

<b>THE HORSBURGH &amp; SCOTT Co.</b>	<b>Quality Assurance Requirements for Suppliers</b>	Date 01-01-09
PUWI 2.2	Process Owner/Approval: Dean McClelland	Rev 1. 03-18-10

**1. Introduction**

At The Horsburgh & Scott Co. (H&S), the supply base plays a critical part in H&S' ability to satisfy customers. The requirements in this document are mandatory for all Suppliers. Additionally, individual requirements will be discussed with each Supplier depending on the product or service supplied to H&S.

**2. Supplier Quality Management System**

Suppliers are expected to have a quality system, preferably one that meets the basic requirements of ISO 9001 or equivalent.

**3. Audits**

H&S will accept formal third party certification as proof of an acceptable quality system. Suppliers not having formal quality certification agree to allow H&S personnel to audit their quality system. System adequacy is defined as a system that ensures that Purchase Order requirements are met consistently. These audits will be performed at the discretion of H&S Quality and Purchasing Departments. Suppliers must make reasonable efforts to permit H&S to audit sub-tier Suppliers as deemed necessary by H&S.

**4. Information and Documentation**

**Certifications:** The Supplier is expected to provide all requested product certifications. These certifications must be in English, legible, complete and accurate. Certifications must be submitted electronically to [certs@horsburgh-scott.com](mailto:certs@horsburgh-scott.com) prior to parts arriving at H&S. Product received prior to receipt of certifications may be sent back to the Supplier until such certifications can be generated. The Supplier shall be responsible for all transportation costs associated with these activities.

The Supplier is expected to maintain process controls to assure consistent and correct product for all orders shipped to H&S. Evidence of control of key features may be requested in the form of statistics such as SPC ,or  $C_{pk}$ , and submitted on a regular basis.

**5. Product Identification and Traceability**

All product, certifications and critical documentation must be traceable to the H&S Purchase Order number and line item number. Product must be appropriately marked for identification prior to shipment to H&S. Documentation shall refer to the H&S Purchase Order number on each page.

**6. Dock to Stock expectation**

Product arriving at H&S is expected to meet the Purchase Order requirements or to have prior approval for any non-conformance. It is not H&S' intention to re-inspect Supplier product at Receiving Inspection. It is the expectation of H&S that all Suppliers will work to achieve dock to stock status.

Product non-conformances found at H&S (not reported by the Supplier) will be cause for return to the Supplier, freight collect, for correction or replacement. In cases where non-conformances must be corrected at H&S, the Supplier will be notified and is expected to compensate H&S for rework performed.

#### **7. Notification of Non-conformance**

Product is expected to arrive at H&S meeting all Purchase Order, print and specification requirements. In the unlikely event of a non-conformance on product, the Supplier must submit a Request For Deviation (RFD). The Supplier may use their form or the one available from H&S. The form must include reference to the following information:

- H&S Purchase Order number
- Quantity affected including serial number
- Description of the deviation
- Suggested action to be taken to correct deviation
- Contact person at Supplier's facility
- Action taken by Supplier to prevent reoccurrence

A copy of the completed RFD, including the name of the H&S person giving the disposition, must accompany the product at time of shipment. A signed copy must also be included in the certification packet.

#### **8. On-Time Delivery**

Product and certifications must be available at H&S on or before the required delivery date for the product to be considered on-time. Product is expected to arrive on the required ship date or up to 10 calendar days early. Suppliers desiring to deliver material prior to 10 days early must obtain approval from the H&S Buyer for each shipment.

#### **9. Response to H&S Complaints and Corrective Action Requests (CAR)**

It is expected that Suppliers will respond immediately to H&S complaints and complete formal corrective action requests within the agreed upon time frame. H&S reserves the right to be involved in Supplier corrective actions as deemed necessary by the Quality and Purchasing Departments.

#### **10. Quality Measurements & Metrics**

Suppliers are expected to develop improvement plans in areas where shortfalls are determined and send them to the Purchasing Department at H&S for approval.

Suppliers will be evaluated based on the H&S Supplier Rating System. Suppliers failing to meet requirements or improvement targets may be removed from the H&S Approved Suppliers List.