

# Delaware Manufacturing Industries Corporation

## Supplier Quality Requirements Manual



REF: ISO9001

Dear Supplier,

This document is provided to help define DMIC customary and general business guidelines. These binding global purchased material requirements outline our expectations to create what DMIC believes is a strong, competitive, and value added supply chain.

DMIC's success is dependent upon our ability to provide the highest value to our customers through price, quality, and service. A close working relationship with our supply base is critical to the achievement of this objective. This manual will provide you with the necessary information that will be valuable to our mutual efforts of conducting business in a professional, efficient, and profitable manner.

This updated manual supersedes all supplier information manuals previously provided to you by DMIC.

Should you have any questions, please contact your respective Buyer.

Thank you for your continued interest and support.

## DMIC

### Quality Policy Statement

DMIC is committed to the design and manufacture of products which completely meet or exceed customer expectations. We are committed to compliance with the requirements of the ISO-9001 Quality Management system standard. In partnership with our customers, suppliers and employees we are dedicated to continuous improvement in our processes.

Date: May 1<sup>st</sup>, 2024

Revision R06 (CAR 1524-03)

# DMIC Supplier Quality Requirements Manual



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### 1.0 Introduction

The employees at DMIC would like to thank all of our suppliers for assisting us in reaching our goals and keeping with our quality policy. Growth in our industry would not be possible without your efforts. Our mutual success depends upon our ability to meet an increasingly competitive market. Therefore, it is imperative that we seek a new level of performance. The Supplier Quality Requirements Manual represents a strategy for partnership in continued growth, cost reduction, productivity, market penetration and profitability through quality. The Supplier Quality Requirements Manual is intended to provide valued suppliers and potential new suppliers with the basis for understanding the quality expectations of DMIC. The Manual establishes the minimum quality requirements for all suppliers and subcontractors of production, service materials, finished devices whether the products, services or finished devices being furnished are provided by the supplier directly or are purchased from subcontractors for use in DMIC products. The quality requirements are a supplement to and do not replace or alter other terms and conditions covered by Purchasing Documents, specified warranty agreements and requirements of Engineering Drawings, Specifications or Contract Conditions.

### 2.0 Goals and Objectives

#### 2.1 DMIC's Goal

DMIC's goal is continued growth in our current markets and expansion into new markets worldwide. This requires that we provide quality products and services that fulfill our customers' expectations the first time, every time.



## 2.2 Objective for Supplier Quality

Our objective is to consider our suppliers as an extension of our manufacturing operations. Here-in we define and communicate DMIC's expectations to our suppliers and subcontractors. Understanding and complying with these requirements is an important building block toward achieving a long- term partnership that shall enable us all to fulfill our customer's expectations. Underlying this relationship is a mutual commitment to assure that design, process quality, delivery and cost requirements are completely defined and agreed to prior to production:

- Conformance to all policies and procedures outlined in this manual
- Quality and Reliability issues are addressed to continually improve
- 100% conformance to specifications
- Process control and Pre-Control
- 100% on time delivery
- Assure that DMIC specifications and requirements are clearly defined

## 3.0 Supplier Requirements

### 3.1.1 DMIC's Requirement of Suppliers/Subcontractors (Suppliers, Vendors and Subcontractors are the same)

DMIC requires product to adhere to the industry guidelines and standards for the products purchased. It is the supplier's responsibility to have systems and controls to ensure this defect-free requirement.

### 3.1.2 Regulatory Requirements

DMIC must comply with laws and regulations. Therefore, we may require our suppliers/subcontractors comply with them as well. Some regulations require a complete flow of certain information along the supply chain.

Vendors may receive periodic requests from DMIC for information showing compliance.

#### 3.1.2.1 Conflict Materials

The U.S. Securities and Exchange Commission (SEC) regulations require identification of products that contain tin, tantalum, tungsten, or gold that originates from the Congo and surrounding areas. DMIC requires suppliers to comply with these SEC regulations regarding these materials. (see Appendix 1)

#### 3.1.2.2 RoHS and REACH directives.

The European Union (EU) has directives regarding materials considered dangerous or potentially dangerous to people and the environment. These materials and the handling of them are defined. Our suppliers are required to comply. (see Appendix 2)

## 3.2 Supplier Responsibility

### 3.2.1 Quality Planning

The supplier shall review all requirements specified on DMIC drawings and or purchasing specifications during the review phase to assure that compliance can be attained.

### 3.2.2 Deviation Request

DMIC requires suppliers to manufacture all parts to required specifications. No deviations will be accepted without written approval from DMIC.



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### 3.2.3 Records

The supplier shall maintain a file for DMIC review containing the following items current and/or active:

- Purchase order
- All part drawings and specifications
- Order, part and drawing history
- Deviations authorized by DMIC

### 3.3 Supplier Selection

#### Supplier Quality System (Vendor, subcontractor is the same as supplier)

Our Primary Vendors are selected by our purchasing department. These are typically high-volume vendors. Primary Vendors are evaluated monthly for On-time delivery and non-conformances.

All suppliers shall be requested to submit a copy of their written quality documents for review by DMIC. When approved by DMIC, the supplier shall maintain the accepted quality documents, informing DMIC of all changes affecting intent. DMIC reserves the right to determine what portion of our requirements may be applicable to particular supplier/subcontractors.

Suppliers with approved status shall be considered first when requesting quotes.

Suppliers who do not respond to our requests for quality information are non-compliant with our quality standards and will be considered under-performing vendors. Orders may be placed with underperforming vendors at the discretion of management and with increased scrutiny concerning part suitability. Material rejected by DMIC from under-performing vendors may be returned to said vendor at their expense and without qualification.

## 4.0 Assurance of Product and Process Quality

### 4.1 Supplier provided parts and services:

DMIC Engineered parts shall be supplied through current DMIC revision-controlled drawings which are provided to the supplier at the time of the request-for-quote (RFQ). Materials purchased through recognized standards and supplier catalogs shall have the standards or specifications stated at the time of the RFQ.

### 4.2 Source Inspection

DMIC reserves the right to inspect, at the supplier/subcontractor's facility, any product, material or processes involved in supplying product to DMIC.

### 4.3 Design/Process Change Control

The supplier/subcontractor must complete all verifications and tests requested by DMIC at the initial quote or modified in writing at a later date. The supplier must provide documentation on any change to price, planning (delivery) and appropriate proof of good reliability.



### 4.4 Non-conforming Materials/Supplier Corrective Action Request

Purchasing shall notify the supplier and DMIC Quality of discrepant material found during receiving. Once a non-conforming material report has been initiated, purchasing shall inform the vendor in writing of the discrepancy, obtaining the necessary return authorization and/or initiate remediation. Materials rejected at DMIC may be subjected to in-house sorting, increased inspections, partial or full lot rejection. All expenses associated with inspection, sorting, packing, reworking, transporting, storing, and shipping nonconforming materials may be negotiated with the supplier/subcontractor. Once returned to the supplier, all specifications must be verified before returning any portion of a reworked lot to DMIC. It is the supplier's responsibility to verify existing stock and determine containment and corrective action. The supplier/subcontractor may request a copy of the NCR (Non-Conforming material Report). A Supplier Corrective Action Request will be issued if deemed necessary.

For Supplier Corrective Action Requests initiated by DMIC, the supplier is responsible for submitting an interim response (containment) to DMIC within 48 hours of receiving the corrective action request.

This response is to acknowledge receipt of the request and to communicate disposition/containment activities of suspect product. The supplier is responsible for investigating the nonconformance, documenting the root cause and the corrective action taken, returning the completed report to DMIC for review and approval. All responses shall be in written form. In all cases where the supplier does not respond to a corrective action request or the corrective action is disapproved, Purchasing will take the action deemed necessary to prevent or limit further procurement. This may degrade the supplier's performance status.

## 5.0 Supplier Performance

### 5.1 Performance Monitoring and Supplier Evaluation

All DMIC suppliers are considered in good standing when first approved. DMIC will regularly assess approved primary Vendors and may evaluate all other vendors at the discretion of management. All evaluations shall consider quality, delivery and price. Suppliers who continually deliver good performance shall be considered first for purchasing requirements.

Suppliers with non-compliant quality requirements, documented non-conformances, late deliveries and or high prices will be considered for Under-performing status.

**Poor Quality-** when a vendor is under-performing for quality issues, non-conforming materials may be subjected to 100% sorting, increased inspections, or lot rejections. Under-performing vendor status may be applied.

**Late Deliveries-** an expected delivery date is required for all orders. When a vendor is often late, DMIC may consider that vendor to be Under-performing.

**High Price-** When a vendors product prices reach a point where other vendors can offer acceptable product at lower prices, the higher price vendor may be designated Under-performing.

**Supplier Status-** any DMIC supplier may request in writing their current status with DMIC, performing or under-performing. DMIC Purchasing will respond in kind with their reasoning for the performance status.



## Revision History

Rev. 01	Initial released May 25 <sup>th</sup> , 2016 Martin Mazurkiewicz
Rev. R02	Revised to meet current processes April 3 <sup>rd</sup> , 2017 Jack Hampton
Admin change	2008 references removed. Document edited
Rev. R03	Modified to meet current purchasing resources January 19 <sup>th</sup> , 2018 Jack Hampton
Rev. R04	Revised, RoHS and REACH directives January 30 <sup>th</sup> , 2018 Jack Hampton
Rev. R05	Revised to indicate current Primary Vendor status
Rev. R06	Revised per CAR 1524-03

### 6.0 Appendix

#### 6.1 Conflict Free Minerals

Suppliers evaluate their materials to the SEC regulations for Conflict Minerals.

#### Delaware Manufacturing Industries Corporation

<http://www.dmic.com>

(P) 716-743-4360

(F) 716-743-4370

### DMIC Intent for Conflict Free Minerals

This letter is to certify that DMIC only intends to purchase and source materials that are free from conflict minerals that are mined in the Democratic Republic of Congo (DRC). DMIC does not directly purchase materials from smelters or mines, therefore it is at our request that our suppliers remain in compliance and do not supply us materials that contain tin, tantalum, tungsten or gold (3T&G) from this region.

We require that our suppliers determine the sources and conflict status and notify DMIC of any materials that are not in compliance. If material sourced does not comply with this request, we reserve the right to decline or reject any material(s) or component(s) that arrive at DMIC for processing. DMIC is committed to sourcing a supply chain that is "conflict free".

From this, DMIC is pleased to offer a product line that is free from 3T&G materials to our customers. Unless otherwise specified, DMIC does not directly source any materials that will permit any of our products to contain 3T&G materials sourced from DRC. We understand the importance of compliance on this subject matter and will continue to implement the specific process(s) that sures agreement with these statements. Issued: 10/29/2015 By: DMIC ENGINEERING





## DMIC Supplier Quality Requirements Manual

### 6.2 RoHS and REACH Compliance

Delaware Manufacturing Industries Corporation  
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(P) 716-743-4360  
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### DMIC Intent for RoHS and REACH compliant materials

This letter is to certify that DMIC only intends to purchase and source materials that comply with EU requirements for **RoHS** and **REACH** materials. DMIC requires our suppliers provide us with proof of **RoHS** and **REACH** compliance where applicable.

**RoHS** and **REACH** information may be accessed via the internet.

<http://www.echa.europa.eu>