questions, comments, or concerns to the appropriate HPC associate(s) as needed.

Special Requirements, Critical Items, Key Characteristics – Any special requirements, critical items, or key characteristics that require additional or special attention will be documented on the HPC purchase order.

Supplier Inspection - The supplier and its subcontractors shall maintain an inspection system that assures HPC that all products or services furnished have been inspected and/or tested for conformity to all applicable drawings, specifications, and purchase order requirements. No product shall be released until all required inspections have been completed unless previously arranged with HPC and/or our customer. Suppliers may use statistical techniques such as C=0 sampling plan for product acceptance.

Product Approval – All products received by HPC are subject to inspection. Product will be approved upon satisfactory completion of inspection. At the discretion of HPC, test specimens may be requested for inspection/verification, investigation, or auditing. The supplier will be notified of any non-conforming product.

Methods, Processes, and Equipment – HPC believes that our suppliers are subject matter experts regarding their own methods, processes, and equipment. However, HPC reserves the right to approve any methods, processes, or equipment used in the manufacture of our products.

Right of Access – All facilities, systems or processes used to fulfill the requirements of the purchase order and all applicable records are subject to right of access by HPC, our customer and applicable regulatory authorities at any level of the supply chain. When HPC, our customer or regulatory authorities intend to perform product verification at the site of a supplier or one of the supplier's subcontractors, the intended verification arrangements and the method of product release will be stated on the purchase order. On-site verification by HPC or its customers at any level of the supply chain shall not be used by the supplier as evidence of effective control of quality and does not absolve



Supplier Quality System Requirements

the supplier or its subcontractors of their responsibility to provide acceptable product and comply with all requirements.

Control of Nonconforming Product - When product is found to not conform to specified requirements, that product will not be given a disposition of use-as-is or repair until approval is granted by an authorized representative of the design authority or a delegate thereof. Further, nonconforming products will not be given a disposition of use-as-is or repair unless specifically authorized by HPC if the nonconformity results in a departure from the contract requirements.

Change Notification – The supplier will notify HPC prior to the implementation of any changes in product and/or processes, changes of subcontractors or changes of manufacturing facility location. At the discretion of HPC, first article approval of the affected product may be required following any of these changes.

Design and Development Control – As Hagans Plastics bears no responsibility for product design and development, there is no requirement for Hagans' approval of product design. However, Hagans Plastics may act as intermediary between our suppliers and our customer(s) regarding design and development, with the responsibility for approval residing with our customer(s).

Qualification of Personnel – All processes used to fulfill the requirements of the purchase order will be carried out by qualified personnel based on education, experience and/or training.

Records Retention – All applicable material and inspection records shall be maintained by the supplier for a minimum of 10 years and flow down for any other.

Supplier Performance – HPC monitors and reviews product acceptance percentage and on-time delivery of our suppliers. The goal for product acceptance is 95% or better and 90% on-time delivery. Hagans will not notify any supplier of their performance results unless there is a need for corrective action.

Counterfeit Parts – The supplier shall have a system in place to prevent the use of counterfeit parts. Suppliers may not use substitute materials without the explicit approval of HPC.

Flow Down – Suppliers will flow down applicable purchase order requirements to subcontractors.

Awareness – Suppliers will ensure that employees are aware of:

- their contribution to product or service conformity.
- their contribution to product safety.
- the importance of ethical behavior.



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Special Processes – For processes, such as, but not limited to, anodizing, painting, and heat treating, where the resulting output cannot be verified by subsequent monitoring or measurement, the supplier will establish arrangements for these processes including, as applicable:

- definition of criteria for the review and approval of the processes
- determination of conditions to maintain the approval.
- approval of facilities and equipment
- qualification of persons
- use of specific methods and procedures for implementation and monitoring the processes
- requirements for documented information to be retained.

All special outsourced special processes will be carried out by sources approved by HPC and our customer.