SUPPLIER QUALITY MANUAL

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THIS DOCUMENT HAS BEEN COMPLETELY REVISED

1. PURPOSE

The purpose of this document is to communicate AMMROC Quality Requirements through the supply chain. These requirements are intended as a supplement to applicable contractual, design specifications, government, international and local quality and regulatory requirements.

2. SCOPE

This policy applies to all AMMROC staff involved with new and existing suppliers of Aircraft End Use products and services.

3. REFERENCES

3.1	AS 9110	Aerospace Standard
3.2	QMS 100-001	Quality Manual
3.3	QMS 200-013	Control of Non-Conforming Product
3.4	QMS 400-019B	Supplier Quality Questionnaire
3.5	QMS 400-026	Supplier Non-Conformity Report
3.6	SCM 400-014	Supplier Registration Pre-Qualification
3.7	SCM 400-014A	Approved Supplier Renewal Questionnaire
3.8	SCM 400-015	Supplier-Subcontractor AVL Removal

4. CONTACT DETAILS

4.1 AMMROC Head Office

Advanced Military Maintenance Repair Overhaul Centre (AMMROC)
Near Al Ain Airport
P.O. Box 93443, Abu Dhabi, UAE
Tel: +971 (3) 719 7400

4.2 Relevant Contacts at AMMROC

Supplier Quality Manager
Supply Chain Manager

5. QUALITY SYSTEM REQUIREMENTS

5.1 It is the policy of AMMROC that suppliers providing product related to aviation, shall be certified to ISO9001:2015 as a minimum. AMMROC may require suppliers to maintain certification to an applicable aerospace standard (e.g. AS9100/9110/9120). In exceptional circumstances the Quality, Environment Health and Safety (QEHS) Supplier Quality Department may conditionally approve Supplier without the minimum requirement, however, the supplier shall provide evidence that demonstrates management and control of their processes.

5.2 In the absence of third-party certification and depending on the product, its application, value and criticality, the QEHS Supplier Quality Department may authorize the acceptance of other means of compliance. This may include second party (AMMROC) audit or first party (self) assessment, any Type Certified (TC) or Supplemental TC (STC) Original Equipment Manufacturer (OEM) approvals to the products to be supplied (e.g. Boeing, Airbus, Lockheed Martin approvals/certification etc.) or other International standards (MIL/NADCAP/FAA/EASA etc.). This would need to match the criteria above or to comply with alternative requirements stipulated in QMS 400-019B Supplier Quality Questionnaire.

5.3 Suppliers shall maintain their Quality Management System certification through their registrar's surveillance program and shall notify AMMROC of any change in registration status such as:

- New certificate number
- Renewal
- Suspension
- Revocation
- Switch to another registrar
- Change in scope of certification

6. AMMROC SUPPLIER ASSESSMENT

6.1 AMMROC can complete a supplier assessment in one of the following ways:

- Self-Assessment. Self-Assessment shall be completed by the Supplier using AMMROC's Supplier Management Portal for which the vendor management team will send a registration invite to the Supplier. As a backup, the SCM 400-014 Supplier Registration Pre-Qualification may also be used. The supplier shall provide a copy of all current QMS certification
- Audit. Audit will be conducted at supplier site(s) when the self-assessment alone does not satisfy the AMMROC Supplier Assessment Team requirements or that the product to be supplied is deemed critical.

6.1.1 Audits/Assessments will normally be carried out over a period of one to three days but AMMROC retains the right to extend if required. The audit scope includes, but is not limited to:

- Quality Management System
- Environmental Health and Safety (EHS)
- Supplier and Order Control
- Design and Engineering Control
- Measuring Equipment Management
- Control of Manufacturing/Overhaul/Repair Processes
- Continuous Improvement
- Capabilities (Machining, Assembly, Processing, etc.)
- Load Capacity
- Long and short term growth/resources planning

6.2 Audit findings/Non-conformities will be raised when there are breaches of procedure, process or standard. Non-conformities shall be documented in accordance with the Supplier Non-conformity Report (SNCR) procedure, with agreed timescales for closure. Depending on the number or criticality of the Non-conformance, approval may be on hold pending closure of the SNCRs. Re-visits may take place to verify completion of the corrective actions.

6.3 Once an assessment is completed, AMMROC will review the results. Subsequently, suppliers may or may not be approved.

7. SUPPLIER SCOPE OF APPROVAL

7.1 Supplier scope of approval is related to the scope as described on the suppliers Quality Management System certifications, Supplier Management Portal/SCM 400-014 Supplier Registration Pre-Qualification.

7.1.1 Approved Supplier. Following completion of all required documentation the supplier shall be approved for a period of three (3) years. During this period suppliers shall be monitored to ensure satisfactory performance. Once the three (3) year approval has elapsed, the supplier will be required to submit SCM 400-014A Approved Supplier Renewal Questionnaire, for its renewal.

7.1.2 Temporary Approval. In cases where a supplier is unable to provide all the required documentation in time for assessment, temporary approval, up to a maximum of six (6) months, may be granted. This process may only be used in emergency cases as defined in the SCM 200-009 Supplier Evaluation procedure under Temporary Registration.

7.1.3 While temporarily approved, the supplier shall complete all documentation to fulfil the requirements of an approved supplier. In exceptional circumstances AMMROC may extend the period of temporary approval to ensure AMMROC business operations are not subsequently affected.

8. CERTIFICATE OF CONFORMANCE (COC)

8.1 Parts delivered to AMMROC must be accompanied by a COC. The COC must contain the following information as a minimum:

- Customer Name and Address
- Supplier Name
- Cage Code (if applicable)
- Certificate Number
- Conformity Statement
- Part Number
- Part Name
- Part classification
- Serial Number
- Drawing/specification revision
- Contract/Purchase order number
- Quantity delivered
- Packing list/shipper number (when applicable)
- Concession Request number (when applicable)

8.2 The COC must be signed by the Supplier's quality representative, company officer or their authorized delegate, attesting that all products and/or services delivered are in compliance with all contracted requirements.

8.3 All COC must be in English and may be in electronic format with electronic signatures. All signatures or signature blocks must clearly show the title of the signatory.

8.4 When additional certifications/test reports are required for special processing, raw material, etc. the requirements will be specified in the contract or Purchase Order (PO). All documents supplied must be originals. Any duplicate certificates supplied shall be signed and stamped as certified true copies. AMMROC reserves the right to request any additional documentation pertaining to 'the product' during inspection and acceptance.

8.5 Certificates of Conformity provided by a reseller, a distributor or a stockist shall also be accompanied by the OEM COC or Overhaul/Repair Station (when approved by AMMROC).

8.6 All parts provided to AMMROC must have traceability to the OEM or authorized source. Failure to provide this documentation shall result in the parts being rejected at the inspection stage.

9. OBSOLESCENCE AND SHELF LIFE MANAGEMENT

9.1 Suppliers shall ensure their obsolescence process is managed effectively ensuring that obsolete parts are not delivered to AMMROC unless authorized prior to shipment.

9.2 All products must be stored according to OEM recommendations.

9.3 Product delivered to AMMROC must have minimum 80% shelf life remaining; on exception, AMMROC may accept less than 80% but this must be pre-authorized prior to delivery.

10. RECORD RETENTION

10.1 Suppliers shall define a record retention policy within its QMS.

10.2 Suppliers shall maintain quality records (Electronic or Physical) for the duration as specified by the AMMROC contract or PO Terms and Conditions

10.3 Upon request, the supplier shall be able to retrieve and deliver required records within three business days.

10.4 Prior to discarding, transferring to another organization or destroying records, the supplier shall notify AMMROC in writing and give the opportunity to gain possession of the records. These requirements are also applicable to records generated by supplier's sub-tier sources.

10.5 Supplier shall ensure these records are secure with appropriate environmental control on site or off site.

11. GENERAL GUIDELINES FOR PROCUREMENT OF SURPLUS PARTS

11.1 If surplus parts are required, Certification and Traceability Requirements are as follows:

11.1.1 The original certification from the OEM. Appropriate documentation shall also include one or a combination of the following:

- FAA Form 8130-3
- EASA Form 1
- TCCA Form 1
- Certificate of Conformance
- Packing Slip

11.1.2 For New Surplus Parts

Certification and Traceability back to a Regulated Source stating that the material is new, with supporting documentation that shall include any of the documents specified in in para 11.1.1 and a Material Certification Form that meets the requirements of ATA Spec 106 (or equivalent industry acceptable certification).

NOTE: AMMROC defines Regulated Sources as follows:

1. OEM's that are the Production Approval Holders (PAH).
2. Airframe and Power Plant certified repair stations (FAA, EASA or TCCA) whose capability permits the performance of Major checks, repair or modification of aircraft structure, or repair of major modules of an engine.
3. Certified Component Repair Stations (FAA, EASA or TCCA), provided that the material they are supplying is within the repair capabilities of their Air Agency Certificate.

11.1.3 For Overhauled, Repaired, Inspected/Tested or Modified items:

11.1.3.1 Certification and Traceability back to the last operator and/or Regulated Source, including a non-incident statement.

11.1.3.2 Original material certification form that meets the requirements of ATA Spec 106 (or equivalent industry acceptable certification) stating that the part is in the same condition as listed on the Authorized Release Certificate.

11.1.3.3 The original FAA Form 8130-3, EASA Form 1, TCCA Form 1 or its equivalent issued by a repair facility that is approved to perform the repair by the relevant airworthiness regulatory/OEM authority.

11.1.3.4 Name of the service manual and/or part number or ATA chapter reference used to perform the repair and the revision level and the revision date of the manual.

11.1.3.5 Any repairs incorporated into the part must be repairs listed in the OEM's service, repair or overhaul manual.

11.1.3.6 FAA DER 8110-3, Internal Engineering Notice (IEN), Engineering Order (EO) or Technical order (TO) repairs will not be accepted without prior written approval. The repair scheme numbers must be listed in Box 13 of the Authorized Release Certificate along with the Revision number and date. Copies of the repair scheme explanation must be included in the shipment.

11.1.4 If the procured part does not meet the above requirements, it will be considered a 'Suspected Unapproved Part' owing to deficiencies of appropriate Airworthiness documents. Procurement & Installation of such items on aviation assets shall only be with Customer/End User Approval, through a "Major Concession".

11.2 If parts provided are removed from an Aircraft or Engine, then the certification requirements are as mentioned below:

11.2.1 Aircraft/Engine Teardown Parts

11.2.1.1. For FAA, EASA, TCCA Certified or its equivalent repair facility, a removal tag bearing the repair facility's certificate number and address. The information on the Tag should include:

- Manufacturer's Part Number

- Serial Number (as applicable)
- Part Description
- Quantity
- Aircraft Registration Number and/or Aircraft Manufacturer's Serial Number or Engine Serial Number and Model Number (as the case may be)
- Date Removed
- Reason for Removal
- Total Time and Total Cycle of the Airframe or Engine (as the case may be) from which the part was removed
- Signature of License and Identification of FAA A&P

11.2.1.2 The removal tag must be signed or stamped and dated by the repair facility or agency representative performing the disassembly.

11.2.1.3 In addition to the information listed above, removal tags for the aircraft or engines should be parted out.

NOTE: As a minimum, parts must have documented traceability to a specific aircraft.

11.2.2 If the procured part does not meet the above requirements, it will be considered a 'Suspected Unapproved Part' owing to deficiencies of appropriate Airworthiness documents. Procurement & installation of such items on aviation assets shall only be with Customer/End User Approval, through a "Major Concession".

12. COUNTERFEITS AND BOGUS ITEMS – SUSPECT UNAPPROVED PARTS (SUP)

12.1 The supply of counterfeit parts can be potentially devastating to the airworthiness of aircraft. Suppliers are to undertake all precautions to ensure that counterfeit parts are not supplied to AMMROC and are reported to the relevant authority. The supplier shall notify AMMROC immediately of any counterfeit products being discovered or subsequently identified.

12.2 The Supplier must have procedures in place to detect and prevent the use of SUP. The Supplier shall notify the relevant authorities (FAA/EASA/OEM) if SUP are discovered.

12.3 The Supplier shall have a SUP training and guidance program across its organization, including but not limited to purchasing, quality, engineering, receiving inspection, online and assembly inspection, repair and overhaul and shipping.

12.4 The Supplier shall ensure that the source of parts is in accordance with the cage codes designated by the Aircraft OEM as approved sources published in Illustrated Parts Catalog (IPC)/Technical Documentation.

12.5 The Supplier shall ensure that all parts provided to AMMROC are accompanied with documentation that demonstrates they are from an authorized source. Failure to provide this documentation will result in product being rejected and returned.

13. PROCUREMENT OF PARTS USED UNDER PARTS MANUFACTURE APPROVAL (PMA) SYSTEM OR NATIONAL REGULATORY BODY EQUIVALENT

13.1 Use of parts under a PMA (Non-OEM, but approved by FAA or equivalent) is undesirable and should not be considered without prior approval from both AMMROC and its customer. AMMROC shall procure aviation parts as listed in OEM approved documents and, where applicable, from sources identified through Cage Codes referred to in OEM Illustrated parts catalogues. Additionally, AMMROC shall ensure that all aviation related service providers, including vendor's sub-contractors involved in maintenance of AMMROC customer aircraft and components shall only install parts listed in OEM approved documents.

- If complying with this requirement is not feasible for any reason, the service provider must provide advanced information to AMMROC along with all applicable supporting documents of the PMA parts proposed for installation/procurement, and only proceed with written approval.
- A note regarding PMA part guidance shall be included in all aviation vendor communication documentation - SOW, RFQ, RFP, PO, Contracts, Repair PO and other applicable documents - with an obligation to flow down such requirements to all including sub-contractors.

13.2 If PMA part usage is required, a concession shall be attained IAW QMS 200-013 Control of Non-Conforming Product. A Material Review Board (MRB) will be initiated to evaluate the request, involving all stake holders including Engineering, Operations, SCM and QEHS, which will present a recommendation to the Customer for approval. If the Customer agrees with the MRB recommendation, then PMA part usage will be undertaken.

13.3 For Parts Procurement, the following requirements need to be met, to allow utilization of PMA parts:

13.3.1 SCM Procurement/Buyers review of Data Package, which shall include:

- FAA PMA supplements
- OEM IPC references
- Identification of next higher assembly (components or engines)
- Copy of FAA, or regulatory body equivalent, Notification of Design Approval letter
- Design Compliance substitution (Test and Computation summary, if available
- Instructions for Continued Airworthiness (ICA), if applicable (or a statement that specific ICA is not required)

13.3.2 Evaluation by Engineering initiated by SCM Purchasing and Repair

- Verify and establish that an IPC identified part could not be sourced from alternate sources and that the PMA part is the optimal solution available to meet the operational requirements
- Does the PMA part meet the regulatory and technical requirements and is it acceptable. If undetermined, further supporting documents from the PMA supplier shall be requested to enable further assessment
- Confirm that the part is equivalent to the OEM part in form, fit and function, and is applicable to the relevant aircraft type certificate

- Confirm that the PMA supplement shows that the part has FAA (or regulatory body equivalent) approval for use on the aircraft type
- Consider the function performed by the part
- Evaluate if the part requires tracking by serial number
- Confirm if the OEM part is subject to an Airworthiness Directive (AD); if so, authorization to use the part must be delayed until completion of actions to comply with the AD and confirmation that the PMA part satisfies the post-AD requirements
- If the review concludes that the requirements are not satisfied, aircraft use of the PMA part shall be rejected and the package returned to the Purchasing department

13.3.3 SCM receiving inspector

- If the usage of PMA part is approved, the SCM receiving inspector shall confirm that the part is suitably identified, part number appropriately marked and associated airworthiness documents are in order
- The SCM receiving inspector shall confirm that the PMA part designed under the PMA system and approved by a regulatory agency meets one of the following three (3) statements:
  - The PMA part is not a critical component and a statement “This PMA part is not a critical component” shall be written into block 13 of the FAA form 8130-3 or equivalent
  - The PMA part conforms to the design data obtained under a licensing agreement from the holder of the regulatory design approval under the applicable Aviation Regulations. In this case, the statement “Produced under licensing agreement from the regulatory design approval holder” must be written in block 13 of FAA Form 8130-3 or equivalent
  - The PMA holder can show that the part has received an explicit approval by means of design change or Supplemental Type Certificate (STC) from an applicable regulatory agency. In this case the reference authorization must be written in block 13 of the FAA Form 8130-03 or equivalent

NOTE: Definition of Critical Component means a part identified as critical by the design approval holder during the product type validation process, or otherwise by the exporting authority. Typically, such components include parts for which a replacement time, inspection interval or related procedure is specified in the Airworthiness Limitations section or requirements of the manufacturer’s maintenance manual or Instructions for Continued Airworthiness.

13.4 Accepted PMA parts inducted into AMMROC may be used on the customer’s aircraft, but only with their prior and formal authorization. A database shall be maintained to identify concessions authorizing the use of PMA parts along with the details of the installed higher assemblies.

13.5 Pre-existing PMA parts on Customer Assets**.** During Overhaul/Repair/Inspection, if PMA parts are discovered by an external party on any component/sub-component, AMMROC must be notified immediately. Advice on replacement or retaining the identified PMA part will be provided by the Buyer after internal review.

14. CHANGE CONTROL

14.1 Supplier Concession Request

14.1.1 A supplier is not permitted to ship product that deviates from the print, specification limits or design intent without written authorization from AMMROC. If such a condition exists, the supplier shall request AMMROC to allow shipment of the product by initiating a Concession Request. The Concession Request shall be sent to the buyer at AMMROC for approval.

14.1.2 The Supplier shall not ship part/product with known defect/deviation from specification without prior written authorization by AMMROC.

14.1.3 If directed by AMMROC, the Supplier shall send samples parts to AMMROC for evaluation. AMMROC shall determine the item's acceptability. If approved, AMMROC will provide formal concession approval to the Supplier.

14.1.4 Parts sent to AMMROC that have been approved on a concession must be clearly identified.

14.1.5 The Supplier shall notify AMMROC in writing at least ninety (90) days in advance of any:

- Sale
- Relocation
- Transfer of physical location/site
- Changes that may affect the product delivered to AMMROC

15. SUBCONTRACTED PRODUCT AND SERVICES

15.1 If a part or service is subcontracted by a primary supplier, the primary supplier remains responsible for the quality of that part or service provided unless AMMROC specifically releases the supplier from that responsibility in writing.

- Goods purchased by AMMROC and provided to a primary supplier are not considered subcontracted.
- Parts or services cannot be subcontracted or sold without prior consent from AMMROC.

15.2 **AMMROC Specified Sub-contractors**. AMMROC may specify the sub-tier suppliers to be used; this occurs when the sub-tier supplier is an essential component of the supply chain process.

16. BUSINESS CONTINUITY

16.1 Suppliers shall have a business continuity plan/procedure which allows for the safeguarding, storage and recovery of engineering drawings, electronic media and production tooling in the event of damage or loss. This plan must also contain contingency plans to satisfy AMMROC requirements in the event of significant utility interruptions, labor shortages, equipment failure and field returns.

17. CALIBRATION SYSTEM

17.1 The Supplier shall have an established calibration system to track and account for all tools, gauges and measuring instrument. All calibration must be traceable to an industry recognized standard i.e. ISO17025.

17.2 The Supplier shall ensure that measuring equipment not in use, or past due calibration limits, is identified and segregated from manufacturing, processing, inspection and test areas to prevent inadvertent use.

18. ELECTROSTATIC SENSITIVE DEVICES (ESD) CONTROLS

18.1 Suppliers shall maintain an effective ESD program that meets international recognized best practice; this shall include storage, handling and shipment.

19. SUPPLIER NONCONFORMITY REPORT (SNCR)

19.1 AMMROC shall raise a SNCR when nonconforming parts are found during Incoming inspection, Test, Installation, Storage or during operation by AMMROC or its customers (internal or external) and where the supplier is deemed responsible for such nonconformance.

19.2 The SNCR can be raised as a result of non-conformances found during supplier audit and is fundamental in establishing supplier performance measurements.

19.3 Supplier shall liaise with the buyer in the AMMROC procurement/repairs team for the return of the components(s) to their facility. AMMROC shall not be liable for the cost of the return unless the component is found to be conforming with tested at the supplier site.

19.4 Parts that are to be re-supplied shall be supplied against the Purchase Order (PO) number. The PO number shall be documented on all relevant delivery packaging and paperwork.

19.5 For parts that are being credited, the credit note is to be issued in a timely manner to avoid unnecessary delays.

19.6 Upon request the supplier shall provide AMMROC with any rework documents for product conformity as evidence that rework was performed in accordance with approved technical documentation.

19.7 If the Supplier intends to use their own investigation report, the SNCR reference number quoted in the AMMROC SNCR report shall be used in all documentation.

19.8 The following points provide a guideline of the SNCR process.

19.8.1 On receipt of a SNCR, AMMROC requires that the Supplier takes immediate containment action.

19.8.2 Containment actions must define the actions implemented to prevent further nonconforming product being shipped to AMMROC. If suspect product has already been shipped, the supplier must inform AMMROC immediately. The Supplier shall provide all affected and or potentially affected PO details including lot numbers, serial numbers and quantities involved.

19.8.3 The Supplier shall submit the completed SNCR report detailing the actions taken to prevent recurrence of the problem. Corrective actions such as ‘train the operator’, ‘discipline the operator’ or ‘increase inspection’ are typically not acceptable corrective actions without supporting objective evidence. The Supplier must provide evidence of corrective actions implemented.

19.8.4 AMMROC shall review and consider the completed corrective action report along with any supporting (objective) evidence.

19.8.5 AMMROC may then close the SNCR and inform the Supplier accordingly. Where applicable AMMROC customers may be consulted on the closure.

19.8.6 AMMROC retains the right, to reject the supplier's submitted response, if it is not satisfied with the outcome. AMMROC shall inform the Supplier accordingly and request enhancement of the proposed corrective action.

19.8.7 The failure to responding effectively to the SNCR could result in the issue being escalated through the Supplier's management system. This is to ensure that the issue is resolved in a timely manner and that the root cause of the problem is addressed.

20. COST OF NONCONFORMITY

20.1 AMMROC reserves the right to recover costs (where applicable) including, but not limited, to administrative, scrap, shipping, handling and customer costs incurred as a result of nonconforming products.

21. HANDLING, STORAGE AND PACKAGING

21.1 Suppliers shall ensure that packaging is sufficiently robust to ensure that the product is not damaged during transit and storage.

22. CONTINUAL IMPROVEMENT

22.1 The Supplier shall demonstrate continual improvement.

22.2 The Supplier's top management should take leadership of improvement activities.

22.3 An annual QMS review should be part of the improvement plan.

23. PERIODIC SUPPLIER AUDITS

23.1 AMMROC reserves the right to visit and audit any approved supplier.

23.2 AMMROC may audit suppliers periodically based on criticality to the business, spend or performance. The supplier must make their facility available for on-site audits by AMMROC personnel with reasonable notice. Audits may be Product, Process or System based.

24. SOURCE INSPECTION

24.1 Supplier's products or services may be subject to source inspection by AMMROC, delegated representatives, applicable government or regulatory agencies. Source inspection requirements will be included in the contract and may apply to any and all operations performed by the Supplier or the Supplier's sub-tier sources, including prior to delivery of products to AMMROC. The Supplier shall provide the necessary access, equipment and resources required to effectively accomplish the source inspection.

24.2 Audit, surveillance, inspection or tests by AMMROC, does not relieve the Supplier of its responsibility for management of suppliers.

25. SUPPLIER PERFORMANCE

25.1 AMMROC conducts supplier performance reports on key/critical suppliers, who will be measured on delivery and quality performance as a minimum. Suppliers that have agreed contractual KPI will be measured by the contractual requirements.

25.2 AMMROC reports supplier performance on a monthly basis.

25.3 Supplier grades are defined by the overall score achieved for delivery and quality performance as follows:

A 100% to 91%

B 90% to 81%

C 80% to 71%

D 70% to 60%

25.4 Suppliers shall consult the appointed AMMROC buyer to obtain information on their respective performances and ratings and their monitoring and measurement.

26. UNDERPERFORMING SUPPLIERS

26.1 In the event that the Supplier performance drops below an acceptable standard (**below 60%) for two consecutive months of performance reporting or becomes a D grade during the six (6) monthly supplier score card, the following actions shall be taken:**

- Contact the Supplier and organize a meeting to discuss issues.
- Detail actions already implemented to resolve issues.
- Define action plan with the Supplier to resolve issues. The Supplier shall submit a Quality Improvement Plan (QIP)/Recovery plan with milestone dates

26.2 Timescales

26.2.1 The Supplier shall provide a Quality Improvement Actions/Order book recovery plan with milestone dates within one (1) month of the communication date.

26.2.2 The Supplier has two (2) months from the communication date to show improved performance.

26.3 Actions to be taken after two (2) months

26.3.1 If the Supplier improves satisfactorily and initiates necessary corrective actions, then normal operating conditions shall resume.

26.3.2 If the Supplier does not improve, the next course of action would be considered in the interest of AMMROC, this may lead to the Supplier being removed from the Approved Supplier List IAW this document and SCM 400-015 Supplier Subcontractor AVL Removal.

27. SUPPLIER CODE OF CONDUCT

AMMROC's Code of Conduct extends to our supply base. Therefore, all AMMROC's suppliers are expected to adhere to the Supplier Code of Conduct.

This Code does not replace contractual terms and conditions in the event that a Supplier is awarded a contract by AMMROC.

27.1 Conflict of Interest

27.1.1 The Supplier must avoid Conflicts of Interest and shall not enter into a financial or any other relationship with AMMROC employee or any other situation that creates any actual, potential or perceived conflict of interest for AMMROC.

27.1.2 They must understand that a conflict of interest arises when the personal interests of the AMMROC employee are inconsistent with the responsibilities of his/her position with the AMMROC. Supplier must ensure any of its employees who are dealing with AMMROC shall disclose any (potential) conflict of interest situation immediately to the AMMROC Compliance Team. All such conflicts must be disclosed and corrected. Even the appearance of a conflict of interest can be damaging to AMMROC and to you as a supplier and must be disclosed and approved in advance by AMMROC management.

27.1.3 To disclose any conflict of interest, contact the Compliance Team at: Compliance@ammroc.ae.

27.2 **Anti-corruption & anti-bribery**

27.2.1 Bribes, kickbacks and similar payments for the purpose of obtaining or retaining business related in any way to AMMROC are strictly prohibited. Employees, the supplier and agents acting on behalf of AMMROC are strictly prohibited from accepting such considerations under any circumstances.

27.3 **Gifts and Gratuities**

27.3.1 The Supplier must refrain from offering money, gifts, special hospitality treatment or other financial benefits that may influence decision making. Although giving gifts is acceptable in some cultures, AMMROC requests that the supplier respects its policy of not accepting gifts.

27.3.2 The Supplier must also refrain from unethical or compromising practices in relationships, actions or communications. Instead, they shall ensure that any expenditure incurred in connection with any current or future transaction with AMMROC is transparent and duly incurred in the ordinary course of business.

27.4 **Trade Regulation**

27.4.1 The Supplier shall comply with all applicable export control, sanctions and customs laws and regulations, including commonly accepted international industry standards. The supplier in particular ensures that the supplier, its beneficial owner(s), all its agents and any other subcontractors used by the supplier are not listed on any applicable Denied Party sanctions lists.

27.5 **Money Laundering & Financial Records**

27.5.1 The Supplier shall comply with applicable laws and regulations designed to combat money laundering and/or terrorism financing activities.

27.5.2 The Supplier shall maintain financial records and reports according to applicable laws and regulations.

27.6 **Transparency**

27.6.1 The Supplier shall provide data and information required by AMMROC for registration.

27.6.2 The Supplier shall provide accurate, honest data and information and shall not attempt to conceal or alter factual information.

27.6.3 If needed, the Supplier will disclose all of the needed data and information for compliance/internal audit purposes conducted at Supplier's site.

27.7 **Confidential Information**

27.7.1 Proper management of confidential information is critical to the success of both AMMROC and the Supplier. The Supplier must protect all AMMROC information, electronic data and intellectual property with appropriate safeguards. Any transfer of confidential information must be executed in a way that secures and protects the intellectual property rights of AMMROC and its suppliers. Supplier's personnel shall comply with AMMROC policies concerning information and data security.

27.7.2 The Supplier may receive our confidential information only as authorized by a signed Confidentiality or Non-Disclosure Agreement (NDA) and must comply with their obligations to not disclose the confidential information.

27.7.3 The Supplier shall not make use of intellectual property belonging to other organizations without written permission to do so. If necessary, supplier shall provide evidence of such permission to AMMROC.

27.7.4 The Supplier must comply with AMMROC polices and the laws, rules, regulations of the countries and locations in which they operate. They are expected to be familiar with the business practices of their suppliers and subcontractors and ensure they operate according to this code of conduct.

27.8 **Environment**

27.8.1 The Supplier is expected to conduct their operations in a way that minimizes the impact on natural resources and protects the environment, customers and employees. They must ensure their operations comply with all laws related to air emissions, water discharges, toxic substances and hazardous waste disposal.

27.8.2 AMMROC may discontinue its relationship with the Suppliers who fails to comply with this code.

27.9 **Communication**

27.9.1 The Supplier is expected to assist AMMROC in enforcing this Supplier Code of Conduct by communicating its principles to their supervisors, employees and suppliers.

27.10 **Compliance with Supplier's Code of Conduct**

27.10.1 AMMROC reserves the right to check compliance with the requirements of Code, for example through self-assessment audits either by AMMROC or a third party.

ACRONYMS

AMMROC	Advanced Military Maintenance Repair and Overhaul Centre
AOG	Aircraft On Ground
AS	Aerospace Standard
COC	Certificate of Conformance
ESD	Electrostatic Sensitive Devices
EASA	European Aviation Safety Agency
FAA	Federal Aviation Agency of USA
HQ	Head Quarters
ISO	International Standard Organization
MIL	Military
MRB	Material Review Board
NADCAP	National Aerospace and Defense Contractors Accreditation Program
OEM	Original Equipment Manufacturer
PO	Purchase Order
PMA	Parts Manufacturer Approval
QIP	Quality Improvement Plan
QMS	Quality Management Systems
SNCR	Supplier Non-Conformance Report
SCM	Supply Chain Management
SUP	Suspect Unapproved Parts
TCCA	Transport Canada Civil Aviation