



Anillo Industries Inc.

Subcontractor Approval Questionnaire
“Company Confidential”

COMPANY NAME AND ADDRESS:

SURVEY PERIOD:

BASIS: NEW APPROVAL
RE-APPROVAL
POOR PERFORMANCE

TELEPHONE NUMBER:

FAX NUMBER:

PRODUCT / SERVICE SCOPE:

APPROVALS HELD INCLUDING APPROVAL NUMBERS:

PROVIDE COPIES OF CERTIFICATES

KEY PERSONNEL:

QUALITY MANAGER:

OPERATIONS MANAGER:

WHAT IS YOUR CURRENT AEROSPACE WORK CONTENT?

ARE YOU WILLING TO ACCEPT THE GENERAL TERMS AND CONDITIONS STATED IN QWI 4.06.23?

DOES PRODUCT TO BE SUPPLIED INVOLVE USE OF YOUR DESIGN EXPERTISE?

DO YOU HAVE A POLICY FOR HEALTH & SAFETY AND PROTECTION OF THE ENVIRONMENT?

DO YOU HAVE PRODUCT LIABILITY INSURANCE?

DO YOU HAVE A QUALITY MANUAL?

DO YOU USE STATISTICAL TECHNIQUES?

PLEASE SUPPLY A COPY OF CURRENT MANAGEMENT STRUCTURE



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SIGNED:

POSITION:

DATE:

ANILLO USE ONLY:

RESPONSE ACCEPTED:

DATE:

SECTION 1: ORGANIZATION

TO WHOM DOES THE QUALITY MANAGER REPORT?

NAME:

TITLE:

IS THE COMPANY A SUBSIDIARY OF A LARGER COMPANY?

YES / NO

IF “YES”, STATE NAME AND ADDRESS OF PARENT COMPANY

NUMBER OF PERSONS EMPLOYED IN COMPANY

NUMBER OF PERSONS EMPLOYED IN QUALITY ASSURANCE / INSPECTION



SECTION 2: ADMINISTRATION CONTROL

IS THERE A SYSTEM FOR CONTROLLING THE FOLLOWING:

- A) RECEIVING AND REVIEWING ORDERS / CONTRACTS YES / NO
- B) DISTRIBUTING DRAWINGS AND SPECIFICATIONS YES / NO
- C) MANUFACTURING YES / NO
- D) PROCESS PLANNING YES / NO
- E) IN-PROCESS QUALITY CONTROL YES / NO
- F) STOCKING LEVELS YES / NO
- G) PURCHASE ORDER PROCESSING YES / NO

SECTION 3: DESIGN CONTROL – Please write N/A if not applicable

IS THERE ESTABLISHED METHODS FOR:

- A) DESIGN AND DEVELOPMENT PLANNING YES / NO
- B) DOCUMENTING DESIGN INPUTS / REQUIREMENTS YES / NO
- C) DOCUMENTING DESIGN OUTPUT WITH EVIDENCE OF MEETING
CUSTOMER AND OTHER REQUIREMENTS YES / NO
- D) DESIGN REVIEW YES / NO
- E) DESIGN VERIFICATION AND VALIDATION YES / NO
- F) CONTROL OF DESIGN CHANGE YES / NO

SECTION 4: MATERIAL CONTROL

- A) ARE ALL MATERIALS INSPECTED UPON RECEIPT YES / NO
- B) IS THERE A BONDED STORE’S AREA YES / NO
- C) IS THERE A QUARANTINE STORE AREA YES / NO
- D) CAN MATERIALS BE TRACED TO SOURCE DOCUMENTATION YES / NO
- E) IS MATERIAL IDENTITY RETAINED THROUGHOUT PRODUCTION
PROCESS YES / NO
- F) IS PACKAGING AND HANDLING ADEQUATE YES / NO
- G) IS A THERE A MAINTAINED LIST OF APPROVED SOURCES OF
SUPPLY YES / NO

SECTION 5: CALIBRATION AND EQUIPMENT CONTROL

- A) ARE GAUGES AND MEASURING INSTRUMENTS REGULARLY
CALIBRATED YES / NO
- B) ARE THEY TRACEABLE TO NATIONAL STANDARDS YES / NO
- C) ARE RECORDS KEPT OF THESE CHECKS YES / NO
- IS PRODUCTION EQUIPMENT REGULARLY MAINTAINED YES / NO



SECTION 6: QUALITY CONTROL

- | | |
|--|----------|
| A) IS THE QUALITY SYSTEM DOCUMENTED, INCLUDING FUNCTIONAL INTERFACES | YES / NO |
| B) ARE RECORDS MAINTAINED OF ITEMS INSPECTED | YES / NO |
| C) HOW LONG ARE RECORDS RETAINED | YES / NO |
| D) DO THESE RECORDS SHOW INSPECTION STATUS FOF THE BATCH | YES / NO |
| E) ARE ANILLO DRAWINGS / SKETCHES AVAILABLE TO ALL STAFF | YES / NO |
| F) DO STAFF HAVE ADEQUATE FACILITIES AT THEIR DISPOSAL TO CARRY OUT EFFECTIVE INSPECTION | YES / NO |
| G) DOES A CORRECTIVE ACTION SYSTEM EXIST, IS ACTION TAKEN WHEN POOR QUALITY IS FOUND | YES / NO |
| H) ARE NON CONFORMING ITEMS IDENTIFIED AND SEGREGATED | YES / NO |
| I) ARE INSPECTION STAMPS USED | YES / NO |
| J) ARE SAMPLING PLANS USED | YES / NO |
| K) WILL YOU INSPECT BATCHES PER ANILLO INSTRUCTIONS | YES / NO |
| L) DO YOU HAVE AND INTERNAL AUDITING FUNCTION | YES / NO |
| M) DO YOU PRACTICE GOOD HOUSEKEEPING | YES / NO |
| N) DO YOU HAVE A CERTIFICATE OF CONFORMANCE RELEASE NOTE (please provide copy) | YES / NO |

WHAT BUSINESS INITIATIVES OR IMPROVEMENTS ARE UNDERWAY RELATED TO ASPECTS OF THIS QUESTIONARE? (if necessary provide details separately)



Subcontractor Goals and Recognition

It our stated goal that all subcontractors to Anillo Industries, Inc./Hightower Metal Products take necessary and appropriate steps to earn and maintain their position on the Approved Subcontractor Listing with the further target of achieving "**Certified Subcontractor-Dock to Stock**" status for their product

Additionally, it is our desire to develop and enter into Strategic Partnership Programs with selected subcontractors capable of delivering Quality Products, On-Time while offering ongoing Cost Benefits' in return for expanded opportunities to participate in the business needs of Anillo/Hightower as we expand our activities in the Future. This opportunity exists for all Approved Subcontractors and our expectation will be that subcontractors work in both Proactive and Reactive modes in order to develop and present the Quality Plans and Commercial Offers such as EDI, Web Based Business Systems Integration, VMI Programs, Discounted Invoices for Prompt Payment, Prepaid Freight Terms, etc., that will allow Anillo/Hightower Management the motivational vehicle for establishing selected Strategic Partnership Programs.

Anillo/Hightower Quality and Materials Management will develop and establish Certificates and Awards intended to acknowledge those Approved Subcontractors that progress to the levels of "Certified Subcontractor-Dock to Stock" status and " Strategic Partnership Programs " and the presentation of those documents will be made in such a manner as to recognize and compliment both the subcontractors management and respective employees for their efforts and support.

An organization is only as strong as the Approved Subcontractor Base servicing their needs, our management is aware of this fact and dedicated to working closely with selected subcontractors in joint efforts to deliver Higher Quality, Better Delivery and Lower Pricing than our Customers expect via some, or all, of the following:

1. Subcontractor Pre-Evaluation
2. Baseline Capability Analysis
3. Subcontractor Quality System Assessment Survey
4. Self-Assessment or On Site Audits of selected and appropriate Elements of AS-9000
5. Subcontractor Satisfaction Survey Rating Anillo/Hightower as Customer
6. Subcontractor Development and Rating Methods (TBD)



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Subcontractor Pre-Evaluation

Our goal is to establish an Approved Subcontractor List based on proven capabilities in the areas of Technology, Quality, Delivery and Cost Competitive/Cost Reduction Effectiveness, using some, or all, of the following criteria:

1. Products Manufactured, or Supplied Via Qualified Sub-Subcontractors;
2. Quality Systems Currently in Place and Management Consideration for Implementing "Selective and Appropriate" Elements of QS-9000 as the Basis for their Quality System Development;
3. Copies of Current Quality Program Certificates Required for Inclusion in Anillo/Hightower Approved Subcontractor Files;
4. Management Statement that Plans exist for Targeting "Zero Defects" on Shipped Products;
5. Documented History of 100% On Time Deliveries and Complete Shipments to Customer Release Schedules;
6. Process Improvement and Cost Reduction Plans in Place with Documentable Results;
7. Demonstrate Stable Management and Controlled Turnover Rate in Workforce;
8. Strong Financial Position and Business Plans in Place for Controlled Growth;
9. Engineering Capabilities for Both Design and Engineering Change Processes;
10. Experience In, or Demonstrated Ability to Meet Aerospace/Automotive Industry Standards such as SPC, PPM, Process Flow Management, etc.



Subcontractor Development and Objectives

Our Mission at Anillo/Hightower is to establish, implement, and continually work with the Approved Subcontractor Base in order to assure that Anillo/Hightower is exceeding our Customers expectations in the areas of Quality, Delivery and Cost Reductions, with expanded emphasis being placed on the documented capabilities of our Approved Subcontractors under all selected and appropriate Elements of AS-9100. Desired documentation and/or actions may include some, or all, of the following:

1. Subcontractor Self Survey Forms and Current Copies of Quality Program (ISO/AS) to be supplied on an annual basis;
2. On Site Surveys/Audits May be required as Deemed Necessary by Anillo/Hightower Quality and/or Materials Management. Supplier is required to accept these visits with appropriate prior notice from Anillo/Hightower. **Respect will be given to proprietary processes.**
3. Certification Documents on Raw Materials Must be Supplied with Shipments to Anillo/Hightower, or Retained in Subcontractor Files for Review as Required;
4. Subcontractor Must Exhibit the Ability to Implement Quality, Delivery and Cost Reduction Plans as Requested by Anillo/Hightower and Agreed to by the Subcontractor. Future Awards of Additional Business Will be Dependant on Subcontractors Success;
5. Subcontractor Visits to Anillo/Hightower is Strongly Desired and Suggested at Minimum Once Per Year, or as Dictated by Business Activities and Concerns;
6. Aggressive, Inventive and Proactive Cost Reduction Plans are Expected From the Approved Subcontractors, Particularly Those Desiring to Enter Into Our Strategic Partnership Programs; **Expanded Business Opportunities Should Result!!!!!!**
7. Develop More Effective Communication Between Approved Subcontractors and Anillo/Hightower Using the Latest Technology Such As “Web-Based Integration of Business Systems”. This Should Result In a “Win-Win” For Both Businesses.



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Supplier Satisfaction Survey Form

Dear Subcontractor,

In our ongoing effort to establish an Approved Subcontractor List, it's a recognized fact that we, at times, may conduct our business in ways that are not necessarily in sync with our selected subcontractors business programs. As we expect, and insist upon better performance from subcontractors, we must also be flexible in meeting your needs as they are recognized. In pursuit of a stronger relationship between our firms, attached you will find a Supplier Satisfaction Survey which is designed to allow you to express your level of satisfaction with Anillo/Hightowers business style, or as a vehicle allowing you to address areas of concern and desired actions from our side that might result in a smoother working relationship.

Questions one (1) through three (3) ask you to rate us on a one (1) to five (5) scale with one (1) being "poor", four (4) being "we meet your expectations", and five (5) being "above your expectations. Questions four (4) through seven (7) ask for specific input/observations on our system as it applies to your organization. Please take note of Item (7) which identifies several items of significant importance to Anillo/Hightower management and these will carry high priority in our efforts to develop our business relationships with current, and future, subcontractors.

This Subcontractor Satisfaction Survey is intended to allow us to develop our business relationship via a more constructive process and, to that goal, I would ask that an appropriate person within your business unit review the questions, assess our current relationship and respond in specific terms to the questions. There are no "right, or wrong, answers", comments will be used in a productive manner, and frankness will be greatly appreciated so that we may identify, and resolve any concerns that may exist today and effectively plan our activities in the future.

Please take the positive approach and have this survey completed and returned to my attention at the earliest possible date. Response may be mailed, faxed, or emailed. (Email address is omidwar@anilloinc.com).

Best regards,

Ben Omidwar
Quality Director
Anillo Industries, Inc.
Hightower Metal Products



Supplier Satisfaction Survey

Supplier Name:

1. On Time Orders/Shipment Schedules: 1 2 3 4 5
2. Quality/Method of Communication: 1 2 3 4 5
3. Clarity of Documentation/Requirements: 1 2 3 4 5
4. What have we done in the past that has impressed you, or exceeded your expectations of Anillo/Hightower as a customer?
5. What have we done in the past that may have upset, or concerned you?
6. What could you recommend that we might change to allow for a better working relationship.
7. Based on your current services now provided to Anillo/Hightower, what additional incentives can your firm offer in order to obtain increased orders from Anillo/Hightower? Please be as specific as possible and address all, or some, of the following: EDI, Web Based Business Systems Integration, VMI, Discounted Payment Terms, Prepaid Freight, others:
8. Is your company currently classified as a Minority Business, and if so, what is the qualifying classification?