



Quality Bulletin

Issued: Friday October 25, 2013

Valiant Supplier Containment Process

Dear Supplier:

Valiant Machine & Tool (Valiant) will be implementing a Supplier Containment Procedure to ensure that Valiant consistently receive high quality products from our suppliers. The main purpose of this new procedure is to reduce the number of defects identified in our manufacturing facilities and therefore minimizing and eventually eliminating any build work stoppages and rework costs by Valiant Machine & Tool.

The criteria for placing a supplier on containment are:

- High frequency of NCRs for a specified duration of time
- High rework costs (rework performed by Valiant)
- Large quantity of nonconforming pieces.

Note: A relative ranking method will be used based on the above criteria to identify suppliers that will be placed on containment. The reasons for placing a supplier on containment include but are not limited to the above criteria and will be done by Supplier Quality.

Once a supplier is placed on containment, 100% of their shipment will be inspected by Valiant's Receiving Inspection for a specified number of shipments. The Supplier Containment Procedure will go into effect as of **October 25, 2013**.

Required Actions:

- The supplier shall inspect their product for any non-conformance condition prior to shipping to Valiant as per Valiant's "Supplier Shipment Validation Checklist". (Please see attachment)

Exit Criteria:

- Once the supplier has shipped 5 (five) consecutive "clean" shipments they will be removed from the Supplier containment list. Clean shipment refers to shipment of products without any non-conformance or NCR (Non-Conformance Report) written against them.

OUR COMMITMENT

The Valiant Group and partnering companies are totally committed to, and actively participate in, the ongoing process of quality improvement, reliability, maintainability and durability.

For more information, please contact your Quality Department Representative.

