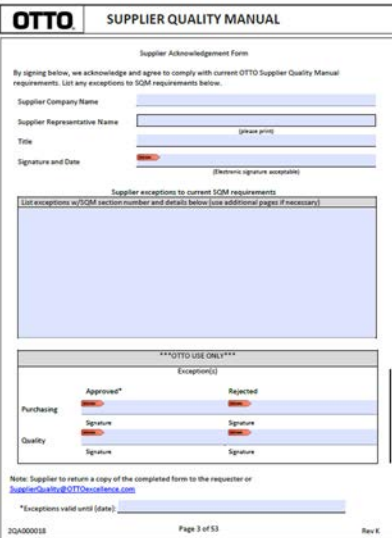




In accordance with OTTO's Document Control requirements, revisions from the previous edition of this manual will be handled as follows. All new items created since the previous revision will be typed in italics - in this revision. All new items (in italics) in this revision will be typed normal (without italics) in the subsequent revision. In addition, changes will also be indicated with a vertical bar in the right-hand margin. This will be a continuing process.

Hyperlinks to outside sources are contained in this manual as a convenience and should be used as reference to understand requirements and/or expectations. As such, these links are outside of OTTO's control and subject to change without notice.

OTTO

Rev	Date	SQM Section	Summary of Change	Approved by												
C to K	Various	Various	See Revision History located at the end of this manual	M. Malinowski												
L	25 MAR 25	Summary of Changes 1.4.1 Page 4	<p>Reformatted for easier reading.</p> <p>Type A suppliers defined</p>  <p>Added requirement/section for Purchasing signoff for exceptions.</p> <p>10.0 Added OTTO drawing for means of communicating NADCAP req'mts</p> <p>12.0 Supplier Performance Monitoring (i.e., Scorecard) OTTO maintains a system to monitor, measure and report Supplier performance. Suppliers are notified of their performance through monthly scorecards. The scores are based Quality, Delivery, and Responsiveness and calculated as follows:</p> <p>12.3 Clarified responsiveness score criteria</p> <p>12.5 Total Monthly Score</p> <table border="1"> <thead> <tr> <th>Rating</th> <th>Score (%)</th> <th>Action</th> </tr> </thead> <tbody> <tr> <td>Green</td> <td>90 - 100</td> <td>No Supplier action required.</td> </tr> <tr> <td>Yellow</td> <td>80 - 89</td> <td>Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 30 days.</td> </tr> <tr> <td>Red</td> <td>< 80</td> <td>Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 15 days, and an On-site visit (OTTO at Supplier or Supplier at OTTO) or virtual visit is required.</td> </tr> </tbody> </table>	Rating	Score (%)	Action	Green	90 - 100	No Supplier action required.	Yellow	80 - 89	Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 30 days.	Red	< 80	Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 15 days, and an On-site visit (OTTO at Supplier or Supplier at OTTO) or virtual visit is required.	M. Malinowski
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Rev	Date	SQM Section	Summary of Change	Approved by
L	25 MAR 25	13.0	<p>Corrective Action Requirements</p> <p>It is essential that Suppliers take immediate corrective action when any nonconformance is identified by OTTO or any of our customers. When a nonconformance is identified, and corrective action is required, OTTO Supplier Quality will inform the Supplier by sending a Supplier Corrective Action Request email. It is expected that Suppliers actively assist in the analysis of any nonconformance. This corrective action system is designed to prevent the use of suspect and/or nonconforming material. Suppliers are to provide written containment within five (5) working days from notification that Corrective Action is required.</p> <ul style="list-style-type: none"> • Containment (Short-term/immediate actions taken to isolate OTTO from the noted nonconformance). Containment is to include review of the following as applicable. <ul style="list-style-type: none"> • Inventory (supplier’s and their subcontractor’s location) • In-process production (supplier’s and their subcontractor’s location) • In transit to OTTO ○ Implementation dates for the actions taken. ○ Supporting documentation/evidence of actions taken. <p>Final Corrective Action Reports are due within fifteen (15) days of receiving notification that Corrective Action is required. Final Corrective Action Report must include:</p> <ol style="list-style-type: none"> 1. Description of the Nonconformance (Details are provided by OTTO). 2. Complete Containment Action taken (see above). 3. Root Cause Analysis <ul style="list-style-type: none"> ○ Identify deficiency(s) in the management and/or operating systems, practices and/or procedures that allowed the noted nonconformance to occur. 4. Corrective (permanent/long-term) Action. <ul style="list-style-type: none"> ○ Implementation dates required. ○ Supporting documentation/evidence of action taken. 5. Supplier verification of Corrective Action effectiveness. <ul style="list-style-type: none"> ○ Verification dates required. ○ Supporting documentation/evidence of verification. <p>Appendix E</p> <p>C102 – Added fabric Q101 – Clarified required documentation</p>	M. Malinowski

Supplier Acknowledgement Form

By signing below, we acknowledge and agree to comply with current OTTO Supplier Quality Manual requirements. List any exceptions to SQM requirements below.

Supplier Company Name _____

Supplier Representative Name _____
(please print)

Title _____

Signature and Date _____
(Electronic signature acceptable)

Supplier exceptions to current SQM requirements

List of exceptions w/section number and details (use additional pages if necessary)

--

OTTO USE ONLY

Exception(s)

	Approved*	Rejected
Purchasing	_____	_____
	Signature	Signature
Quality	_____	_____
	Signature	Signature

Note: Supplier to return a copy of the completed form to the requester or SupplierQuality@OTTOexcellence.com

*Exceptions valid until (date): _____

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1.0 Introduction and Scope

This Supplier Quality Manual (SQM) describes the business philosophy and systems that OTTO expects our Suppliers to develop and implement. OTTO is committed to working with our Suppliers to assure customer satisfaction through conformance to Quality requirements, competitive costs, improved communication, reduction of variation, elimination of non-value-added work and meeting delivery expectations. We intend to establish and maintain long-term relationships with our Suppliers who are committed to continuous improvement in quality, delivery and service. This commitment is an expectation of all Suppliers who provide product and/or services which are incorporated into or effect OTTO product. Those Suppliers who embrace this philosophy will have the opportunity to enter into long-term relationships with OTTO.

OTTO believes that evidence supporting the commitment to a continuous improvement philosophy includes:

- A Quality Management System that is certified to ISO9001, ISO14001, AS9100 or IATF 16949 (ISO/TS16949).
- A proactive supply chain management system.
- On-time delivery.
- Productivity improvements.
- Cost-saving proposals.

OTTO will deal honestly with our Suppliers, strive to listen to our Suppliers concerns, communicate our requirements and provide our Suppliers with the appropriate tools to perform at world-class levels.

1.1 General Information

The Supplier Quality Manual and all forms referenced herein are available on the OTTO website under [Quality Supplier Documents](#).

Purchase Orders indicate that the SQM applies and may include part, product and/or Purchase Order specific quality clauses (reference Appendix E for details). Suppliers are cautioned to not accept an OTTO Purchase Order unless they are fully prepared to meet applicable requirements of this manual. It is the Supplier's responsibility to assure that they are using the most current revision of the SQM.

1.2 Questions – Quality Related

Questions regarding this SQM, scorecards, MRRs (Material Review Report), CARs (Corrective Action Request) or other quality related topics should be directed to SupplierQuality@OTTOexcellence.com.

1.3 Acknowledgement of SQM

Suppliers are requested to provide formal acknowledgement of the current SQM by submitting a completed OTTO SQM Acknowledgement form ref page 4. Failure to submit the completed SQM Acknowledgement form will result in a probationary status and possible deletion from OTTO's Approved Supplier List. Regardless if a supplier does/does not submit a completed Acknowledgement, our expectation is that all shipments received by OTTO comply with applicable requirements per the current SQM.

1.4 Supplier Selection and Approval

Suppliers are selected/approved to provide production related product, parts and/or services based on any or all the following criteria.

- OTTO's current business needs.
- Holding a valid third-party quality system certificate.
- Receiving an acceptable quality system or process review/evaluation by OTTO Quality and Purchasing representatives. This review/evaluation may or may not include an on-site visit to the supplier's facility.

1.4.1 Periodic On-Site/Virtual Audits - Assessments

OTTO will conduct on-site audits of Key Suppliers. Key Suppliers are defined as an organization that supplies a product or service that is essential to the ability of OTTO to deliver its own product on time and to defined quality standards. Examples of Key Suppliers are single/sole source, tooling/mold makers, and those having unique capabilities. The purpose of an on-site audit is to assure that applicable requirements of this manual, as well as other industry standards are understood and being met. Refusal to allow on-site audits will result in your company being removed from OTTO's Approved Supplier List.

An Approved Supplier is defined as a Supplier that is listed on the Approved Supplier List and that has:

- Acknowledged adherence to the current SQM.
- Completed self-survey (OTTO form # 4QA000086).

In most cases, third party approval to ISO 9001, AS9100, ISO17025, or IATF 16949 (ISO/TS 16949) as applicable to the Supplier's business will suffice. Key criterion for evaluation includes:

- Quality Planning and Performance.
- Process Control and Improvement.
- Control of Nonconforming Material.
- Corrective and Preventive Action.

Suppliers classified as Type 'A' ('A' means volume exceeds \$100,000 annually) will be assessed every three years. This assessment will be a joint effort between Quality and Purchasing.

2.0 Precedence

Any conflict between requirements in this SQM, OTTO Purchase Order and/or engineering drawings, specifications, or other applicable documents, shall be resolved by the following order of precedence (#1 being of highest order):

1. OTTO drawing.
2. Text in the OTTO Purchase Order.
3. Any special or supplemental terms and conditions incorporated by reference in the OTTO Purchase Order.
4. Current revision of OTTO SQM.
5. General Purchase Order provisions.

3.0 Quality Expectations and Communication**3.1 Quality Expectations**

OTTO requires 100% defect-free product from Suppliers. Any deviation from this may result in rejection and return of defective product to the Supplier at their expense. Suppliers are responsible for ensuring

that products and/or services provided meet all OTTO requirements. Approval and verification by OTTO of Supplier facilities, systems, and/or records, as well as the review/inspection/verification of product at the Supplier's facility, does not relieve the Supplier of responsibility to provide acceptable product, nor shall it preclude subsequent rejection by OTTO.

3.2 Language Requirements

All quality records, data or correspondence to OTTO are required to be in English. Documentation that requires translation for which OTTO incurs a cost, that cost will be debited to the Supplier.

Suppliers shall maintain an English translation of their Quality Manual.

All Supplier data related to furnished product or services must be provided in the units noted on the OTTO drawing. If the OTTO drawing includes dual dimensioning, Suppliers may report results in either unit of measure.

Any documents for internal use by the Supplier may be in English or the Supplier's native language.

4.0 Purchase Order Requirements

All parts and services acquired by OTTO for production purposes will be processed on a Purchase Order. Purchase Orders will state part numbers, revisions, prices, quantities, quality, and other requirements that apply to the listed parts or services.

We expect Suppliers to conduct a thorough Contract Review before accepting our Purchase Orders. OTTO Purchase Order Terms and Conditions are listed in Appendix A of this manual.

5.0 Proprietary Information / Confidentiality

All documentation provided to Suppliers regarding specific Purchase Orders or requests for quotes shall be considered proprietary information. This includes but is not limited to samples, drawings, and specifications, which are made available to Suppliers in connection with a Purchase Order and shall remain the property of OTTO.

6.0 Regulatory and Compliance

6.1 Export Control/ITAR

Supplier acknowledges that OTTO may provide technical data subject to Export Control laws and any associated drawing will be indicated as EAR/ITAR controlled. This technical data (drawing as well as components) shall **not** be disclosed to any foreign persons, dual citizens, foreign commercial entities, employees, consultants, or sub-tier suppliers. See 6.5.3.6 Customs and Export Control Regulations and 6.5.3.7 ITAR for OTTO's supplier code of conduct expectations.

6.2 Controlled Unclassified Information (CUI)

Unclassified information requiring safeguarding or dissemination controls as defined by law, regulation, or government-wide policy. This information is managed by the Executive Order 13556, with the [National Archives and Records Administration \(NARA\)](#) serving as the Executive Agent.

OTTO will inform Suppliers if the information being provided is CUI.

6.3 Technical Data

The technical data will only be utilized for the manufacture of articles required by the Purchase Order. The Supplier will convey the same requirements to their sub-tier suppliers. The Supplier also agrees to return or retain such technical data after completion of the Purchase Order. If the Supplier chooses to retain the technical data, they agree to do so for a minimum of 7 years.

6.4 Intrinsically Safe (IS)/ATEX Requirements

Any components or assemblies that are used in an Intrinsically Safe application requires additional reporting compliance data from the Supplier for every lot that is shipped to OTTO. This requirement will be specified in the OTTO drawing and noted on the Purchase Order. Failure to provide data with the shipment will result in a nonconformance with a Material Review Report (MRR) being issued.

6.5 RoHS/REACH

All supplied product for RoHS/REACH, as a part of the initial production shipment, must have a breakdown of the homogenous material to an elemental level. All supplier-initiated material changes must be approved in advance by OTTO and require a restatement of homogeneous materials contained in the product, see 6.5.2.4 Substances of Concern for OTTO's supplier code of conduct expectations.

6.6 Counterfeit Parts Policy

This policy applies to all electrical and electronic components delivered to OTTO either in assemblies or as individual components. OTTO Suppliers are required to follow the latest revision of AS5553 and to purchase from Original Component Manufacturers (OCM), Original Equipment Manufacturers (OEM), or authorized distributors for such OCM/OEM, as the sole and exclusive sources for all components to be delivered to OTTO and to obtain and retain written records for such. Documentation back to the OEM shall be available upon request. OTTO Suppliers are responsible for their records and their sub-tier's records.

Authorized distributors are defined as those distributors with which the OCM/OEM has contractual agreements identifying them as "Authorized".

Suppliers shall provide to OTTO, a Certification of Conformance (C of C) for all components described in the applicable OTTO purchase order, Engineering drawing and specifications. The C of C shall comply with OTTO requirements and be included with each shipment of applicable components and/or products.

The use of Non-Authorized Suppliers without OTTO's express written consent is strictly prohibited. Should business reasons (obsolescence, cost, lead time, customer commitments, etc.) dictate the use of Non-Authorized Suppliers, the following is required:

- Supplier shall notify OTTO Purchasing of a requirement to utilize a non-Authorized source. Reference section 14.1 of this SQM for details regarding this notification.
- Supplier shall provide specific details regarding the suggested source, the known details on component pedigree, date code, and a suggested verification/test plan. This information is to be provided to OTTO in writing as described in section 14.1 of this SQM.
- OTTO Purchasing, Quality and Engineering, shall review the request and either approve or reject.
- Should OTTO approve the request, the Supplier shall promptly provide to OTTO, a C of C, verification documentation, and any required test results.

- Supplier is **not authorized** to deliver product until approval is received from OTTO and the C of C and test results are provided and confirmed to comply with the agreed upon requirements detailed on the Approved Supplier Request form.

In the event the documentation is not available; the Supplier will conduct a risk assessment and carry out mitigation activities. The assessment and mitigation activities will be recorded and provided to OTTO upon request.

Suspected falsified papers will make the associated component or assembly to be treated as a counterfeit part including possible reporting to appropriate government and/or industry organizations.

Violation of this policy will result in OTTO classifying the parts/product(s) as nonconforming. The cost and disposition of the nonconformance will be addressed as described in section 11.0 – Notification of Nonconforming Product. Additionally, the Supplier will be removed from the OTTO Approved Supplier List, and therefore no longer eligible for new business.

6.7 Code of Conduct for Business Partners

Various global legislations, sanctions, and edicts have been (and will be) created to govern situation which affect humankind in some manner. OTTO is committed to abiding by applicable laws which affect OTTO and/or our customers – this by OTTO flow-down procedures requires our supply base to be equally committed.

6.7.1 Social Standards

6.7.1.1 Human Rights

We expect our business partners to consistently respect and actively protect internationally recognized human rights.

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

<https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights>

6.7.1.2 Child Labor

We expect our business partners to employ only persons who have reached the minimum legal age for work set out by statutory provisions in the country of employment and not to tolerate any form of child labor, as well as respecting the dignity and rights of children.

<https://www.ecfr.gov/current/title-29/subtitle-B/chapter-V/subchapter-A/part-570>

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C138:NO

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:::NO:12100:P12100_ILO_CODE:C182:NO

6.7.1.3 Forced Labor/Modern Slavery & Human Trafficking

We expect our business partners to reject any form of forced labor, which includes but is not limited to Modern Slavery & Human Trafficking. OTTO has developed a Modern Slavery & Human Trafficking policy. A copy of this policy is available on the OTTO website under Quality → Corporate Documents. Freely choosing employment is to be respected and observed. OTTO expects our Suppliers to comply.

<https://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>

6.7.1.4 Freedom of Association

Respect your employees right to form and/or join trade unions. Membership in trade unions or employee representative bodies shall not constitute a reason for discrimination. The right to collective bargaining for the settlement of disputes pertaining to working conditions and the right to strike shall be granted within statutory regulations and in accordance with ILO Convention No. 98.

<http://fra.europa.eu/en/eu-charter/article/12-freedom-assembly-and-association>

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C098

6.7.1.5 Equal Opportunities and Fair treatment

We expect our business partners to take exception to discrimination of any kind, be it based on skin color, ethnic origin, gender, age, nationality, social background, disability, sexual orientation, religious affiliation, human ideology, or political and trade union activity. The same applies to any form of harassment.

<https://www.eeoc.gov/statutes/laws-enforced-eeoc>

6.7.1.6 Fair Working Conditions

We expect our business partners to abide by the right to fair labor conditions in accordance with applicable ILO conventions.

https://commission.europa.eu/content/fair-working-conditions_en

<http://fra.europa.eu/en/eu-charter/article/31-fair-and-just-working-conditions>

6.7.1.7 Occupational Health and Safety

At the minimum, our business partners shall comply with national workplace safety standards and take appropriate steps to meet occupational health and safety requirements so as to assure healthy working conditions.

<https://www.ecfr.gov/current/title-29/subtitle-B/chapter-XVII/part-1910>

6.7.2 Environmental Standards**6.7.2.1 Environmental Protection**

Minimize risks to people and the environment and to protect natural resources. We further expect our business partners to meet applicable statutory requirements and standards with respect to environmental protection. We encourage our business partners to pursue an EMS (environmental management system that aligns with requirements of ISO 14001).

<https://www.ecfr.gov/current/title-40>

6.7.2.2 Air and Water Quality

Monitor business operations and implement actions to prevent negative impacts to the quality of air and water within your control and comply with applicable statutory and local requirements.

<https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C>

<https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D>

6.7.2.3 Materials and Waste Disposal

Minimize material consumption and waste production whenever possible by reusing/recycling materials whenever possible.

<https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I>

6.7.2.4 Substances of Concern

Adhere to RoHS and REACH requirements.

<https://echa.europa.eu/web/guest/candidate-list-table>

<https://echa.europa.eu/substances-restricted-under-reach>

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02019R1021-20200907>

<https://www.ecfr.gov/current/title-40/chapter-I/subchapter-R>

<https://www.govinfo.gov/content/pkg/PLAW-110publ414/pdf/PLAW-110publ414.pdf>

6.7.3 Business Relations

6.7.3.1 Avoiding Conflicts of Interest

Make decisions that are not guided by personal interests or gains. If you become aware of a potential conflict of interest that will or may impact OTTO, we require notification without delay.

<https://www.ecfr.gov/current/title-5/chapter-XVI/subchapter-B/part-2635/subpart-D/section-2635.402>

<https://www.hg.org/legal-articles/conflict-of-interest-issues-involved-in-business-43915>

6.7.3.2 Free Competition

Observe rules of fair competition and refrain from engaging in practices designed to bypass or limit competition as defined by antitrust laws.

<https://www.ftc.gov/advice-guidance/competition-guidance/guide-antitrust-laws/antitrust-laws>

[https://www.justice.gov/atr/antitrust-laws-and-](https://www.justice.gov/atr/antitrust-laws-and-you#:~:text=The%20Sherman%20Antitrust%20Act,or%20markets%2C%20are%20criminal%20violations)

[you#:~:text=The%20Sherman%20Antitrust%20Act,or%20markets%2C%20are%20criminal%20violations](https://www.justice.gov/atr/antitrust-laws-and-you#:~:text=The%20Sherman%20Antitrust%20Act,or%20markets%2C%20are%20criminal%20violations)

6.7.3.3 Corruption

Assure employees and subcontractors do not offer, promise, or grant advantages to OTTO employees or representatives with the goal of obtaining a contract or other preferential treatment.

<https://www.state.gov/policy-issues/anti-corruption-and-transparency/>

https://home-affairs.ec.europa.eu/policies/internal-security/corruption/eu-legislation-anti-corruption_en

6.7.3.4 Conflict Minerals

It is expected that our business partners are committed to not source minerals that fund armed groups from any at-risk area.

<https://www.responsiblemineralsinitiative.org/>

When requested, our business partners will submit to OTTO a completed Conflict Minerals Reporting Template. A copy of the template is available here:

<http://www.responsiblemineralsinitiative.org/reporting-templates/emrt/>

6.7.3.5 Data Privacy and Data Security

Maintain the privacy and security of all business information and personal data in all business processes and abide with applicable statutory requirements and applicable privacy and information security laws.

<https://oag.ca.gov/privacy/ccpa>

<https://epic.org/issues/privacy-laws/united-states/>

6.7.3.6 Customs and Export Control Regulations

Maintain practices and procedures to assure compliance with international customs and export control regulations, as well as proactively share foreign trade-related information to assure a secure supply chain.

<https://www.ecfr.gov/current/title-15/subtitle-B/chapter-VII/subchapter-C>

<https://www.ecfr.gov/current/title-19/chapter-I>

6.7.3.7 ITAR

OTTO produces defense articles and therefore, as defined by ITAR, is a DDTC registered company. For our business partners to receive certain export-controlled information (i.e., drawings) and furnish particular components, they must be registered and able to produce the Department of State's letter upon request.

<https://www.ecfr.gov/current/title-22/chapter-I/subchapter-M>

6.7.4 Global Sanctions

6.7.4.1 Embargoed List

Not conduct trade with US embargoed countries.

<https://ofac.treasury.gov/sanctions-programs-and-country-information>

<https://www.bis.doc.gov/index.php/documents/regulation-docs/420-part-746-embargoes-and-other-special-controls/file>

6.7.4.2 Russian Sourced Material

Your compliance requires that you not provide items to OTTO that originate or have been exported from Russia including iron, steel, and various plastic polymers.

Please be aware that the supply of Russian-sourced material to OTTO could put you in breach of law and/or regulation.

Continued adherence to these sanctions is required by suppliers providing, with each shipment of material, parts and product, the corresponding raw material certificate(s). See Appendix E Supplier Quality Clauses C101 and C102 for details.

(EU) No 833/2014- <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014R0833>

Amendment: (EU) 2022/1904- <https://eur-lex.europa.eu/eli/reg/2022/1904/oj>

6.8 Lithium Batteries

Lithium batteries pose serious (sometimes catastrophic) hazards during transportation. Therefore, specific regulations regarding their packaging, labelling, handling, and marking have been enacted to minimize risk. OTTO requires Suppliers to assure they comply with all applicable laws and regulations regarding the packaging, handling, marking, labelling and transportation of lithium batteries.

6.9 Business Interruption, Disaster Recovery and Pandemic Preparedness Plans

Suppliers are required to have in place a Business Interruption Plan including Pandemic Preparedness. This plan should address scenarios such as natural disasters, supply chain disruptions, work-place accidents, fire, labor shortages and other potential risk events which may result in business disruption. In such events, OTTO is to be notified promptly if product delivery or quality may be affected.

This plan should focus on protecting employees, maintaining operations, alternate supply in the event of enforced closures and extend to your supply chain. These plans must be made available to OTTO upon request and may be included as part of an on-site or virtual audit or assessment. For Pandemic Preparedness, there are published guidelines available on key elements for these plans including their development and monitoring. A list of these sources include:

- Center for Disease Control: <https://www.cdc.gov/>
- World Health Organization: <http://www.who.int/en>

Adoption of such guidelines must be directed at promoting practices to keep employees and business partners safe, which include maintaining social distancing, encouraging regular washing of hands with soap and water or an alcohol-based hand sanitizer, wearing of suitable masks etc.

6.10 Cybersecurity Maturity Model Certification (CMMC)

Cybersecurity Maturity Model Certification (CMMC) will be a requirement for all government (DoD) contracts in the next few years. This means all companies handling CUI (Controlled Unclassified Information) will be required to hold third party certification to the applicable level in order to receive DoD contracts. When OTTO receives government (DoD) contracts that include CMMC requirements, we will flow-down applicable requirements to our Suppliers.

7.0 References and Specification Technical Documents

The Supplier shall have available all design records (drawing, specifications) for the parts manufactured, including components or details of assemblies and technical standards noted on the drawing. The Supplier is expected to procure any required specifications, standards, references, etc. called out by OTTO or their customers. Only specifications authored by OTTO will be provided to suppliers. All others are commercially available and/or online.

8.0 Delivery Requirements

OTTO fully expects Suppliers to deliver 100% on time to our ship schedules with the exact product and/or services promised for the quantity and pricing stipulated in the Purchase Order and/or contract.

8.1 Packing Slip/List Requirements

We require that all material shipped be identified on a Packing Slip/List or Bill of Lading. The following information must be noted on these documents:

- Shipment Date.
- Invoice, Packing Slip/List or Bill of Lading number.
- Sold to address.
- Ship to address.
- One (1) line item for each part number shipped.
- FULL OTTO part number and drawing revision level.
- Description of the product (for imported products).
- Quantity Ordered/Quantity Shipped.
- Number of containers per part number shipped with the extended quantity noted (ex. 10 containers @ 100 pcs. total 1000).
- Total number of cartons/skids.

For multiple Purchase Orders contained on one Packing Slip/List.

- Each Purchase Order Number and associated part number and quantity must be listed on the same line.

8.2 Supplier Packaging

Suppliers are required to provide product packaged in a manner that complies with OTTO drawing requirements, Supplier Quality Clauses, or is suitable for the specific product/service provided.

The criteria for determining suitability shall include:

- Robustness to assure integrity of product.
- Compliance with health and safety guidelines.
- Compliance to environmental laws and regulations and ISO 14001 guidelines.

FOD (Foreign Object Debris) proof packaging is required on all shipments to OTTO.

- FOD may include:
 - Manufacturing residues such as but not limited to chips, burrs, solder balls, metal & wire clippings, and flux.
 - Airborne fallout (i.e., dust, lint).
 - Personnel generated (i.e., hair, clothing, nail polish).
 - Work generated (i.e., tools, fixtures, extra parts).
 - Packaging materials (i.e., peanuts, foam, loose wadding, clear tape, staples, paperclips, newspaper).

If you are unsure if your packaging method is FOD-proof, please contact OTTO Purchasing for clarification.

- Individual containers shall be identified with bar code labeling (Code 3 of 9). This label shall, at a minimum, include:
 - OTTO Part number and drawing revision level.
 - OTTO Part description.
 - PO number.
 - Quantity per box.
- The tariff number for each part shall be identified on our invoice for Customs clearance on inbound freight from our International Suppliers.
- For pallets that contain multiple lot/date codes, Supplier shall identify these pallets with “MIXED LOT CODES” so OTTO can assure correct processing and handling including FIFO.

The above packaging requirements also apply to OTTO provided packaging. In cases where OTTO provided packaging will not provide suitable protection for the product, the Supplier is to contact OTTO Purchasing for direction.

9.0 Supplier Quality Clauses

Supplier Quality Clauses are special quality requirements imposed on purchased items and/or Suppliers by specific reference within the body of the OTTO Purchase Order. Each Purchase Order line will include all applicable Quality Clauses and their short description. Suppliers are advised to review these requirements prior to order acceptance in order to assure compliance. Quality Clause requirements are in addition to, and do not substitute for, OTTO drawing requirements or requirements of this document.

Reference Appendix E of this SQM for a complete listing of Supplier Quality Clauses, required deliverables and when they apply.

9.1 Distributors, Brokers, and Manufacturing Representatives

Distributors, Brokers, and Manufacturer’s Representatives accepting OTTO purchase orders must recognize that all purchase order requirements apply to them as well as to the material manufacturer. As

direct suppliers to OTTO, and representative of the manufacturer, our expectation is that OTTO tier 1 (holder of the OTTO Purchase Order) distributors, brokers, and manufacturer's representatives comply with OTTO purchase order requirements.

Tier 1 Suppliers are required to flow-down all applicable Quality Requirements, listed or referenced on the OTTO Purchase Order/order line, to their sub-tiers.

10.0 Supplier Quality System Requirements

OTTO expects our Suppliers to have:

- A clearly defined Quality function which reports to upper management.
- A quality manual or documented quality system that addresses the positive identification and control of all components, including raw materials, used during manufacturing, processing, and delivery so that in the event of a recall, traceability to raw materials and processing can be determined.
- A training program/plan for all personnel who might affect product quality.

Process Suppliers (where applicable) are required to be NADCAP certified. This requirement will be communicated through the OTTO drawing and/or purchase order.

For Suppliers holding third-party certification to a recognized quality standard such as ISO9001, AS9100 or IATF 16949, if that certification is lost, OTTO requires written notification to our Purchasing Department within 10 business days.

10.1 OTTO Provided Inspection, Measurement and Test Equipment

When OTTO provides inspection, measurement and test equipment to a Supplier, the Supplier is responsible to assure that proper equipment calibration is maintained.

The following are acceptable options for maintaining proper calibration of OTTO owned inspection, measuring and test equipment.

- Supplier completes calibration and forwards to OTTO a copy of their internal calibration certificates. This calibration certificate must clearly show traceability to NIST (National Institute of Standards and Technology).
- Supplier has equipment calibrated using an external calibration service and forwards to OTTO a copy of the calibration certificate issued by the external calibration service. The external calibration service must issue a calibration certificate that clearly shows traceability to NIST (National Institute of Standards and Technology) or hold a valid ISO 17025 certification.
- Supplier returns equipment to OTTO for calibration. If this option is used, Supplier is responsible to:
 - Coordinate equipment return.
 - Assure no interruptions or delays to OTTO Production.
 - Assure no product is produced and/or shipped that has not been verified using the appropriate calibrated equipment.

Failure to maintain proper calibration will result in associated material received by OTTO to be identified as nonconforming and processed per section 11.0 Nonconforming Material.

OTTO provided inspection, measurement and test equipment must be returned to OTTO in the same condition in which it was received by the Supplier. Any modifications or repairs must be approved in writing by OTTO Quality.

11.0 Nonconforming Material

All materials furnished to OTTO must conform to requirements and specifications. Any material found to not meet requirements and/or specifications will be rejected and dispositioned per current procedures. Disposition may include return at the risk and expense of the Supplier. Additionally, where sorting of the material is required due to a nonconformance and time is critical, OTTO will require the Supplier to sort the nonconforming material at OTTO or their facility, arrange for sorting at a third-party facility, or arrange for OTTO to sort the material at the Supplier's expense.

11.1 Nonconforming Material Notification, Containment and Corrective Action

OTTO will inform Suppliers of nonconforming material issues thru a Material Review Report. Upon request, the Supplier will sort, rework, or replace the nonconforming material. Prior to starting the requested sort/rework, the Supplier shall obtain OTTO's approval of sort and/or rework criteria. In addition to addressing the specific nonconforming material issue, OTTO may request the Supplier to provide formal corrective action to permanently resolve the noted nonconformance. Further, OTTO may request formal corrective action based on overall Supplier quality performance, including but not limited to, recurrence of a previously addressed nonconformance and/or process control concerns.

Suppliers may use their own corrective action form provided it includes these sections

1. Description of the Nonconformance.
2. Containment (short-term) Action.
3. Root Cause Analysis.
4. Corrective (permanent/long-term) Action.

See section 13.0 Corrective Action Requirements for further details.

Suppliers are required to notify OTTO within 72 hours should shipped product include actual or suspected nonconforming material. This notification is to be submitted in writing to the OTTO Buyer.

11.2 Liability

OTTO may seek to recover from a Supplier, any costs resulting from the delivery of nonconforming product for which the Supplier is deemed responsible.

Costs may include:

- In-house sorting by OTTO personnel, charges incurred for time or resources to complete this task.
- Administrative costs.
- Costs incurred if the reject is discovered in production or at our customer's facility.
- Charges imposed by our customer, such as warranty claims.
- Any other nonconformance related cost.

An immediate action plan must be developed to prevent further occurrences of the noted nonconformance and may include a request to visit OTTO to discuss and plan for corrective action.

12.0 Supplier Performance Monitoring (i.e., Scorecard)

OTTO maintains a system to monitor, measure and report Supplier performance. Suppliers are notified of their performance through monthly scorecards. The scores are based Quality, Delivery, Responsiveness and Cost Reduction and calculated as follows:

12.1 Quality

Quality = $[(\text{Lots Accepted}/\text{Total Received}) \times 22.5] + [(\text{Pieces Accepted}/\text{Total Received}) \times 22.5]$.

12.2 Delivery

On-Time Delivery (OTD) = (On-Time Receipts/Total Receipts) x 45.

12.3 Responsiveness – Timely and Complete Corrective Action Report Submissions

Suppliers may receive a maximum of 10 points.

- Timely submission of Corrective Action (containment and final/permanent) Reports.
- Providing required documentation such as certifications, inspection or SPC data, and FAI Reports.

12.4 Removed

12.5 Total Monthly Score

Total Score = Quality + Delivery + Responsiveness

Scorecards include monthly, quarterly, and annual scores, as well as a monthly rating and details per receipt. Based on a Supplier’s monthly score and/or rating, OTTO may request further action as noted below.

Rating	Score (%)	Action
Green	90 - 100	No Supplier action required.
Yellow	80 - 89	Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 30 days.
Red	< 80	Supplier to submit to their OTTO Buyer, a Performance Improvement Plan within 15 days, and an On-site visit is required.

13.0 Corrective Action Requirements

It is essential that Suppliers take immediate corrective action when any nonconformance is identified by OTTO or any of our customers. When a nonconformance is identified, and corrective action is required, OTTO Quality will inform the Supplier by sending a Supplier Corrective Action Request email. It is expected that Suppliers actively assist in the analysis of any nonconformance. This corrective action system is designed to prevent the use of suspect and/or nonconforming material.

Suppliers are to provide written containment within five (5) working days from notification that Corrective Action is required.

- Containment:
 - Short-term/immediate actions taken to isolate OTTO from the noted nonconformance. This includes an assessment of parts, product, material that is -
 - In inventory at a supplier’s and/or their subcontractor’s facility
 - In process (i.e., WIP) at the supplier’s or their subcontractor’s facility
 - In transit to OTTO
 - Implementation dates for the actions taken.
 - Supporting documentation/evidence of action(s) taken.

Final Corrective Action Reports are due within fifteen (15) days of receiving notification that Corrective Action is required.

Final Corrective Action Report must include:

1. Description of the Nonconformance.

- Details provided by OTTO.
- 2. Complete Containment (short-term) Action taken (see above).
- 3. Root Cause Analysis
 - Identify deficiency(s) in the management and/or operating systems, practices and/or procedures that allowed the noted nonconformance to occur.
- 4. Corrective (permanent/long-term) Action.
 - Implementation dates required.
 - Supporting documentation /evidence of action taken.
- 5. Supplier verification of Corrective Action effectiveness.
 - Verification dates required.
 - Supporting documentation /evidence of verification.

14.0 Process Changes

OTTO believes engineering part/product control is essential to continued quality and reliability.

Therefore, once a part/product is qualified for production and released, the Supplier cannot change the part/product, process, and/or location of manufacture without written approval from OTTO. Examples of changes that require OTTO's written approval are, but not limited to:

- Changes in existing components, such as die shrinks, circuit layout, or markings.
- Changes in materials or sub-components, such as new material supplier or composition.
- Changes in production equipment or production from new to modified tools.
- Change in production process or methods of manufacture.
- Major refurbishment or modification of existing production tools. This does not include regular tool maintenance.
- Change in manufacturing facility location or major rearrangement of existing facilities/equipment.
- Change in source of any subcontracted components or services directly related to the manufacture of the component.
- Change in active status, such as intent to cancel, cancellation, or obsolescence.

14.1 Requests for a Temporary Product, Process or Specification Change

Suppliers shall not knowingly ship product that deviates from the drawing, specification limits, or design intent without prior written authorization from OTTO. If nonconforming material is identified by the Supplier prior to or post shipment to OTTO, the Supplier shall submit a written request to OTTO Purchasing to allow shipment of the nonconforming product. This written request shall be submitted using OTTO's Supplier Deviation/Waiver Request form which is available on the OTTO website under Quality - Supplier Documents), or an equivalent form provided all required information is included.

If requested by the OTTO Buyer, the Supplier must send samples of such nonconforming items to OTTO for evaluation.

The cost of shipping, inspection, and testing to determine the potential acceptability of such product may be charged to the Supplier. OTTO approval of a deviation is specific to the products for which it has been submitted and approved and shall not to be construed as a permanent engineering change. The Supplier must work immediately on corrective action. In all cases, the Supplier shall fully contain all product suspected of being nonconforming. In addition, nonconforming product may be returned to the Supplier at the Supplier's expense, or the Supplier may be required to sort any suspect product already shipped to OTTO. See section 11.2 Liability for additional details.

All parts shipped to OTTO that have been approved for deviation shall be clearly identified as such on the outside of the box, container, or other packaging, as well as on the respective shipping documentation. Each deviated shipment **must** include a copy of the OTTO approved Supplier Deviation/Waiver Request.

14.2 Requests for a Permanent Product, Process or Specification Change

The intent of this request is to provide a method for Suppliers to request or recommend improvements, document process or equipment changes or correct nonconformances. The Supplier Change Request form is available on the OTTO website under [Quality Supplier Documents](#). This form shall be used for requests related to changing part processing, process location, specification description, introducing different equipment or any time the part/product cannot meet requirements, and the Supplier is requesting an OTTO drawing or specification change. These requests are to be submitted to OTTO Purchasing for processing.

14.3 Request for Supplier (Purchase Order) Quality Clause Waiver

Suppliers shall not knowingly ship orders which does not comply with Supplier Quality Clause requirements without written authorization from OTTO Quality. Requests for Quality Clause waivers are to be submitted using OTTO's Supplier Deviation/Waiver Request form which is available on the OTTO website under [Quality Supplier Documents](#), or an equivalent form provided all required information is included.

15.0 Certification Requirements for Material, Parts, Product, and Processes

15.1 Certificate Requirements

OTTO requires various certificates in support of material, parts, processes, services provided meet all requirements. All certificates issued by OTTO's Tier 1 suppliers (holder of the OTTO Purchase Order) shall include the following:

1. Supplier's Name.
 2. OTTO PO number.
 3. OTTO item/part number and drawing revision level.
 4. OTTO approved deviation # as applicable.
 5. Signature (electronic preferred) of authorized supplier quality representative
- Reference Appendix E for additional certificate information.

Certificates may be a separate document or included as part of a packing list.

Complete certification traceability from the Tier 1 Supplier to OTTO is required. For material, parts, products, services and/or processes, outsourced to sub-tier, certifications from the sub-tier shall clearly show traceability from the sub-tier to the Tier 1.

In accordance with AS9100: 7.4.3 Verification of Purchased Product, OTTO will periodically validate by independent third-party testing, Supplier provided test reports. Should this independent testing invalidate the Supplier's provided data/test report, the material will be deemed nonconforming and processed (including liability for associated costs) per section 11.0 Nonconforming Material.

15.2 Material Certification Requirements

Reference Appendix E Supplier Quality Clause C101, C102 and C102.1.

15.3 Process Certification Requirements

Reference Appendix E Supplier Quality Clause.

16.0 Process Approvals

Special processes are listed on the appropriate OTTO drawing and include processes such as:

- Heat Treat.
- Painting/Coating.
- Welding.
- Plating.
- Soldering:
 - Bare PCBs shall be fabricated accordance with IPC-A-600 class 2 or 3 as noted on the OTTO drawing.
 - PCB assemblies shall be fabricated accordance with IPC-J-STD-001 and IPC-A-610 class 2 or 3 as noted on the OTTO drawing.

Suppliers must assure that documentation supporting process control for the applicable special process is available prior to initial processing.

This documentation shall include:

- Training/Certification of operators and inspectors to specific drawing and specifications.
- Procedures which cover:
 - Setup and process parameters.
 - Inspection requirements.
 - Nonconforming material control.
- An audit, of the Supplier's process to the requirements of the applicable specification. This audit is to be performed by an OTTO representative or a third-party (i.e., NADCAP) who has knowledge of the specific process.

It is the Supplier's responsibility to assure the final product delivered to OTTO meets all applicable purchase order and specification requirements. OTTO requires notification as to subcontractor process changes and/or changes in subcontractor.

16.1 Welding

Approval of the Supplier's weld program must be obtained prior to production build. This approval will usually be obtained by performing an on-site audit of the Supplier's overall weld program, which includes verification of employee knowledge, application of AWS standards, and a review of the following:

The weld program shall include procedures, personnel training (welders, weld operators and inspectors), and equipment used and process certification/calibration.

Unless otherwise approved by OTTO Quality, weld process approvals will be specific to an AWS (American Welding Society) specification/code such as:

- AWS D1.1 and D1.3 for Steel.
- AWS D1.2 for Aluminum.
- AWS D17.1 for Fusion Welding for Aerospace Applications.
- AWS D17.2 for Resistance Welding for Aerospace Applications.

17.0 Part Approvals**17.1 First Article Inspection Reports (FAIR) Instructions**

The purpose of a FAIR is to assure that all design features of a deliverable product and its sub-components meet all applicable levels of design drawing, material and process specification requirements. First Article Inspection (FAI) is a process imposed on detail parts (including, material cut to size, etc.) and assemblies. An acceptable first article product is a representation of those planned capable, and repetitive manufacturing processes and proven tooling from which product was produced.

Suppliers must be able to demonstrate to OTTO, upon request that the intent of FAI was successfully accomplished and show objective evidence thereof. All OTTO part and product purchases require an acceptable FAI. If the Supplier has an OTTO approved FAIR on file for the same part number and revision level as noted in OTTO's Purchase Order, and no subsequent changes to the Supplier's manufacturing processes have occurred, a new FAIR is **not** required.

The FAIR requirement shall continue to apply even after initial compliance. Reference Appendix C and E for FAIR submission requirements and Appendix D for Inspection Guidelines.

17.2 AS9102

AS9102 Aerospace First Article Inspection requirements have been adopted by OTTO. If/when, this is a requirement for Supplier provided FAIs, it will be noted on the OTTO Purchase Order. Supplier equivalent AS9102 FAI forms are acceptable provided they address all the elements and requirements of the AS9102 standard. Templates of AS9102 forms 1, 2, and 3 are available on the OTTO website under [Quality Supplier Documents](#).

17.3 Production Part Approval Process (PPAP)

The AIAG PPAP standard format at the requested PPAP level must be used for the PPAP submission package. If a PPAP level is not indicated, the default level is 3.

Key Characteristics


Are denoted by a ▲, ■ or  on the OTTO drawing, and require the Supplier to employ a Process Variability Reduction program. Evidence of a successful Process Variability Reduction program is required. Gage Repeatability & Reproducibility (GRR) and capability studies as described in Tables 1 and 2 below may be used to support a Process Variability Reduction program.

Table 1	
Results	Interpretation
GRR < 10%	The measurement system meets OTTO requirements.
10% ≤ GRR ≤ 30%	The measurement system may not meet OTTO requirements. After approval, begin production ensuring that actions are planned to improve GRR.
GRR > 30%	The measurement system is substandard for meeting OTTO requirements. GRR improvement must be given a high priority and a corrective action plan to be agreed upon by OTTO. OTTO approval is required prior to shipping.

Table 2	
Results	Interpretation

Pp and Ppk > 1.67	The process meets OTTO requirements. After approval, begin production and follow the OTTO approved Process Control Documentation.
$1.33 \leq Ppk \leq 1.67$	The process may not meet OTTO requirements. After approval, begin production ensuring that an ongoing Cpk > 1.33 is maintained.
Ppk < 1.33	The process is substandard for meeting OTTO requirements. Process improvement must be given a high priority and documented in a corrective action plan. OTTO approval is required prior to shipping. 100% inspection and testing are required until an ongoing Cpk of 1.33 is demonstrated. Revised Process Control Documentation for these interim actions must be reviewed with and approved by OTTO.

18.0 Standard Production Run

The Supplier shall monitor subsequent production by acceptance sampling, or 100% inspection. Acceptance sampling must be based on one of the following standards:

- Zero Acceptance Number Sampling Plans, Fifth Edition.
- ANSI/ASQ Z1.9 (Variables) – AQL 1.00 with C = 0.
- ANSI/ASQ Z1.4 (Attributes) – AQL 1.00 with C = 0.

Inspection guidelines can be found in Appendix D.

19.0 Records

Quality records shall be maintained to provide evidence of conformity to requirements and of the effectiveness of the Supplier’s Quality Management System. Quality records shall be maintained to keep them legible, readily identifiable and retrievable. Records shall be sent to OTTO within 48 hours of being requested. At the end of the retention period, the Supplier shall provide the option to OTTO to take possession of the records.

The Supplier shall maintain Quality records in accordance with the applicable Quality System standard (i.e. – ISO 9000, AS/EN9100). The records shall be retained for a period of not less than seven (7) years from completion of the Purchase Order. Tier 1 Suppliers must flow this requirement to their sub tiers.

Records shall include, but not be limited to:

- Evidence of inspection to assure adherence to applicable drawings or specifications and revisions.
- First Article Inspection Report.
- Test Reports.
- Periodic inspection and control of inspection media.
- Records to indicate control of Special Tooling and Special Test Equipment.
- Test data records of all qualification and acceptance test performed.
- Certification of personnel as required by specification and/or contract.
- Raw Material and Process certifications.
- Material Review Reports.

APPENDIX A – Purchase Order Terms and Conditions**ACCEPTANCE:**

Supplier's commencement of work on the products or services described on the face here of (the "Products") or shipment of the Products, whichever occurs first, shall be deemed and effective mode of acceptance of OTTO's offer to purchase contained in this purchase order (this "Order"). Any acceptance of this Order is limited to acceptance of the express terms contained in on the face and back hereof. Any proposal for additional or different terms, or any attempt by Seller to vary any of the terms of this are hereby objected to and rejected. If this order shall be deemed and acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained on the face ad back hereof. Additional or different terms of Seller's prior offer or any attempt by Seller to vary in any degree any of the terms of this Order shall be deemed material and hereby objected to and rejected.

PRICES:

The prices and terms stipulated on the face of this Order are those actually applying to this transaction, subject to Buyer's right to discounts, deductions, or rebates agreed between the parties. Seller agrees that any price reduction made in Products after the placement of this Order, but prior to delivery will be applicable to his Order. Seller warrants that no additional charges of any type whatsoever, including charges for shipping, packaging, labeling, storage, insurance, boxing or crating, shall be added to this Order without Buyer's express written consent Payment terms are to be calculated from later of date of delivery or invoice. Sales and use taxes shall be stated separately on the invoice. All claims for money due or to become due from Buyer shall be subject to deduction or set off by the Buyer by reason of any counterclaim arising out of this or any other transaction with Seller.

DELIVERY:

Unless the destination and/or the time of delivery are specified on the face of this Order, Buyer shall have the right to specify such terms. Delivery shall not be deemed to the complete until Products have been actually received, inspected and accepted by Buyer at the designated location. TIME IS OF THE ESSENCE IN THIS AGREEMENT. Any deviation from a specified route, which shall result in excess transportation charges, delays or claims, shall be at the expense of the Seller. The Products may not be delivered in installments without the prior written consent of Buyer. If for any reason, not the fault of the Buyer, Seller fails to meet any delivery date, Buyer may, at its option, cancel this Order or any part hereof by giving Seller notice, without incurring any liability. Seller shall advise Buyer immediately of any shortage or delay in shipment. Buyer may, at its option, accept delayed deliveries from Seller without thereby waiving its right to demand strict compliance with the delivery schedule for all other deliveries. Seller shall not substitute or back order without the prior written consent of Buyer.

INSPECTION:

Payment for the Products shall not constitute acceptance thereof. Buyer shall have the right to inspect the Products and to reject any or all of the Products, which fail to meet product specifications. Products so rejected and Products supplied in excess of quantities called for herein may be returned to Seller at its expense and, in addition to Buyer's other rights, Seller shall refund to Buyer any part of the purchase price therefore, together with all charges incurred by Buyer's for transportation, handling, and storage. In the event Buyer receives Products whose defect or nonconformities are not apparent on examination, and without limiting any other remedies to which Buyer may be entitled to pursue, Buyer reserves the right to require Seller to refund the purchase price or replace the Product.

WARRANTY:

Seller hereby represents and warrants that all Products: (a) strictly conform to the specifications, drawings, samples or other descriptions furnished or specified by Buyer and shall be of merchantable quality, free from defects in material or workmanship and shall be fit and sufficient for the ordinary purpose for which such Products are used and for the purposes intended by Buyer as disclosed to Seller; (b) comply with all applicable state, federal and local laws and regulations; and (c) are free and clear of all liens and encumbrances whatsoever and, do not infringe any patent or otherwise violate the right of any person. In the event any Products do not conform to the warranties set forth above, Buyer may, at Buyer's sole option, and without limiting Buyer's remedies under this Order or otherwise; (a) obtain a full refund of the price paid for such nonconforming Products; (b) have Seller repair such nonconforming Products at Seller's sole cost and expense; or (c) return such nonconforming Products to Seller for correction or replacement, at Seller's sole cost and expenses. The above warranties shall be in addition to any other warranties, expressed or implied, that shall apply to Products provided by Seller pursuant to this Order and shall inure to Buyer's customers, assigns and successors.

CHANGES:

No changes by Seller to this Order, or the products provided to Buyer pursuant to this Order, shall be effective without the prior written consent of Buyer. Buyer may make written changes to or cancel this Order or any part thereof prior to shipment.

CANCELLATION:

Buyer reserves the right to cancel this Order or any part hereof, with or without cause, prior to shipment. Buyer and Seller agree to negotiate the disposition of any material liability resulting from cancellation. In the event that Seller defaults in any obligation under this Order or becomes insolvent, Buyer may in addition to any remedies which it has at law, cancel this Order without liability forthwith upon written notice to Seller.

LIQUIDATED DAMAGE:

In the event of any cancellation of this Order by Buyer on default of Seller, Buyer shall have the right to recover liquidated damages against Seller by reason of Seller's default. Whenever Buyer shall be entitled to damages for Seller's default of any of its obligations under this Order, such damages shall include all losses incurred by a Buyer of every kind and nature, including but not limited to loss of profits, special, direct, indirect and consequential damages-not to exceed the value of the purchase order. Each or the rights and remedies reserved to Buyer in this Order shall be cumulative and additional to other or further remedies provided in law or equity or, in this order.

INDEMNIFICATION:

Seller agrees to defend, indemnify and hold harmless Buyer, its parents, subsidiaries, affiliates and customers, and its and their respective officers, directors, agents and employees from and against any and all loss, including but not limited to loss of use, liability, damages, claims, settlements, judgments, fines, penalties, demand, actions and proceedings, and all cost and expenses connected therewith, including but not limited to reasonable attorney's fees and court costs, on account of; (a) breach by Seller of any of its warranties of other obligations under this order or; (b) any actual or alleged Product's infringement or any patent, copyright, trademark or other intellectual property right. The indemnities set forth herein shall be in addition to any other remedies afforded Buyer under this Order or by law.

INSURANCE:

Seller shall maintain such third-party liability and property damage insurance, including general and products liability and worker's compensation insurance coverage, with such insurers and in such amounts as shall be commercially reasonable and satisfactory to buyer. Seller shall, upon Buyer's request, provide Buyer with certificates evidencing such insurance.

FORCE MAJEURE:

This order and the performance of Buyer are subject to all contingencies beyond the control of Buyer, including without limitation, acts of God, fire, flood, war, accidents, strikes or labor disputes. In any such event, Buyer shall have the right at its election and without any liability on it to Seller to; (i) cancel all or any portion of the Order; or (ii) accept performance of the Order so modified and Seller shall perform the Order as so modified; or (iii) accept performance within a reasonable time after the causes for nonperformance or delay have terminated.

MISCELLANEOUS:

This Order shall be governed and construed in accordance with the laws of the state of Buyer's "bill to" address specified on the face of this Order, without regard to its conflict of laws rules. This Order supersedes and cancels all prior discussions and agreements with respect to the subject matter hereof between the parties, written, oral or implied. This Order shall bind and inure to the benefit of Buyer and Seller and their respective successors and assigns. Seller may not assign this Order without prior written consent of Buyer. In the event on any litigation arising out of this purchase Order, the prevailing party shall be entitled to actual reasonable attorney's fees and costs. The provisions set forth in Sections 5 and 8-12 shall survive the termination or cancellation of this Order.

OVERAGES:

All shipments to Buyer should match the quantity on the purchase order issued. No overages will be accepted without prior approval of Buyer, regardless of the quantity. Overages sent to Buyer will be refused and sent back to Seller at the Seller's expense.

Product(s) ordered by Buyer which would be considered custom in nature which would include but not be limited to tooled product(s), are proprietary and are to be treated in the strictest confidence. Seller also agrees to hold information and materials relating to the product(s) ordered in confidence and not to use such information or materials without written permission of the Buyer.

Seller authorizes right of access by OTTO, and/or our customer or regulatory agency to view applicable process and procedures used in the manufacture of the purchased product. When the Buyer receives defective product where the Seller is responsible for the root cause, the buyer will require a corrective action as imposed by related documentation.

APPENDIX B – Acronyms and Abbreviations

Acronym	Meaning
AIAG	Automotive Industry Action Group
AQL	Acceptance Quality Level
ATEX	Atmospheres Explosibles
CAR	Corrective Action Report
CERT	Certificate
COTS	Commercial Off The Shelf
COTSI	Commercial Off The Shelf Item
DFARS	Defense Federal Acquisition Regulation Supplement
ESD	Electrostatic Discharge
FAI	First Article Inspection
FAIR	First Article Inspection Report
GRR	Gauge Repeatability and Reproducibility
IAW	In Accordance With
IS	Intrinsically Safe
ISO	International Organization for Standardization
ITAR	International Traffic in Arms Regulations
MRR	Material Review Report
NIST	National Institute of Standards
PCB	Printed Circuit Board – Bare Board – No Components Installed
PCBA	Printed Circuit Board Assembly - Components Installed
P/N	Part Number
PO	Purchase Order
PPAP	Product Part Approval Process
REACH	Registration, Evaluation, Authorization and Restriction of Chemical Substances
REQMTS	Requirements
RMA	Return Material Authorization
RoHS	Restriction of Hazardous Substances
SPC	Statistical Process Control
WEEE	Waste from Electrical and Electronic Equipment

APPENDIX C – First Article Inspection (FAI) Report and Documentation Submission Matrix

Process or Part/Product Type	New Supplier/ New Location		New Part		Part Change		Process Change		Production Lapse > 2yrs		New Tooling		Tooling Modification		On-going Receipts	
	Req'd	Per VOC	Req'd	Per VOC	Req'd	Per VOC	Req'd	Per VOC	Req'd	Per VOC	Req'd	Per VOC		Per VOC	Req'd	
Casting	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2	Ref VOC	1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Machining	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Stamping	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Molding	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Springs	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Hardware (OTTO or MIL specification)	3, 5	1 or 2 & 4, 5	3, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Hardware (COTSI)*	Reference Appendix E or VOC for specific requirements															
Cables/Wires	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2	Ref VOC	1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Material	3, 5	Ref VOC	3, 5	Ref VOC	3	Ref VOC	3	Ref VOC	1 or 2	3		3	Ref VOC	3	Ref VOC	3
Parts Finishing (Plating, Heat Treatment, etc.)	3, 5	1 or 2 & 4, 5	3, 5	1 or 2 & 4, 5	3	1 or 2 & 4, 5	3	1 or 2 & 4, 5	1 or 2	3		3	Ref VOC	3	Ref VOC	3
Speakers/Microphones	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
PCBs/PCBAs	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Accessories/Headsets	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2		1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3
Finished Assemblies	1 or 2, 5	1 or 2 & 4, 5	1 or 2, 5	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2 & 4, 5	1 or 2	1 or 2	1 or 2	1 or 2 & 4	1 or 2	1 or 2 & 4	3	
Tooling Only	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1 or 2	1 or 2 & 4	N/A	1 or 2 & 4	N/A
Tooling and Sample Run	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1 or 2	1 or 2 & 4	N/A	1 or 2 & 4	N/A

*COTSI = Commercial Off the Shelf Item

1. First Article Inspection Report (FAIR) required. For molded parts, each cavity must be included in the report: see Appendix E, Quality Clause Q101 for details.
2. AS9102 First Article Inspection Report (FAIR) required. For molded parts, each cavity must be included on form 3: see Appendix E, Quality Clause Q100 for details.
3. Associated documentation: see section 15.0 and Appendix E for details.
4. Capability study required: see section 17.0 and VOC for specific requirements.
5. RoHS/Reach Data Required: see Section 6.3, Appendix E and Quality Clause A101 for details.

APPENDIX D – Inspection Guidelines

(See OTTO website under Quality - Supplier Documents for the most current guidelines)

Dimensional measurements shall be taken utilizing inspection equipment that is capable of accurately and precisely dividing the tolerance zone into 10 or more equal divisions.

Visual inspection shall be performed with normal to corrected 20/20 vision. Magnification will not be employed. Unless otherwise specified, the part will be positioned 10 inches below an 18W cool white fluorescent light, at an angle of 60°, and 18 inches from the Inspector. Visual comparison will be no longer than 4 seconds. The parts can be orientated in various ways to change the reflection or viewing angle. If applicable, visual standards can be used with prior OTTO Quality Department approval.

OTTO categorizes the various component, sub-assembly and assembly surfaces/areas as Critical, Class A, Class B and Class C. Each category is typically defined as follows:

- Critical - Those surfaces which are in direct physical or visual contact with the user. If the noted defect were present on the surface, an unsafe condition may result.
- Class A - The top or front, most often viewed surface.
- Class B - Generally the front edge and sides of a part. Not viewed as often as an “A” surface but easily seen by the user.
- Class C - Most often the back and bottom surfaces.

In addition to the specific defects noted on the following pages, all FAI samples and production parts are to be provided to OTTO in a clean and contamination/debris/FOD free condition.

PROCESS: PAINT FINISH				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Dirt / Dust	Not Acceptable	1 defect of .004 sq.in., separation from other defects must be greater than 0.8 in	2 defects of .004 sq.in., separation from other defects must be greater than 0.8 in	3 defects of .004 sq.in., separation from other defects must be greater than 0.8 in
Blisters / Raised Bumps	Not Acceptable	Not Acceptable	2 defects of .004 sq.in., separation from other defects must be greater than 0.8 in	3 defects of .004 sq.in., separation from other defects must be greater than 0.8 in
Scratches / Scuffs	Not Acceptable	Not Acceptable	2 defects of .004 sq.in., separation from other defects must be greater than 0.8 in	3 defects of .004 sq.in., separation from other defects must be greater than 0.8 in
Lint / Hair	Not Acceptable	1 defect of .004 sq.in., separation from other defects must be greater than 0.8 in	2 defects of .004 sq.in., separation from other defects must be greater than 0.8 in	3 defects of .004 sq.in., separation from other defects must be greater than 0.8 in
Pinholes / Crater	Not Acceptable	Not Acceptable	2 defects of .020 sq.in., separation from other defects must be greater than 2 in	3 defects of .020 sq.in., separation from other defects must be greater than 2 in
Overspray / Runs / Sags	Not Acceptable	Not Acceptable	2 defects of .020 sq.in., separation from other defects must be greater than 2 in	3 defects of .020 sq.in., separation from other defects must be greater than 2 in

PROCESS: ELECTROPLATED COATING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Discolored spot / Color Mismatch	Not Acceptable	Not Acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	2 defects of .012 sq.in., separation from other defects must be greater than 2 in
Intangible Scuff Mark/Scratch Mark	Not Acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	3 defects of .020 sq.in., separation from other defects must be greater than 2 in	3 defects of .020 sq.in., separation from other defects must be greater than 2 in
Tangible scuff mark / Scratch Mark	Not Acceptable	Not Acceptable	1 defect of .012 sq.in., separation from other defects must be greater than 2 in	1 defect of .012 sq.in., separation from other defects must be greater than 2 in
Peeling / Blistering	Not Acceptable	Not Acceptable	Not Acceptable	Not Acceptable
Water break / Solvent Popping	Not Acceptable	Not Acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	2 defects of .012 sq.in., separation from other defects must be greater than 2 in
Tarnish	Not Acceptable	Not Acceptable	Not Acceptable	Not Acceptable

PROCESS: CASTING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Foreign Material	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Cracks / Cold Shuts	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Hot tears / Short shots	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Flush / Parting line	Not acceptable	Not acceptable	Acceptable if not visible in assembled position	Acceptable if not visible in assembled position
Gas holes / Gas porosity	Not acceptable	Not acceptable	1 defect of .080 sq.in. & below & depth < .004sq.in., separation from other defects must be greater than 2 in	1 defect of .100 sq.in. & below & depth < .004sq.in., separation from other defects must be greater than 2 in
Uneven surface caused by uneven buffing, polishing, or shrinkage	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth < .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth < .004sq.in., separation from other defects must be greater than 2 in
Tangible scuff mark / Knit line / Scratch mark	Not acceptable	Not acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	2 defects of .012 sq.in., separation from other defects must be greater than 2 in
Pit / Dent / Nick / Bump	Not acceptable	Not acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	3 defects of .012 sq.in., separation from other defects must be greater than 2 in

PROCESS: MOLDING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Blisters / Chip / Air bubble	Not acceptable	Not acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	3 defects of .012 sq.in., separation from other defects must be greater than 2 in
Cracks / Crater / Fracture	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Delimitation	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Die Parting Line	Acceptable if print permitted	Acceptable if print permitted	Acceptable if print permitted	Acceptable if print permitted
Discoloration	Not acceptable	Not acceptable	Acceptable if not visible in assembled position	Acceptable if not visible in assembled position
Short Shots / Wash	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Sink Marks	Not acceptable	Not acceptable	1 defect of .080 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	2 defects of .100 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in
Foreign inclusion	Not acceptable	Not acceptable	2 defects of .012 sq.in., separation from other defects must be greater than 2 in	3 defects of .020 sq.in., separation from other defects must be greater than 2 in
Scratch / Scuff mark	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in
Porosity / Orange peel	Not acceptable	Not acceptable	2 defects of .080 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	3 defects of .100 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in

PROCESS: STAMPING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Sharp edges	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Tool marks	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in
Burrs	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Scratches	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in
Stress cracks	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Delaminating	Not acceptable	Not acceptable	Not acceptable	Not acceptable

PROCESS: MACHINING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Sharp edges	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Tool marks	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in
Dent	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Burrs	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Scratches	Not acceptable	Not acceptable	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in	1 defect of .500 sq.in. & below & depth< .004sq.in., separation from other defects must be greater than 2 in

PROCESS: PRINTING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Printing flow	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Color mismatch	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Discolored spots	Not acceptable	Not acceptable	Acceptable if not visible in assembled position	Acceptable if not visible in assembled position
Missing printing	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Smudges	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Blurry	Not acceptable	Not acceptable	Not acceptable	Not acceptable

PROCESS: WELDING				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Cracks	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Incomplete fusion	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Incomplete penetration*	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Porosity	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Slag/Splatter	Not acceptable	Not acceptable	Not acceptable	Not acceptable

*For groove weld only

PROCESS: MAGNETS				
DEFECTS	CRITICAL AREA	CLASS A AREA	CLASS B AREA	CLASS C AREA
Foreign Material	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Loose Chips	Not acceptable	Not acceptable	Not acceptable	Not acceptable
Chipped edge	Acceptable if print permitted	Acceptable if print permitted	Acceptable if print permitted	Acceptable if print permitted

APPENDIX E – Supplier Quality Clauses

(See OTTO website under [Quality Supplier Documents](#) for the most current revision)

Supplier Quality Clauses apply to all divisions of OTTO.

Suppliers are required to comply with and flow-down to their sub-tiers, all applicable Quality Clauses listed or referenced on the OTTO Purchase Order/order line. Questions regarding the applicability and/or how to comply with a Quality Clause should be directed to SupplierQuality@OTTOExcellence.com.

All certificates issued by OTTO's Tier 1 suppliers (holder of the OTTO Purchase Order) shall include the following:

1. Supplier's Name.
2. OTTO PO number.
3. OTTO item/part number and drawing revision level.
4. OTTO approved deviation # as applicable.
5. Signature (electronic preferred) of authorized supplier quality representative.

Certificates may be a separate document or included as part of a packing list.

When an order requires multiple certificates, and the associated work has been performed by the same supplier, certifications can be combined into a single document.

A100	IS/ATEX Data
Deliverable	Supplier shall provide with each shipment, IS/ATEX data in support of OTTO drawing requirements.
Application	Each shipment of parts/product where the OTTO drawing indicates IS/ATEX.
A101	ROHS/REACH
Deliverable	Supplier shall provide the complete breakdown of the homogenous material to an elemental level. Data to be provided using OTTO Supplier Material Disclosure form # 4MA000009.
Application	<ol style="list-style-type: none"> 1. Initial production shipment. 2. Initial shipment that includes a material change. NOTE: material changes MUST be approved by OTTO in advance of implementation.
C100	Certificate of Conformance
Deliverable	<p>Supplier shall provide with each shipment, a Certificate of Conformance (CoC) that clearly indicates the material, parts, product and/or work performed in connection with the applicable OTTO drawing and Purchase Order were verified and found to meet all stated and/or referenced requirements.</p> <p>The CoC must include:</p> <ol style="list-style-type: none"> 1. Amount of material or quantity of items covered by the CoC. 2. Applicable lot, batch, job, heat number for the items covered by the CoC.
Application	Each shipment of parts/product for which the supplier is responsible to provide. This code does not apply to raw material and special process suppliers.
C101	Raw Material Cert: BULK METAL
Deliverable	<p>Supplier shall provide with each shipment, the raw material test data (chemical, physical, heat treatment, etc.) issued by the mill that demonstrates conformance to applicable specification and/or the OTTO drawing.</p> <p>The raw material test report/cert packet shall clearly indicate.</p> <ol style="list-style-type: none"> 1. The applicable material specification and revision level to which the material conforms. 2. Material heat, lot or batch number. 3. Name of mill that produced the material and issued the material test report/cert. 4. Other applicable technical data. 5. Complete material traceability (from the mill to OTTO). <p>For material procured by OTTO's tier 1 supplier (holder of the OTTO Purchase Order), the cert packet submitted to OTTO shall be validated by the supplier's authorized representative.</p>
Application	<p>Each shipment of bulk raw metal, or where the supplier has procured raw material for use in producing parts/product furnished to OTTO.</p> <p>Does not apply to COTS, make from COTS or catalogue items.</p>

C102	Raw Material Cert: BULK NON-METAL (e.g., plastic, silicon, fabric)
Deliverable	<p>Supplier shall provide with each shipment, the raw material test report issued by the manufacturer of the raw material that demonstrates conformance to applicable specification and/or the OTTO drawing.</p> <p>The raw material test report/cert packet shall include:</p> <ol style="list-style-type: none"> 1. The applicable specification and revision level to which the material conforms. 2. Material lot or batch number. 3. Name of company that produced the raw material. 4. Other applicable technical data. 5. Complete material traceability (from the raw material producer to OTTO). 6. Manufacture date and shelf life/expiration date – if applicable. <p>For material procured by OTTO's tier 1 supplier (holder of the OTTO Purchase Order), the cert packet submitted to OTTO shall be validated by the supplier's authorized representative.</p>
Application	<p>Each shipment of bulk raw plastic, silicon, rubber, etc. material, or where the supplier has procured raw material for use in producing parts/product furnished to OTTO.</p> <p>Does not apply to COTS, make from COTS or catalogue items.</p>
C102.1	Raw Material Cert: Colorant NON-METAL
Deliverable	<p>Supplier shall provide with each shipment, a Certificate of Conformance (CoC) that clearly indicates the colorant provided or used conforms to applicable specifications per the OTTO drawing.</p> <p>The CoC shall include:</p> <ol style="list-style-type: none"> 1. Colorant name, number or description. 2. Lot or Batch number.
Application	<p>Each shipment of colorant or where the supplier is responsible for adding colorant to raw material provided by OTTO.</p> <p>This code does not require the supplier to furnish a raw material certificate.</p>
C103	Soldering Certificate
Deliverable	<p>Supplier shall provide with each shipment, a certificate that clearly indicates soldering was performed in accordance with all stated and applicable specifications and standards per the OTTO drawing.</p>
Application	<p>Each shipment of parts/product where the supplier is responsible for soldering per the OTTO drawing.</p>
C104	Anodizing Certificate
Deliverable	<p>Supplier shall provide with each shipment, a certificate that clearly indicates:</p> <ol style="list-style-type: none"> 1. Parts were anodized per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were anodized. 3. The anodize color has been verified and found to meet color requirements/standard per the OTTO drawing.
Application	<p>Each shipment of parts/product where the supplier is responsible for anodizing per the OTTO drawing.</p>

C104.1	Anodizing Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were anodized per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were anodized. 3. The anodize color has been verified and found to meet color requirements/standard per the OTTO drawing.
Application	Each shipment of parts/product where the supplier is responsible for anodizing per the OTTO drawing.
C105	Plating Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates <ol style="list-style-type: none"> 1. Parts were plated per requirements noted on the OTTO drawing 2. The actual specification (including, as applicable, type, class, etc.) and revision level to which parts were plated per the OTTO drawing 3. Actual plating thickness readings
Application	Each shipment of parts/product where the supplier is responsible for plating per the OTTO drawing
C105.1	Plating Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were plated per requirements noted on the OTTO drawing. 2. The actual specification (including, as applicable, type, class, etc.) and revision level to which parts were plated per the OTTO drawing. 3. Actual plating thickness readings.
Application	Each shipment of parts/product where the supplier is responsible for plating per the OTTO drawing.
C106	Heat Treat Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were heat treated per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were heat treated. 3. Actual hardness readings.
Application	Each shipment of parts/product where the supplier is responsible for heat treatment per the OTTO drawing.
C106.1	Heat Treat Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were heat treated per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were heat treated. 3. Actual hardness readings.
Application	Each shipment of parts/product where the supplier is responsible for heat treatment per the OTTO drawing.

C107	Passivation Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates: 1. Parts were passivated per requirements noted on the OTTO drawing. 2. The actual specification, class, type, etc., and revision level to which parts were passivated per the OTTO drawing.
Application	Each shipment of parts/product where the supplier is responsible for passivation per the OTTO drawing.
C107.1	Passivation Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: 1. Parts were passivated per requirements noted on the OTTO drawing. 2. The actual specification, class, type, etc., and revision level to which parts were passivated per the OTTO drawing.
Application	Each shipment of parts/product where the supplier is responsible for passivation per the OTTO drawing.
C108	Painting Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates: 1. Parts were painted per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were painted (as applicable). 3. The actual paint batch/lot number used. 4. Parts meet OTTO abrasion and/or adhesion specification 3TL000176 (formerly 3QA000176) as applicable. 5. Parts meet OTTO paint finish requirements per OTTO drawing and/or SQM appendix D as applicable. 6. Actual paint thickness readings per OTTO drawing. 7. Actual paint gloss readings per OTTO drawing.
Application	Each shipment of parts/product where the supplier is responsible for painting per the OTTO drawing.
C108.1	Painting Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: 1. Parts were painted per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were painted (as applicable). 3. The actual paint batch/lot number used. 4. Parts meet OTTO abrasion and/or adhesion specification 3TL000176 (formerly 3QA000176) as applicable. 5. Parts meet OTTO paint finish requirements per OTTO drawing and/or SQM appendix D as applicable. 6. Actual paint thickness readings per OTTO drawing. 7. Actual paint gloss readings per OTTO drawing.
Application	Each shipment of parts/product where the supplier is responsible for painting per the OTTO drawing.

C109	Pad Printing Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were pad printed per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were pad printed (as applicable). 3. Actual ink batch/lot number used. 4. Parts meet OTTO abrasion and/or adhesion specification 3TL000176 (formerly 3QA000176) as applicable.
Application	Each shipment of parts/product where the supplier is responsible for pad printing per the OTTO drawing.
C110	Welding Certificate
Deliverable	Supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were welded per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were welded (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for welding per the OTTO drawing.
C110.1	Welding Certificate - NADCAP
Deliverable	NADCAP certified supplier shall provide with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were welded per requirements noted on the OTTO drawing 2. The actual specification and revision level to which parts were welded (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for welding per the OTTO drawing.
C111	Solderability Certificate
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates, external leads, pins, terminals, etc. of parts provided are capable of passing the solderability tests specified in MIL-STD-202 (Method 208).
Application	Each shipment of parts/product where the supplier is responsible for soldering and the OTTO drawing states parts must solderability tests specified in MIL-STD-202 (Method 208).
C112	Iridite/Alodine (Chem Conversion Coating) Cert
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Iridite/Alodine was applied per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were iridited/alodined (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for Iridite/Alodine (chem conversion coating) per the OTTO drawing.
C112.1	Iridite/Alodine (Chem Conversion Coating) Cert - NADCAP
Deliverable	NADCAP certified supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Iridite/Alodine was applied per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were iridited/alodined (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for Iridite/Alodine (chem conversion coating) per the OTTO drawing.

C113	Brite Passivate/Electropolish Certificate
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: 1. Parts were brite passivated (Electropolished) per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were brite passivated (Electropolished) (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for brite passivated (Electropolished) per the OTTO drawing.
C113.1	Brite Passivate/Electropolish Certificate - NADCAP
Deliverable	NADCAP certified supplier shall include with each shipment, a certificate that clearly indicates: 1. Parts were brite passivated (Electropolished) per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were brite passivated (Electropolished) (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for brite passivated (Electropolished) per the OTTO drawing.
C115	IPC-J-STD-001xS Certificate
Deliverable	Each shipment shall include a certificate that clearly indicates the product was produced in accordance with IPC-J-STD-001xS. NOTE: x indicates the revision level of the IPC-J-STD-001 standard to which the product conforms. Unless otherwise indicated or communicated by OTTO – conformance to current revision is expected/required. Per IPC-J-STD-001xS, 0.1.7.1.1 Shipping and Storage: Wire and cable shall be shipped and stored in sealed water-vapor-proof packaging (i.e.: Moisture Barrier Bag, dry pack, etc.), with capped ends, activated desiccant, and humidity indicator card. Silver-coated copper wire and cable shall be segregated and dispositioned if the humidity indicator card registers 70% or more RH.
Application	Each shipment of wire/cable or product containing wire/cable where the OTTO drawing states IPC-J-STD-001xS applies.
C116	Sandblast Certificate
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: 1. Parts were sand/bead blasted or tumbled per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which parts were blasted/tumbled (as applicable). 3. The actual media type and size. 4. The actual blast pressure and time. 5. Part was verified/ inspected and found to meet requirements.
Application	Each shipment of parts/product where the supplier is responsible for sandblast per the OTTO drawing.

C117 Chromate Conversion	
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Chromate conversion was performed per the OTTO drawing. 2. The actual specification and revision level to which chromate conversion was applied (as applicable). 3. Actual thickness readings (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for chromate conversion per the OTTO drawing.
C117.1 Chromate Conversion - NADCAP	
Deliverable	NADCAP certified supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Chromate conversion was performed per the OTTO drawing. 2. The actual specification and revision level to which chromate conversion was applied (as applicable). 3. Actual thickness readings (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for chromate conversion per the OTTO drawing.
C118 Wire/Cable/Insulation Certification	
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates - as applicable per the OTTO drawing: <ul style="list-style-type: none"> • Wire Size. • Conductor Material. • Insulation Material. • Filler Material. • Shielding. • Wrap Material. • Jacket Material. • Agency/industry approvals and/or standards and revision level.
Application	Each shipment of wire/cable or product containing wire/cable where the OTTO drawing specifies wire/cable construction, and the supplier is responsible for the manufacture of the wire/cable.

C118.S	Wire/Cable/Insulation Sub-Level Certification
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates the wire/cable provided meets the referenced wire/MTL requirements per the OTTO drawing. These requirements may include: <ul style="list-style-type: none"> • Wire manufacturer's name and part number. • Wire Size. • Conductor Material. • Insulation Material. • Filler Material. • Shielding. • Wrap Material. • Jacket Material. • Agency/industry approvals and/or standards and revision level.
Application	Each shipment of wire/cable or product containing wire/cable where the OTTO drawing specifies wire/cable construction/requirements on a sub-level drawing and the supplier is responsible for the manufacture or procurement of the wire/cable.
C119	Black Oxide Certificate
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Black oxide was applied per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which black oxide was applied (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for black oxide per the OTTO drawing.
C119.1	Black Oxide Certificate – NADCAP
Deliverable	NADCAP certified supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Black oxide was applied per requirements noted on the OTTO drawing. 2. The actual specification and revision level to which black oxide was applied (as applicable).
Application	Each shipment of parts/product where the supplier is responsible for black oxide per the OTTO drawing.
C200	CoC (COTS/CAT): Include COTS/Catalog p/n on cert
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. Parts were procured from Approved Source of Supply or Manufacturer per the OTTO drawing. 2. Parts are the Approved Source of Supply or Manufacturer’s part number as noted on the OTTO drawing.
Application	Each shipment of parts/product where the OTTO drawing indicates the items is a commercial off the shelf item, or the lists the manufacturer's catalog item number.
C210	Military (MIL) Part/Product Certification
Deliverable	Supplier shall include with each shipment, a certificate that clearly indicates: <ol style="list-style-type: none"> 1. The Military part number and revision level (as applicable). 2. The actual military specification and revision level (as applicable) per the OTTO drawing.
Application	Each shipment of parts/product that carry a Military part number per the OTTO drawing.




C500	Life Cycle Test Data
Deliverable	Supplier shall provide, when required, part/product Life cycle test data indicating conformance to OTTO drawing requirements.
Application	As required by OTTO's Engineering and/or Quality department and/or noted on the OTTO purchase order.
C501	Pull Test Data Required
Deliverable	Supplier shall include with each shipment, documentation that clearly indicates: 1. Pull test requirements/specification per the OTTO drawing. 2. Quantity of parts/product tested. 3. Actual pull test results per sample tested.
Application	Each shipment of parts/product where the supplier is responsible for meeting pull test requirements as noted on the OTTO drawing.
C502	Flex Test Data Required
Deliverable	Supplier shall include with each shipment, documentation that clearly indicates: 1. Flex test requirements/specification per the OTTO drawing. 2. Quantity of parts/product tested. 3. Actual flex test results per sample tested.
Application	Each shipment of parts/product where the supplier is responsible for meeting flex test requirements as noted on the OTTO drawing.
C800	NIST Traceable Calibration Certificate Required
Deliverable	Calibration supplier shall provide a NIST Traceable calibration certificate.
Application	New, repaired and periodically calibrated measuring equipment.
C801	ISO 17025 Calibration Certificate
Deliverable	Calibration supplier shall provide, for the indicated gage, an ISO 17025 calibration certificate.
Application	New, repaired and periodically calibrated measuring equipment that requires calibration in compliance with ISO 17025.
C850	OTTO Provided Material NO Certification Required
Deliverable	Notification only informing supplier that OTTO has provided material for use in the parts or products listed on the OTTO PO - therefore are not required to provide material certification.
Application	Each shipment of parts/product where OTTO has provided some or all raw material and/or components.
C900	Customer Supplied Product-NO Certification Required
Deliverable	Notification only indicating provided material is supplied by OTTO's customer - therefore no certification is required.
Application	Each shipment of customer provided material.
P100	Special Packaging Required
Deliverable	Notification only informing supplier the part/product listed on the OTTO PO requires special packing as noted on the OTTO drawing.
Application	Each shipment of parts/product where the OTTO drawing indicates special packing is required.

P110	Parts shall be packaged in static shielding packaging materials per IPC-A-610
Deliverable	Notification only informing supplier the part/product listed on the OTTO PO requires special packing.
Application	Each shipment of PCBAs that contain active components.
P120	Parts shall be packaged in antistatic (low charging) packaging materials per IPC-A-610
Deliverable	Notification only informing supplier the part/product listed on the OTTO PO requires special packing.
Application	Each shipment of PCBAs that contain passive components.
Q100	First Article Inspection report per AS9102
Deliverable	The supplier shall provide a First Article Inspection report in accordance with the current revision of AS9102 requirements. Required documentation includes, but is not limited to: <ul style="list-style-type: none"> • AS9102 forms 1, 2 and 3. • Ballooned OTTO Drawing, including notes, materials, processes. • Applicable supporting documentation such as material & process certs and when an assembly is being provided... component FAIs.
Application	<ol style="list-style-type: none"> 1. The initial shipment of production parts/product for aerospace applications. 2. The initial shipment following changes that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). 3. Lapse in production for 2 or more years. 4. Per OTTO request. <p>Actual first production without OTTO's first-piece inspection approval is solely at the supplier's risk.</p>
Q101	First Article Inspection report
Deliverable	The supplier shall provide a First Article Inspection report in accordance with OTTO requirements. Required documentation includes, but is not limited to: <ul style="list-style-type: none"> • Dimensional layout that includes notes, materials, processes as applicable per full or delta FAI. • Ballooned OTTO Drawing, including notes, materials, processes as applicable per full or delta FAI. • Applicable supporting documentation such as material & process certs and when an assembly is being provided... component FAIs.
Application	<ol style="list-style-type: none"> 1. The initial shipment of production parts/product. 2. The initial shipment following changes that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). 3. Lapse in production for 2 or more years. 4. Per OTTO request. <p>Actual first production without OTTO's first-piece inspection approval is solely at the supplier's risk.</p>

Q102	PPAP Required
Deliverable	The supplier shall provide a Level 3 PPAP in accordance with AIAG Production Part Approval Process manual.
Application	<ol style="list-style-type: none"> 1. The initial shipment of production parts/product. 2. The initial shipment following changes that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). 3. Per OTTO request. <p>Actual first production without OTTO's first-piece inspection approval is solely at the supplier's risk.</p>
Q103	Inspection Data Required- Key Characteristics
Deliverable	Supplier shall include with each shipment, actual inspection results and the method of inspection for key characteristics noted on the OTTO drawing.
Application	Each shipment of parts/product where the OTTO drawing identifies features/characteristics as key or special, and the supplier is directly or indirectly responsible for producing those features/characteristics.
Q104	Source Inspection Required
Deliverable	Supplier to contact OTTO (SupplierQuality@OTTOexcellence.com) to schedule source inspection prior to shipping parts/product to OTTO.
Application	As directed by OTTO's Quality, Engineering or Purchasing department and noted on the OTTO purchase order.
Q500	PCB must be fabricated IAW and meet IPC-A-600 class 2 Reqmts. Ref SQM Appx C
Deliverable	Notification only informing supplier the PCB must be fabricated in accordance with IPC-A-600 class 2.
Application	Each shipment of PCBs where the OTTO drawing requires fabrication in accordance with IPC-A-600 class 2.
Q500.1	PCB must be fabricated IAW and meet IPC-A-600 class 3 Reqmts. Ref SQM Appx C
Deliverable	Notification only informing supplier the PCB must be fabricated in accordance with IPC-A-600 class 3.
Application	Each shipment of PCBs where the OTTO drawing requires fabrication in accordance with IPC-A-600 class 3.
Q501	PCBA must be fabricated IAW IPC-J-STD-001 meet IPC-A-610 class 2 Reqmts. Ref SQM Appx C
Deliverable	Notification only informing supplier the PCBA to be fabricated in accordance with IPC-J-STD-001 and must meet IPC-A-610 class 2 Reqmts.
Application	Each shipment of PCBAs where the OTTO drawing requires fabrication in accordance with IPC-A-610 class 2.
Q501.1	PCBA must be fabricated IAW IPC-J-STD-001 meet IPC-A-610 class 3 Reqmts. Ref SQM Appx C
Deliverable	Notification only informing supplier the PCBA to be fabricated in accordance with IPC-J-STD-001 and must meet IPC-A-610 class 3 Reqmts.
Application	Each shipment of PCBAs where the OTTO drawing requires fabrication in accordance with IPC-A-610 class 3.

Q502	Cable or Wire Harness must be fabricated in accordance with IPC/WHMA-A-620
Deliverable	Notification only informing supplier the cable or wire harness is to be fabricated in accordance with IPC/WHMA-A-620.
Application	Each shipment of the cable or wire harness where the OTTO drawing requires fabrication in accordance with IPC/WHMA-A-620
Q510	ESD Sensitive Item, Handle per ANSI/ESD S20.20
Deliverable	Notification only informing supplier the part/product listed on the OTTO PO is an ESD Sensitive Item and requires handling per ANSI/ESD S20.20 or equivalent.
Application	Each shipment where the OTTO drawing indicates the part/product is an ESD sensitive item.
S100	ISO9001 System Certification
Deliverable	Notification only informing supplier they must hold a valid ISO 9001 certificate in order to accept the applicable OTTO PO.
Application	As required by OTTO's Engineering and/or Quality department and noted on the OTTO purchase order.
S200	AS9100 System Certification
Deliverable	Notification only informing supplier they must hold a valid AS9100 certificate in order to accept the applicable OTTO PO.
Application	As required by OTTO's Engineering and/or Quality department and noted on the OTTO purchase order.
S300	NADCAP Certification Required
Deliverable	Notification only informing supplier they must hold NADCAP accreditation for the special process(es) noted or referenced on the OTTO drawing and/or PO in order to accept the applicable OTTO PO.
Application	As required by OTTO's Engineering and/or Quality department and noted on the OTTO purchase order.

Revision History

Rev	Date	Summary of Change	Approved By
C	01 Dec 11	<p>Entire document restructured, revised and updated for compliance with current practice and requirements. Specific changes and/or additions pertain to:</p> <ul style="list-style-type: none"> • Supplier ratings • On-time Delivery requirements • Counterfeit policy • Confidentiality • NADCAP • Process approvals (welding, etc.) • AS9102 requirements 	M. Malinowski
D	31 Jul 13	<ul style="list-style-type: none"> • Removed OTTO forms from manual – refer to OTTO website • Changed Annual Statement of Quality to Annual Acknowledgement of SQM • Clarified C of C, PPAP, Temporary and Permanent Change requests • Added Process Change to FAIR Matrix 	M. Malinowski
E	31 Jul 14	<ul style="list-style-type: none"> • Added 1.4 Supplier Selection and Approval • Modified and expanded 6.0 to cover Compliance requirements (RoHS, REACH, Counterfeit parts, Conflict Minerals) • Defined 9.0 Supplier Quality Clauses and added Appendix E with specifics • Expanded 14.0 Certification Requirements to address <ul style="list-style-type: none"> ○ complete traceability from prime supplier to OTTO ○ Periodic validation of supplier provided test reports/data by an independent laboratory • Clarified 15.0 Process Approvals for class requirements for bare and populated PCBs • Modified 16.2 to clearly state FAIs to comply with AS9102 requirements • Eliminated SPC as the only means to monitor features denoted with    • Added 19.0 Records • Renumbered/reorganized several sections 	M. Malinowski

Rev	Date	Summary of Change	Approved By
F	20 Mar 17	<ul style="list-style-type: none"> • Section 3.0: Clarified that communication between OTTO and suppliers is to be English • Section 9.0: Added requirement for suppliers to flow down OTTO quality requirements to their subcontractors • Added requirements for suppliers to notify OTTO if/when the supplier determines that actual or suspect nonconforming product has been shipped to OTTO • Section 18.1: Expanded and clarified • Section 19.0: Removed conflicting record retention times • Section 10.1 Calibration added to address OTTO owned inspection equipment • Expanded and clarified Appendix E 	M. Malinowski
G	15 Apr 19	<ul style="list-style-type: none"> • Method for indicating updates in current and subsequent manuals clarified • Section 2.0 Clarified • Section 3.0 Separated into two sections <ul style="list-style-type: none"> ○ Section 3.1 Quality Expectations ○ Section 3.2 Language Requirements • Section 6.0 Compliance Added Export/ITAR and renumbered other sub-sections • Section 10.0 reworded/formatted for clarity • Section 13.0 Clarified submission timing and requirements • Section 18.0 moved to 14.0. Remaining sections renumbered accordingly • Appendix E added PO quality codes: <ul style="list-style-type: none"> ○ Alodine/Iridite Certificate Required ○ Brite Passivate/Electropolish Certificate Required ○ IPC-J-STD-001FS: Applies - Certificate Required ○ NIST Traceable Calibration Certificate Required ○ ISO 17025 Calibration Certificate Required • Appendix E clarified actual inspection results required for <ul style="list-style-type: none"> ○ Plating ○ Painting 	M. Malinowski

Rev	Date	Summary of Change	Approved By
H	05 Apr 21	Incorporated SQM Acknowledgement form into SQM Section 1. Title changed, added reference to Supplier Quality Clauses Section 1.2 Title changed, directs quality related questions to Supplierquality@OTTOexcellence.com Section 1.4 Revised to reflect current process Section 6.0 Title changed Section 6.2 Removed reference to OTTO internal form, added MRR being issued Section 6.4 Changed C of C must comply with AS9100 to OTTO requirements Section 6.6 Modern Slavery & Human Trafficking – added Section 6.7 Lithium Batteries - added Section 6.8 Business Continuity, Disaster Recovery and Pandemic Preparedness Plans - added Section 8.2 Added reference to Supplier Quality Clauses Section 9.0 Rephrased Section 9.1 Distributors, Brokers, and Manufacturing Representatives - added Section 10.1 Title changed and added clarification Section 11.0 Added option for sorting to take place at supplier's location Section 11.2 Added "...for which Supplier is deemed responsible" Section 12.0 Title changed and added clarification Section 12.3 Title changed Section 12.5 Added detail Section 13.0 Revise to reflect current process Section 14.1 Clarified Section 14.3 Request for Supplier (Purchase Order) Quality Clause Waiver – added Section 15.0 thru 15.3 Clarified Section 17.1 Added reference to Appendix E for FAIR submission requirements Appendix c Reformatted and added lapse in production > 2yrs requirements Appendix E Reformatted and content revise for clarification	M. Malinowski
J	01 Oct 23	Added Section 6.5 Code of Conduct for Business Partners Updated Appendix E Supplier Quality Clauses including documentation requirements for Q100 First Article Inspection report per AS9102 and Q101 First Article Inspection report	M. Malinowski

Rev	Date	SQM Section	Summary of Change	Approved By
K	25 JAN 24	1.3 1.4.1 3.2 11.1 12.3 12.4 12.5 13.0 Appendix E	Acknowledgement of SQM – clarified expectations. Periodic On-Site/Virtual Assessment – Added Type A Suppliers to be assessed every three years. Language Requirements – clarification of requirements and added how suppliers can address dual dimensioning. Nonconforming Material Notification, Containment and Corrective Action – added 72-hour notification requirement. Responsiveness – changed from max of 5 to 10 points. Cost Reduction – removed. Total Monthly Score – removed cost reduction component. Corrective Action Requirements – added RASDO requirement that suppliers actively assist in analysis of nonconformance. - moved Root Cause analysis from Containment to Final Corrective Action. Q500, Q500.1, Q501, Q501.1 – added ref to SQM appendix C	M. Malinowski