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Revision History Explanation

Rev	Date	Affected Section(s)/Page	Description of Change
Org	1/17/2010	All	Original
A	9/23/2011	PG 3, Appendix	PG 3: Updated web sites Added Appendix for vendor scoring
B	11/01/2011	Section 4 Section 7.1	Deleted DFAR clauses and web site Deleted class of supplier and added scope



1.0 PURPOSE:

1.1 The objective of this document is to convey to Quest-1 suppliers, and potential suppliers, the quality requirements and contractual conditions that must be met when providing goods and/or services to QUEST-1

2.0 SCOPE:

2.1 This document is applicable to all QUEST-1 suppliers that provide products, processes or services that form part of, or contribute to, a deliverable end item.

NOTE: The latest version of this document can always be found on our web site @ www.quest-1.com

3.0 DEFINITIONS:

3.1 For the purpose of this document, a Supplier is a company or business that provides services, processing, or manufactured products to QUEST-1.

3.2 Acronyms:

P.O.: Purchase Order	QAR : Quality Assurance Representative
NC: Non-conformance	FAR: Federal Acquisition Regulation
SCAR: Supplier Corrective Action Request	DFAR: Defense Federal Acquisition Regulations
DPAS: Defense Priorities & Allocation System	

4.0 PROCUREMENT & COMMUNICATION:

4.1 Authorized Quest-1 personnel will issue or revise P.O.'s in support of Quest-1 customer orders.

4.2 Approved suppliers may be issued a P.O. for specific goods and services.

4.3 The QUEST-1 P.O., together with referenced drawings, specifications, FAR & DFARS, DPAS, special instructions and this document shall define all requirements applicable.

4.4 As a Supplier, it is your responsibility to ensure that all clauses, terms and conditions specified or referenced within the P.O. and this document are understood and complied with.

4.5 Failure to meet all quality clauses and requirements defined or referenced may result in rejection of the items or services you supply and can affect your **Supplier Approval Status**.



- 4.6 All written and verbal communications are to be through your buyer or the quality director.
- 4.7 In special circumstances, which relate to quality, you may contact our Quality Director at:
PH: 770-640-0125
Fax: 770-640-1348
E-mail: quality@quest-1.com

5.0 SUPPLIER APPROVAL:

- 5.1 It is the policy of QUEST-1 to procure goods and services only from those Suppliers who are approved through our quality system. The approval process can include desktop (Quest-1 Forms: F-06 and F-08 surveys or on-site surveys (F-30) as deemed appropriate by Quest-1 management.

Note: This review may also include review of OASIS data or if supplied quality ratings from your customers. Example: Boeing ratings.

- 5.2 Upon completion of the survey and/or review of your submitted documents QUEST-1 shall determine your **Supplier Approval Status and Scope**.
- 5.3 Following initial approval, QUEST-1 will re-evaluate your quality system on a periodic basis to ensure continued compliance to quality requirements. This re-evaluation may be in the form of a desktop or on-site audit.
- 5.4 Your **Supplier Approval Status** will be subject to review based on the quality and timeliness of delivered items, responses to QUEST-1 Supplier Corrective Action Requests, changes of administration, location or ownership of your company, and/or other quality related issues.
- 5.6 In the case of a change in ownership or relocation of your company, QUEST-1 must be notified in writing within 30 days.
- 5.7 If, as a supplier of QUEST-1, you are not specifically requested to use a company-approved source, then you may use other sources. In such cases, you are responsible to affect the necessary controls on your suppliers to ensure compliance with the applicable provisions of QUEST-1 POs, drawings, specifications and this document. Any special process requirements will be listed on the applicable P.O. and must be followed.
- 5.8 In all cases, your company is fully responsible for monitoring the work performed by your suppliers and must also ensure a flow-down of QUEST-1 quality requirements to your supplier to the extent applicable for the work performed

6.0 Rating:

- 6.1 You will be rated based on the criteria in Appendix A.
- 6.2 SCAR's will be issued as deemed necessary to determine root cause of substandard performance
- 6.3 Failure to adequately respond to and correct problem areas could affect your approval status



7.0 SUPPLIER QUALITY REQUIREMENTS

- 7.1 Quest One will review the potential suppliers quality system and determine scope of approval for purchasing from that supplier.
- 7.2 Right of Access: QUEST-1, its customers (or their representative) and any Regulatory Authority shall have the right to:
- Review the supplier's documentation as required by the applicable contract;
 - Access the supplier's premises or work location for the purpose of performing audits, surveys, inspections and verification of the supplier's quality system as well as compliance with contract requirements; and
 - Review all associated reference data pertaining to any subcontracts issued relevant to the work performed for QUEST-1
- 7.3 Suppliers shall immediately notify QUEST-1 of nonconforming product and in addition provide:
- Provide notification, within 30 days, of changes in ownership or location;
 - Notification of changes in product and/ or process definitions;
 - Changes in Certification of Conformity, Test Reports, and / or Airworthiness approval from the Manufacturer or approved repair station;
 - Changes in quality system approvals;
 - Immediate notification if your company is debarred from doing business with the U.S. Government
- 7.4 Quality System Review: During the performance of a QUEST-1 contract, your quality system and manufacturing and test processes may be periodically reviewed and evaluated by QUEST-1, or its customer representatives, to the degree and frequency determined necessary by QUEST-1, or its customer.
- 7.5 Quality Records: Your quality records are to be maintained on file for a period of not less than seven (7) years from the date of the completion of the contract.
- 7.6 Certificates of Compliance: When a Certificate of Compliance is required to be furnished by your company; it must, as a minimum, contain the following relevant information:
- a) QUEST-1 Purchase Order number;
 - b) Part number;
 - d) The part name and description;
 - e) Serial numbers where applicable;
 - f) Manufacturer's name and lot number.
- 7.7 Quality System: If you cannot meet all quality requirements specified within this document, you are to contact your buyer or QUEST-1 Quality Department and request a concession for the requirement(s) before shipment of an item or order.
- 7.8 Special Processes: Supplier equipment and personnel performing special processes are required to be qualified and records are to be maintained by the Supplier, as appropriate.



Note: If our customer requires use of approved special processors this will be called out on our PO. Normally, the approved sources for companies such as Boeing, Rolls-Royce and Lockheed Martin can be found on their individual web sites.

8.0 QUEST-1 SUPPLIED MATERIAL AND DOCUMENTATION

- 8.1 As a QUEST-1 supplier, you are responsible for evaluating damage due to transport at time of receipt of QUEST-1 supplied materials and for the appropriate controls and periodic inspection of QUEST-1 supplied material during storage, handling and processing.
- 8.2 Strict segregation and control of QUEST-1 material is required by your organization. No material substitution is permitted without prior QUEST-1 written approval.
- 8.3 It is your responsibility to ensure that the latest issue of drawings and specifications as stated on the P.O. are available and maintained within your facility.

9.0 SOURCE & RECEIVING INSPECTION

- 9.1 QUEST-1 may elect to conduct government/customer source inspection of items at your facility before shipping. Source inspection may be applied to a greater or lesser degree at the discretion of QUEST-1 's Quality Manager. When source inspection is applicable, if possible, QUEST-1 will provide your organization with a 7-day advance notice.
- 9.2 Prior to Source Inspection by QUEST-1, you are required to ensure that all items have successfully passed required inspections and/or tests and that all the supporting documentation is complete and available for review by the QAR.
- 9.3 As a QUEST-1 supplier you are to provide the facilities and the assistance that may be reasonably required by the QUEST-1 QARs in the performance of their functions.
- 9.4 Upon completion of Source inspection, the QUEST-1 QAR will complete a Source Inspection Report. A copy of this report must be included with your shipment to QUEST-1 and you must retain a copy within your files.
- 9.5 QUEST-1 reserves the right to independently verify your suppliers.
- 9.6 The acceptance of an item at your facility by QUEST-1 is not to be interpreted as final acceptance by QUEST-1 nor does it relieve you of your responsibility for quality.
- 9.7 Products delivered to QUEST-1 are required to meet all applicable drawings, specifications and/or P.O. requirements.
- 9.8 Nonconforming material discovered at any stage of QUEST-1 inspection will be returned to you for correction.

10.0 NON-CONFORMANCE & CORRECTIVE ACTION:

- 10.1 NCRs and SCARs will be used by QUEST-1 as a means of advising you of an observed non-



conformance and to request corrective action, as required.

- 10.2 Your response to an NCR or SCAR is expected within 15 working days, unless otherwise specified on the NCR or SCAR. Should additional time be required, you are requested to inform QUEST-1 of the reason for the extension and the estimated date of completion.
- 10.3 Within your response you are to perform a root cause investigation and identify the corrective action taken to eliminate the cause of the discrepancy in addition to the repair or rework required to resolve the item rejected. The effect on items already delivered must also be addressed within your response.
- 10.4 Records of outstanding NCRs and SCARs are maintained by QUEST-1 's Quality department and shall be used in the process of evaluating suppliers. Failure to provide timely corrective action to an NCR or SCAR can adversely affect your **Supplier Approval Status**.

11.0 REQUEST FOR CHANGE or DEVIATION

- 11.1 Any deviation must be approved by Quest-1 in writing.
- 11.2 Without an authorized change, you are expected to meet all requirements defined or referenced within the PO.



Appendix A

Approved Suppliers Criteria & Ratings

Approved suppliers will be rated each month in 3 criteria levels, **Delivery, Product Certifications** and **Material Discrepancy** (quantity shortage & material rejection.) Approved Suppliers that fall below a threshold of 75% or lower in any of these categories will be required to complete a **Corrective Action Form**. Failure to complete the corrective action or improve performance can result in removal from Quest-1's approved suppliers list.

Criteria Levels

Delivery

- 1-5 Days Late 3%
- 6-10 Days late 5%
- 11-14 Days late 10%
- 15 or more days late 15% - Corrective Action Form

Note: If vendor notifies Quest-1 of late delivery Quest-1 may withhold the penalty if the late delivery does not result in a late customer delivery.

Product Certification

- No Product Certs received with order 3%
- Incorrect Product Certs received with order 5%
- Unable to provide Product Certs with order 15% - Corrective Action Form

Material Discrepancy

Quantity Shortage

- 1st Quantity Shortage 3%
- 2nd Quantity Shortage 10%
- 3rd Quantity Shortage 15% - Corrective Action Form

Note: Quest-1 reserves the right to issue corrective action as deemed appropriate by management.