



SUPPLIER COMPLIANCE REQUIREMENTS

SFS US-Watertown reserves the right to refuse acceptance of parts supplied by any SUPPLIER failing to comply with the requirements listed below.

Subject	Requirement
US-WAT Documentation & Traceability	SUPPLIERS shall preserve traceability of each container of parts to their respective lot numbers as they are received. US-WAT Documents, such as Job Routers and other supplier certifications, must remain with their containers until processing to ensure each container of parts is identified. After processing, the US-WAT Job Routers must be dated, signed, and placed back in each container as they were originally received to maintain traceability.
Inventory Management	SUPPLIERS shall practice “First-In - First-Out” (FIFO) processing on all similar products at their facilities unless otherwise advised by US-WAT personnel. SUPPLIERS shall utilize an inventory management system to optimize turnover time.
Inventory Control	The same quantity of parts for each release shall be returned to US-WAT after processing. Containers shall be returned to US-WAT filled to the approximate level as the SUPPLIER received them. Release quantities are noted on the P.O.
Packing Slips & Quality Certificates	<p>Packing Slips shall accompany each release upon receipt at US-WAT. Records shall also be available for review when requested by the US-WAT.</p> <p>Packing Slips and Quality Certificates (if required) shall contain the following items at a minimum:</p> <ul style="list-style-type: none"> • US-WAT part number • PO and Release number • Lot Numbers • Quantity of parts or number of containers • Standards listed, when applicable
Supplier Performance Monitoring	<p>US-WAT will monitor and track SUPPLIER quality and delivery performance. Performance monitoring may consider more than one of the following aspects below:</p> <ul style="list-style-type: none"> • Results of a system or process audit • Incidents: Number of claims • Re-occurrence issues • OTD: On-Time Delivery • Special freight events • Lead time
Right of Access	US-WAT and its customers, including the NNSA and its contractors, reserve the right to visit SUPPLIER facilities for audit purposes and to verify SUPPLIER’s conformance to US-WAT and customer requirements. Reasonable advance notice shall be provided by US-WAT prior to any such visits.
Receiving Inspection	Product shall be subject to inspection after receipt at US-WAT. SUPPLIERS shall not rely solely on “Receiving Inspection” as a method to control nonconforming product. SUPPLIERS shall implement throughout their processes the methods of controls to prevent the release of nonconforming product.
Rework Lot Control	Product returned to a SUPPLIER for rework must be processed separately. All paperwork including US-WAT Job Routing tickets and any copies of the US-WAT NCMR report must be returned to US-WAT after reprocessing. Reworked product is not to be mixed with standard product during processing or transport.
Change Control	In the event a Supplier needs to request a change to their process or product, a Supplier Process or Product Change Notice (PCN) must be submitted by the Supplier before the change is implemented.
Corrective Action	In case the SUPPLIER’s quality or delivery performance has an adverse effect on the US-WAT and/or Customer requirements, Corrective Action may be applied. Upon notification, the SUPPLIER shall implement containment and corrective action without due delay. The process shall be effective in eliminating ongoing adverse effects and preventing the re-occurrence of same issues.
Outsourcing	SUPPLIERS shall notify US-WAT regarding any outsourcing projects, prior approval before execution by US-WAT Purchasing Manager is mandatory and required.
Transportation	SUPPLIERS shall ship parts to US-WAT in such a manner as to prevent damaged, spilled or mixed parts. SUPPLIERS must ensure that parts are packaged in a manner which preserves the product in storage, handling and transit. All pallets that are used to ship product to the SUPPLIER must be returned to US-WAT.

Note: Purchasing Department to reference this document on all P.O.s issued to secondary operation SUPPLIERS.