



Ward Leonard

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DEFENSE

SUPPLIER QUALITY MANUAL

Quality Assurance Procurement Requirements

QAPR 001 | REV L

Effective as of 12/15/2022

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Stacking the Decks



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1.0 Introduction

This manual shall provide the Quality Assurance Procurement Requirements in which suppliers must comply when providing materials and/or services with Ward Leonard. Forms and Supplier Documentation can be found at <https://www.fairbanksmorsedefense.com/supplierforms>.

2.0 General Requirements

2.1 Specification Revision Levels

Specifications referenced on the purchase order and drawings shall be to the latest revision unless otherwise specified.

2.2 Document Clarifications

All communications from the Supplier to the Buyer shall be through the applicable Purchasing/Planning Representative at Ward Leonard.

2.3 Supplier Quality Assurance System

The Supplier shall establish, implement and maintain an inspection system that assures all delivered materials and/or services meet the requirements of the purchase order, drawings and specifications.

The Quality System shall comply with Mil-I-45208, Mil-Q-9858 and/or ISO 9001, and for DoD FAR 52.246-2 Inspection of Supplies, with the Measuring and Test Equipment system meeting the requirements of Mil-STD-45662 and/or ISO/IEC 17025.

2.4 Records and Retention

A system shall be established and maintained for the control of records. Records shall be maintained by the Supplier for a minimum of ten (10) years at which time the Supplier is to notify Ward Leonard of the expired retention and allow the buyer the option of forwarding the records to Ward Leonard for further retention.

Inspection and Test records shall provide traceability of specific products and indicate the acceptance of the product from receipt of raw material through the finished product.

Inspection and Test records shall indicate the number of observations, sampling plan, any deficiencies found and quantity, number of parts accepted and rejected, and the disposition of the nonconformance.

Ward Leonard retains the right to review and/or request copies of all documentation. The Supplier shall submit the documentation within 24 hours, including, but not limited to Raw Material Certifications, Special Process Certifications, Inspection/Test Data and Certificates of Conformance.

2.5 Source Inspection

Ward Leonard and its customers reserve the right to conduct inspections and tests on parts supplied, and/or to surveil the supplier's facility.

If a source inspection is invoked, the Supplier must provide 72 hours advance notice to the Buyer to permit scheduling of the source inspection.

If a Government Source Inspection is delegated and/or invoked, furnish a copy of the purchase order to the Government Representative who normally services your plant, or to the nearest Army, Navy, Air Force or Defense Supply Agency office. In the event the representative or office cannot be located, the applicable Buyer at Ward Leonard shall be notified.

2.6 Certificate of Compliance

Items submitted to Ward Leonard shall conform to the requirements of the purchase order. The Supplier shall submit the Certificates of Compliance per the requirements of the Ward Leonard Purchase Order.

The Certificate of Compliance shall contain at a minimum the following:

- Supplier's Name
- Ward Leonard Purchase Order Number
- Ward Leonard Part Number and Revision Level
- Quantity
- Lot Number and/or Serial Number
- Original Signature and Date of Suppliers Quality Representative
- Cure Date and Expiration Date on all Shelf-Life Sensitive Materials
- Mercury and Asbestos Free Statement (see below)
- Physical and Chemical Properties (if required by the Purchase Order)
- Statement of Conformance: ex. Certify that the product or service has met all the requirements of the Purchase Order, Drawings and Specifications to the prescribed revision levels
- Special Process Certifications when required on Purchase Order or by Specification

2.6.1. Bearings

All Certifications for bearings must state the foreign or domestic location where the bearing is manufactured, as well as the lubricant used, along with the requirements outlined in 2.6 of this manual.

2.6.2. Mercury Free Statement

All certifications shall contain a statement that mercury has not been purposely used in the manufacture, fabrication, assembly or testing of any materials furnished. In lieu of certificate statements per purchase orders, a yearly Mercury and Asbestos Free Certification can be submitted (Ward Leonard Form P10).

2.6.3. Magnesium Certifications

All certifications shall contain a statement that magnesium has not been purposely used in the manufacture, fabrication, assembly or testing of any materials furnished, and that the products supplied contain less than 6.0% magnesium. In lieu of certificate statements per purchase orders, a Yearly Magnesium Certification may be submitted (Ward Leonard Form P10).

2.6.4. Polychlorinated Biphenyls Prohibition

Supplier shall not employ equipment or use material that is known or suspected of containing polychlorinated biphenyls.

2.6.5. Brass and Copper Black Oxide Coated Threaded Fasteners Prohibition

Supplier shall not use brass or copper black oxide coated threaded fasteners when installing or replacing threaded fasteners in the accomplishment of any work required by this Order.

2.7 Special Processes

All Special Processes shall meet the requirements as noted below with certificates of compliance per section 2.6. Listed below are the Special Processes and typical requirements for Ward Leonard products:

- Welding/Brazing shall be per NAVSEA S9074-AR-GIB-010/278, MIL-STD-278, NAVSEA S9074-AQ-GIB-010/248, MIL-STD-248
- Nondestructive Testing shall be per MIL-NAVSEA T9074-AS-GIB-010/271
- Soldering per J-STD-001
- Electro-Static Discharge shall conform to MIL-STD-1686
- Heat Treating
- Plating

2.8 Non-Conforming Material

The Supplier has the responsibility to establish and maintain a system that ensures that products found nonconforming are segregated and identified, and a disposition is implemented to prevent the use of nonconforming materials.

The Supplier **MUST** obtain written authorization using the Ward Leonard Supplier Request for Deviation form prior to shipment (available at <https://www.fairbanksmorsedefense.com/supplierforms>). Nonconforming material shipped without approval will be rejected and returned to the Supplier at the Supplier's expense.

Ward Leonard reserves the right to return nonconforming product as received, or during the manufacturing process. The Supplier shall be responsible for all associated costs for rework, scrap, sorting, inspection and/or testing, but it is not limited to these costs.

MRB authority is not delegated to the supplier unless specifically noted on the Purchase Order. Written authorization shall be obtained prior to shipment (see 2.8 above).

2.9 Corrective Action

Supplier Corrective Actions (CAR) shall be required for nonconforming materials, reduction in overall quality rating, nonadherence to the requirements of Ward Leonard procedures, and external audit findings. CAR's will be issued at the discretion of Ward Leonard.

Suppliers shall perform a root cause and corrective action, and complete Ward Leonard's Corrective Action Form to be submitted to Ward Leonard by the date designated.

Extensions to the response date are required; however, if extensions are needed, they must be requested by the Supplier in writing to Ward Leonard's Quality Assurance department.

2.10 First Article Inspection

Supplier is required to inspect 100% of all dimensions as noted on the drawing for the first three production units manufactured. The three parts must be marked as "first article" samples and submitted to Ward Leonard along with the variable data of the 100% inspection.

The variable data inspection report shall include the dimensions checked, the upper and lower specification limits, the actual values obtained from the three samples and the type of inspection equipment used.

2.11 Packaging & Markings

2.11.1 Markings

All materials shall be marked per print. If a Purchase Order carries a DPAS rating, mark in accordance with MIL-STD-130 latest revision.

2.11.2 Packaging

All items shall be packaged to afford adequate protection against contamination, corrosion, deterioration, and physical damage. All machined surfaces must be protected from rust with anti-corrosion protection.

2.11.3 ESD packaging

All Class 1, 2 and 3 products shall be packaged per MIL-STD-1686.

2.12 Qualified Products List Certification

The Supplier of qualified products shall supply with each shipment, two (2) legible and reproducible copies of certification stating the product is a qualified product under the applicable Government or Buyer specification requirements, and that the approval is current. If the qualified product is incorporated into the prime item, the certification must attest to this fact and designate the Suppliers Name and Approval Number.

3.0 Deliverables

When noted on the Purchase Order or Terms and Conditions, or when required by this manual, all materials received must include Test Reports and/or Inspection Data, Test Data and a Special Process Certification with the shipment.

4.0 FAR Requirements

4.1 Compliance & Flow down

Many Ward Leonard purchases are related to government contracts, requiring our company to flow down government requirements, such as FAR and DFARS clauses, to our suppliers. In the absence of mutual agreement to the contrary, Ward Leonard expects that suppliers will obtain the specifications, fully meet these requirements, and in-turn flow them down to sub-tier suppliers as necessary.

The following is a list of the key elements of common FAR clauses; this is not to be construed as a complete listing or as the complete requirement.

4.1.1 Combatting Trafficking In Persons

In accordance with FAR 52.222-50, Supplier shall not engage in:

- (1) severe forms of trafficking in persons;
- (2) procure commercial sex acts;
- (3) use forced labor;
- (4) destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents;
- (5) use misleading or fraudulent practices during the recruitment of employees;
- (6) charge employees recruitment fees;
- (7) fail to provide return transportation or pay for the cost of return transportation upon the end of employment;
- (8) provide or arrange housing that fails to meet the host country housing and safety standards, and
- (9) if required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing.

Supplier certifies that it has implemented a compliance plan, when required, to prevent any of the prohibited activities in this clause and to monitor, detect and

terminate any agent, subcontract or subcontractor employee engaging in prohibited activities and after conducting due diligence, either: (A) to the best of the Contractor's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or (B) if abuses relating to any of the prohibited activities identified in this clause have been found, the Contractor or Subcontractor has taken the appropriate remedial and referral actions.

4.1.2 Counterfeit Parts

To the extent that Supplier is delivering electronic parts as defined by DFARS 252.246-7007, Supplier warrants and represents that it maintains a counterfeit electronic part detection and avoidance system that complies fully with the requirements of DFARS 252.246-7007.

4.1.3 Import/Export and ITAR Regulations

Supplier agrees to comply with all U.S. Government export/import laws and regulations, including the Arms Export Control Act (Public Law 90-629) and International Traffic in Arms Regulations ("ITAR"), 22 C.F.R. Parts 120-130, administered by the U.S. State Department's Directorate of Defense Trade Controls ("DDTC"); and the Export Administration Act of 1979 (Public Law 96-72, as amended), the International Emergency Economic Powers Act (Public Law 95-223), and Export Administration Regulations ("EAR"), 15 C.F.R. Parts 730-774, administered by the U.S. Commerce Department's Bureau of Industry and Security ("BIS"), where required. Violation of these export laws and regulations can lead to severe civil and criminal penalties. ITAR, 22 C.F.R. § 120.15, defines a "U.S. person" as a person who is a U.S. citizen or lawful admitted permanent resident as defined by 8 U.S.C. § 1101(a)(20), or who is a protected individual as defined by 8 U.S.C. § 1324b(a)(3). It also means any corporation, business association, partnership, society, trust, or any other entity, organization or group that is incorporated to do business in the United States. It also includes any governmental (federal, state, or local) entity. The EAR similarly identifies U.S. persons for export control purposes.

4.2 Conflict Minerals

The SEC has published rules associated with the disclosure of the source of Conflict Minerals by U.S. publicly traded companies (see the rules at www.sec.gov/rules/final/2012/34-67716.pdf).

The rules reference the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (<https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>), which guides suppliers to establish policies, due diligence frameworks and management systems.

All Suppliers are required to meet 17 CFR PARTS 240 and 249b, or proactively notify Ward Leonard.

4.3 Specialty Metals

- 4.3.1 If DFARS 252.225-7008 Restriction on Acquisition of Specialty Metals appears on the purchase order, then any specialty metal delivered under this contract shall be melted or produced in the United States or its outlying areas. Contractor shall certify to Buyer that all specialty metals provided comply with DFARS 252.225-7008 prior to shipping to Ward Leonard.
- 4.3.2 If DFARS 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals appears on the purchase order, then except as provided in paragraph (c) of this clause, any specialty metals incorporated in items delivered under this contract shall be melted or produced in the United States, its outlying areas, or a qualifying country. Contractor shall certify to Buyer that all articles containing specialty metals comply with DFARS 252.225-7009 prior to shipping to Ward Leonard.

4.4 DFARS 252.223.7008

Prohibition of Hexavalent Chromium applies to all Ward Leonard products. Suppliers shall not provide any material that contains hexavalent chromium. This Applies to all parts with Chromium plating, including fasteners and commercial off the shelf.

4.5 DPAS Rating

Defense Priorities and Allocations System (DPAS) Regulation implements the priorities and allocations authority of the Defense Production Act. The purpose of DPAS is to assure the timely availability of industrial resources to meet current national defense and emergency preparedness program requirements, and to provide an operating system to support rapid industrial response in a national emergency. 15 CFR 700- Code of Federal Regulation for implementation of DPAS Requirements.

- 4.5.1 Ward Leonard flows down the 4-digit Priority Rating [Rating symbol (DX or DO) + Program ID], within the Purchase order number (Examples: DOA3, DXA1).
- 4.5.2 There are two levels of priority established by this regulation, identified by the rating symbols “DX”, and “DO”.
 - 4.5.2.1 (DX) Highest National Defense Urgency: All DX rated orders have equal priority and take preference over DO and unrated orders.
 - 4.5.2.2 (DO) Critical to National Defense: All DO rated orders have equal priority and take preference over unrated orders.
- 4.5.3 Program identification symbols indicate which approved program is involved with the rated order. For example, A1 identifies defense aircraft programs and A3 signifies defense ship programs. The program identification symbols, in themselves, do not connote any priority.
- 4.5.4 Notification Customer Notification Requirements.

If a person has accepted a rated order and subsequently finds that shipment or performance will be delayed, the person must notify the Ward Leonard immediately, give the reasons for the delay, and advise of a new shipment or performance date. If notification is given verbally, written (hard copy) or electronic confirmation must be provided within one working day of the verbal notice.

4.5.5 Certification Statement

This is a rated order certified for national defense use. You are required to follow all the provisions of the Defense Priorities and Allocations System regulation (15 CFR Part 700). They must be included on flow down on purchase orders throughout the entire procurement chain.

4.5.6 Acceptance and Rejection of Rated Orders

Mandatory Acceptance – A person shall accept every rated order received and must fill such orders regardless of any other rated or unrated order that have been accepted unless an allowed rejection reason exists.

- 4.5.6.1 A person must accept or reject a rated order and transmit the acceptance or rejection to the customer placing the order within 15 days for a “DO” rated order, and within 10 days for a “DX” rated order.
- 4.5.6.2 **Mandatory Rejection.** A person may not accept a rated order for delivery on a specific date if unable to meet that date. However, the person must inform the customer of the earliest date on which delivery can be made and offer to accept the order for delivery on that date. The existence of previously accepted unrated or lower rated orders is not sufficient reason for rejecting a rated order.
- 4.5.6.3 A person shall not discriminate against rated orders in any manner, such as by charging higher prices or by imposing different terms and conditions than for comparable unrated orders.
- 4.5.6.4 Contractors receiving DPAS rated orders must comply with the following:
- Must give rated orders preferential treatment over unrated orders
 - All rated orders must be scheduled to the extent possible to ensure delivery by the required delivery date
 - Flow DPAS requirements to all sub-tier suppliers within the supply chain
 - Must be thoroughly familiar with the DPAS regulation and must comply with all
 - All rated orders shall be accepted and must be filled regardless of any other rated or unrated orders have been accepted

4.5.7 References

Department of Commerce Regulation 15 CFR 700 provides rules for DPAS program. DPAS is a contract requirement in accordance with FAR 52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS.

4.6 Cybersecurity

- 4.6.1 DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting. This clause is applicable to all solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items, except for solicitations and contracts solely for the acquisition of COTS items.
- 4.6.2 DFARS 252.204-7019 Notice of NIST SP 800-171 DoD Assessment Requirements. This clause is applicable to all solicitations and contracts, including solicitations using FAR part 12 procedures for the acquisition of commercial items, except for solicitations solely for the acquisition of commercially available off-the-shelf (COTS) items.
- 4.6.3 DFARS 252.204-7020 NIST SP 800-171 DoD Assessment Requirements. This clause is applicable to all solicitations and contracts, task orders, or delivery orders, including those using FAR part 12 procedures for the acquisition of commercial items, except for those that are solely for the acquisition of COTS items.
- 4.6.4 DFARS 252.204-7021 Cybersecurity Maturity Model Certification Requirements. Until September 30, 2025, this clause applies to all solicitations and contracts or task orders or delivery orders, including those using FAR part 12 procedures for the acquisition of commercial items, except for solicitations and contracts or orders solely for the acquisition of commercially available off-the-shelf (COTS) items, if the requirement document or statement of work requires a contractor to have a specific CMMC level. On or after October 1, 2025, this clause applies to all solicitations and contracts or task orders or delivery orders, including those using FAR part 12 procedures for the acquisition of commercial items, except for solicitations and contracts or orders solely for the acquisition of COTS items.