1.0 Purpose

In accordance with ISO/TS 16949, Brighton NC Machine (BNC) is responsible for the evaluation and selection of suppliers on their ability to supply products in accordance to customer requirements, expressed and implied.

Brighton NC Machine may audit its suppliers for:

a) quality system procedures and implementation
b) control of processes and product quality
c) continued compliance.

The purpose of this procedure is to establish a process for conducting a supplier auditto determine if the supplier has a quality system, if the supplier follows the established quality system and if the quality system is adequate for Brighton NC. While the first two are relatively easy to check, the third requires a bit more experience as well as a good knowledge of quality systems and understanding if the system will achieve the results required by BNC, even if the supplier processes and procedures are different from what the auditor is accustomed to.

2.0 Responsibility & Authority

The Quality Department Manager has responsibility and authority to assign a Supplier Quality Engineer (SQE) to develop the supplier audit schedule and perform supplier audits. It is the supplier's responsibility to address any requests for corrective actions that are generated as a result of the audit.

3.0 References

- ISO/TS 16949
- ISO 14001
- Supplier Quality Manual
- Potential Supplier Assessment
- Supplier Audit Checklist

4.0 General

Quality Assurance Visit (QAV) may be used to ascertain the contracted organization's ability to meet and sustain the quality requirements of Brighton NC Corporation. The QAV may be conducted to initially assess the viability of an organization and to detect any weaknesses in the quality system program(s) in order to help define the relationship and expectations between BNC and its suppliers, and as part of continual improvement for suppliers.

For new suppliers the following criteria will be considered:

- Current ISO/TS 16949 registration will be accepted
- ISO9000 Registration
- A supplier with no formal registration to either of the standards above may be considered but may require an onsite audit if located in the continental US.

- A supplier that is not identified on the BNC approved supplier list and is located outside the continental US may be audited by affiliate companies on behalf of Brighton NC Corporation.

5.0 Types of audits

Audits can may be conducted for a variety of different reasons to address concerns that Brighton NC may have, and may be triggered by the completion of the BNC-Supplier Site Survey for those that have not previously supplied BNC or because of quality or delivery performance.

Before Mass Production Approval

- Initial development audit to evaluate a potential supplier's capability to meet BNC requirements. These are conducted on organizations that are not currently supplying to Brighton NC Machine in order to identify what they are capable of doing and have implemented. The audit is used to verify the information given on the Potential Supplier Assessment Survey.
- Basic development preparation audit used primarily for new suppliers or for current suppliers making major process changes. The purpose is to review the supplier's mass production preparations and to request improvements before the processes and quality systems have been finalized.
- ***Mass production approval audit for new product. During this type of audit the mass production and quality systems are audited to determine if the supplier is ready to start mass production. A line trial will be performed at the manufacturing site and the trial parts will be produced from the supplier's mass production equipment, manpower, and material.

After Mass Production Approval

- Mass production audit. There are two types of this audit:
  1) Basic Mass Production Audit – Review supplier's QC system to assure that the massproduction condition follows the approved plan, and to review and confirm the effectivenessof all changes made since the last audit.

  2) Countermeasure Visit – The purpose of this auditis to follow-up quickly on a specific partsproblem shortly after its occurrence to verify the root cause and confirm countermeasures arein place.
- Quality Management Visit – The purpose of this visit is to completely review the supplier's systems and management, and to suggest improvements and future strategies for the supplier. Usually made by a team with experience in management systems.

6.0 Procedure

6.1QA/SQE shall prepare a supplier audit schedule utilizing input from purchasing requests, the corrective action system, supplier ratings, andNCR Log.
6.2The QA/SQE shall coordinate the audit with the supplier to assurethat key personnel will be available for the audit.

6.3The audit shall be performed utilizing the QSA. For eachquestion addressed, the auditor(s) shall record personnel interviewed, and shall verify by examination and valuation of objective evidence tothe depth necessary to determine compliance. Objective evidence shallbe documented (e.g., noted in QSA).

6.4Potential findings and observations encountered during the audit shallbe reviewed with supplier representatives.

6.5Upon completion of the audit, the SQE shall summarize the results.

6.6The SQE shall prepare an audit report within 30 days of the exit meetingunless an extension is approved by the Quality Manager.

6.6.1 The audit report shall include:
1) Notice of audit.
2) Completed QSA/QAV
3) Any comments/findings.

6.6.2 The Lead Auditor shall distribute copies of the audit report to:
1) Supplier Representative
2) Quality Manager

6.6.3 The original copy shall be maintained by QA/SQE as a quality record.

7.0 Records Retention

Records of supplier quality audits will be retained for three years.

Production part approvals, tooling records, APQP records, will be maintained for the length of time that the part (or family of parts) is active for production and service plus one calendar year unless otherwise specified by the responsible quality manager. Purchase order/amendments for Brighton NC owned tooling are included in this requirement.

These retention requirements are considered to be minimums and do not supersede any regulatory requirements.

Documents will be stored in a manner to ensure that they are properly identified and protected from damage for the period required. Each container of documents will be labeled with the storage date, disposal date, responsible department, summary of the contents, and any other additional information that may be required for easy retrieval when necessary. Disposal of documents will be done in a manner that is necessary for the confidentiality of the information it contains.