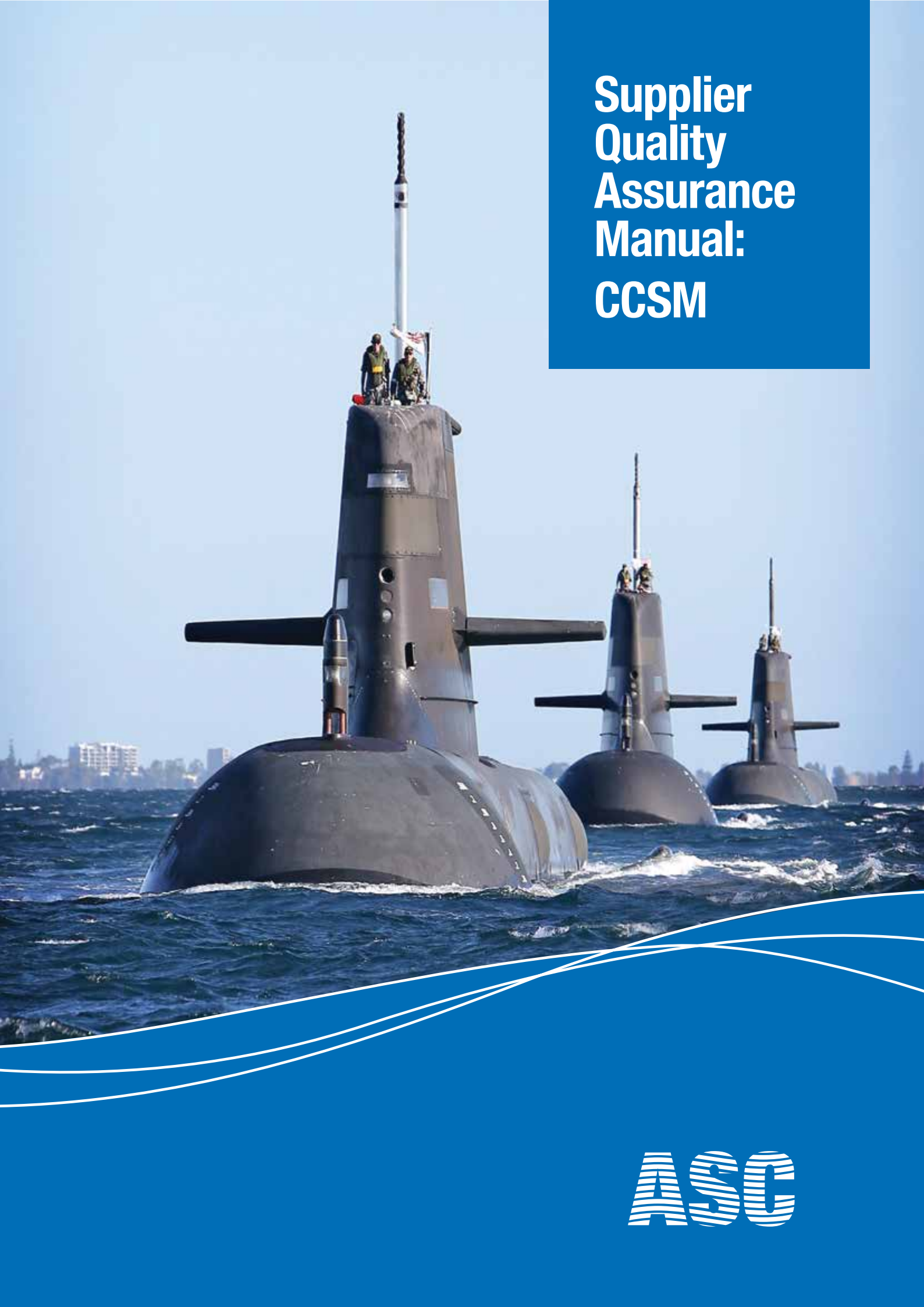


Supplier Quality Assurance Manual: CCSM



ASC

Supplier Quality Assurance Manual: CCSM

WARNING

This document is the intellectual property of the Commonwealth of Australia (CoA), or ASC Pty Limited. It may only be used by the recipient in accordance with the terms of the contract between ASC and the recipient, or, in the absence of a contract, it may only be used strictly for the purposes for which it was provided. The unauthorised disclosure, reproduction or use of this document is prohibited. The original and any copies of this document must be returned to ASC on request.

Contents

1. Introduction	3
Purpose	3
Scope	3
Definitions and Acronyms	3
Monitoring, Evaluation and Review	4
ASC Vision, Mission and Values	4
Customer/Supplier Relationship and Feedback	4
Supplier Approval Process (Evaluation and Approval)	4
Right of Access	4
Mutual Recognition for Test Laboratories	4
2. Requirements	5
General Expectations of ASC Suppliers	5
Work Health, Safety and Environment	5
Sustainability	5
Hazardous Materials/Hazardous Substances	5
Modern Slavery Code of Conduct	6
Purchase Order/Contract Requirements	6
Inwards, Outwards and In-Process Goods Assurance/Controls	6
Handling of ASC-Supplied Materials	6
Control of Sub-Tier Suppliers	6
Internal Audit	7
Control of Non-Conforming Products and Services	7
Qualified and Trained Personnel	7
Control of Design Development Planning	7
ITP Applicability/Controls	7
Inspection Measuring and Testing Equipment – Calibration	7
Testing Laboratories and Inspection Providers	8
OQE Requirements	8
Submission of OQE to ASC	8
Opening and Closing Reports for Refurbished Goods	8
ASC Quality Requirements for Shelf-Life Products	9
ASC Quality Requirements for Fasteners	9
Intellectual Property, Technical Information and Export Controls	9
Control and Retention of Quality Records	10

1. Introduction

Purpose

This manual aims to provide guidance to ASC suppliers about their Quality Management System (QMS) obligations and requirements for the supply and refurbishment of goods and/or services to ASC's Collins Class Submarine (CCSM) Program.

Note: for the purpose of this manual wherever the term 'supplier' is used it can be taken to include (where applicable) contractor, subcontractor and sub-tier suppliers.

Scope

This manual is applicable to all ASC purchases of goods and services under ASC's Purchase Order (PO) terms and conditions and applicable contracts in support of the ASC CCSM Program.

Definitions and Acronyms

AICIP	Australian Institute for the Certification of Inspection Personnel
AINDT	Australian Institute for Non-Destructive Testing
ASC	ASC Pty Ltd
CCSM	Collins Class Submarine
CMP	Configuration Management Plan
CMS	Corporate Management System
CoA	Commonwealth of Australia
CoC	Certificate of Conformance
DoD MIL HDBK	Department of Defence (USA) Military Handbook
ERP	Enterprise Resource Planning
IMTE	Inspection Measuring and Testing Equipment
IP	Intellectual Property
ISO	International Standards Organisation
ITAR	International Traffic in Arms Regulations
ILAC	International Laboratory Accreditation Corporation
ITP	Inspection and Test Plan
MDR	Manufacturers Data Report
NATA	National Association of Testing Authorities
NDT	Non-Destructive Testing
OCR	Opening and Closing Report
OQE	Objective Quality Evidence
PO	Purchase Order
QA	Quality Assurance
QMS	Quality Management System
SDS	Safety Data Sheet
SQA	Supplier Quality Assurance
SQAM	Supplier Quality Assurance Manual
SQQ	Supplier Qualification Questionnaire
US	United States (of America)
WHS&E	Work Health, Safety and Environment

Monitoring, Evaluation and Review

The content and effectiveness of this manual will be monitored and evaluated via metrics and key performance indicators associated with the Supplier Quality Assurance (SQA) audit schedule and reported to management accordingly.

ASC Vision, Mission and Values

Vision: To be Australia's sovereign submarine builder and maintainer - indispensable in delivering our nation's maritime strategy.

Mission: To be a trusted and efficient partner with sovereign design, build and sustainment capabilities, driving best value for our customers.

Values and Behaviours: Strongly held corporate values are an important element of the strategic framework that underpins successful companies. ASC employees aspire to a set of values and exhibit corresponding behaviours, which are the guiding principles that define how we conduct our business and what we stand for as a company. ASC's corporate values are:

- **Protect:** We look out for one another and maintain a safe and secure workplace.
- **Respect:** We value diverse perspectives, treating others considerately and professionally.
- **Integrity:** We are always honest, thoughtful and accountable for our decisions.
- **Discipline:** We follow proven processes to deliver on commitments to each other and our customer.
- **Excellence:** We strive together to be the best we can be now and in the future.

Customer/Supplier Relationship and Feedback

ASC is fully committed to maintaining a good relationship with all of its suppliers.

ASC believes that without the assistance and commitment of its suppliers, the requirements specified in this manual cannot be adequately achieved.

Suppliers should contact ASC Supply Chain personnel in the event that any requirement contained in an ASC contract, PO or this manual is not fully understood and/or cannot be complied with.

Supplier Approval Process (Evaluation and Approval)

To be included in the ASC Approved Suppliers List, suppliers will undergo systematic levels of reviews and checks which may also include on-site SQA audits by ASC Quality Assurance (QA) and Supply Chain departments.

As part of this approval and re-approval process, suppliers shall be requested by ASC Supply Chain to complete a Supplier Qualification Questionnaire (SQQ) and security supply chain documents such as a Supplier Commitment Letter and ICT Questionnaire. These security documents determine suitability in line with CoA security policy. These artefacts must be submitted together with supporting documentation (as specified in the SQQ), prior to being considered as an 'ASC Supplier'. Once suppliers have been approved, ASC Quality, Engineering and/or Supply Chain departments may conduct regular quality audits and source inspections, including on-site visits, to ensure the supplier can consistently meet ASC's product quality, safety and delivery requirements.

Right of Access

During the course of the relationship between ASC and the supplier as an active approved supplier, ASC may (with reasonable notice) require access to the supplier's manufacturing/production areas, and/or the supplier's sub-tier facilities, for auditing purposes and to ensure capability processes meet the ASC PO/contract requirements.

Mutual Recognition for Test Laboratories

ASC requires all testing (mechanical, chemical, non-destructive or calibration) to be performed by, and/or traceable back to, a suitable laboratory accredited to ISO 17025. Acceptable national certification bodies will be members of the International Laboratory Accreditation Corporation (ILAC). The approved Australian certification body is the National Association of Testing Authorities (NATA), which is a member of ILAC. All international testing laboratories shall be ILAC-affiliated.

2. Requirements

General Expectations of ASC Suppliers

Suppliers must meet the requirements specified (or referenced) in this SQAM and should maintain an effective QMS based on ISO 9001 (latest version). Where ISO 9001 certification is not held by the supplier, they may be subject to further audit and assurance activities.

ASC expects suppliers to share its commitment to meeting ASC's end-customer requirements for quality, technical performance and on-time delivery. This can be achieved through flexibility in assisting ASC to meet its end goal, which can be achieved by implementing continuous improvement initiatives and business continuity plans.

All suppliers are responsible for ensuring all necessary compliance. This includes with, but is not limited to, CoA security policy and the requirements contained in this manual. They are also responsible for the quality, timeliness and integrity of delivered goods and services, including those provided by sub-tier suppliers/manufacturers/mills.

All delivered goods and services must comply fully with ASC's quality requirements, including the provision of appropriate Objective Quality Evidence (OQE) documentation.

All OQE for commodity items shall comply with the Objective Quality Evidence Definitions: Submarines located on the ASC website, and where identified in either an ASC PO or contract, ASC technical specifications or identified industry standards.

Work Health, Safety and Environment (WHS&E)

Suppliers are responsible for all aspects of WHS&E connected with the goods and services supplied to ASC and must at their own cost comply with all WHS&E-related

legislation (including the *Work Health and Safety Act 2011 (Cth)*, *Work Health and Safety Regulations 2011 (Cth)* and applicable State legislation) that is in any way applicable to the goods and services supplied, including in respect of their sub-tier suppliers or subcontractors.

Suppliers must demonstrate to ASC that they have the necessary knowledge, ability and resources to comply with all applicable WHS&E legislation and, on request, must provide ASC with all necessary information to allow ASC to properly assess the supplier's capacity to provide goods/services in accordance with all relevant WHS&E legislation.

Suppliers providing services at ASC sites will also be required to demonstrate compliance through:

- Work Health and Safety (WHS) management plans;
- environmental management plans;
- competency and licensing of personnel; and
- risk registers and assessments.

Suppliers must notify ASC immediately of any incident or event occurring in connection with the supply of goods or services to ASC that is in breach of, or notifiable under, the relevant WHS&E legislation.

ASC requires suppliers to provide a copy of their environmental and WHS policies detailing environmental and safety commitments. ASC highly recommends suppliers maintain ISO 14001 and ISO 18001 or ISO 45001 certification to demonstrate commitment to environmental and safety performance, or a system based on those requirements.

Sustainability

ASC's sustainability vision is to successfully carry out ASC's operations to minimise our environmental footprint and

positively influence social, workforce and business outcomes.

As such, ASC values the consideration of the environmental, societal and cost impacts across the full lifecycle of products and services supplied to ASC. Where available, the supplier will provide ASC with sustainability information for their operations, including how the supplier has worked to reduce the environmental impacts associated with the supply of their product or services.

Impacts ASC has identified as specifically relevant for its business include:

- energy consumption;
- pollution – air/water/land;
- water resources;
- waste management and recycling; and
- carbon emissions.

Hazardous Materials/Hazardous Substances

When a hazardous material or substance (which may include, but is not limited to, hazardous substances, dangerous goods and scheduled poisons) is to be delivered to ASC, the supplier must provide a material specification. A Safety Data Sheet (SDS) which is compliant with WHS regulations must be provided and accompany all hazardous materials or substances being delivered to site.

Hazardous Materials: Materials which because of chemical, biochemical, microbiological or radiological properties, temperature or state of compression could, in sufficient concentration, cause:

- harm to human health and safety or personal injury;
- property damage; or
- environmental harm or nuisance.

Hazardous Substances: Substances that are listed on Safe Work Australia - Hazardous Substances Information System (HSIS) found at <http://hcis safeworkaustralia.gov.au/> or are determined to be a hazardous substance by the manufacturer, importer or distributor of the substance.

Problematic Substances: The supplier must supply to ASC in advance of delivery to site, or upon identification of such a substance, information regarding the proposed use of a chemical listed in Schedule 14 of the WHS regulations, and ensure no chemicals listed in Schedule 10 of the WHS regulations are brought to an ASC site unless specifically approved for use by ASC. Where ASC agrees to accept deliveries of such dangerous goods or hazardous substances, the supplier must affix a warning label and include the latest revision of the SDS that complies with Australian health and safety law Chapter 7, Division 2 of the *Work Health and Safety Regulations 2011 (Cth)*. Supplies provided without a compliant SDS or dangerous goods labelling satisfactory to ASC will not be accepted.

Modern Slavery Code of Conduct

ASC is committed to being a good corporate citizen, role model, service provider and employer. It is committed to creating and maintaining an open work environment in which all members of its Board, workforce and supply chain operate in an environment which is free from modern slavery.

ASC recognises that modern slavery can occur in many forms, including debt bondage, deceptive recruitment, human trafficking and forced labour. ASC also recognises that instances of modern slavery are not always overt, and that because it operates a global supply chain with a diverse product range from many different jurisdictions, the existence of

modern slavery in its supply chain is a real possibility. Suppliers should be cognisant that all ASC POs and contracts require suppliers to (amongst other things) comply with all applicable modern slavery laws, implement due diligence procedures for its sub-tier suppliers to ensure there is no modern slavery in its supply chain, and notify ASC as soon as it becomes aware of any modern slavery in its supply chain.

For more information, refer to the ASC website:

<https://www.asc.com.au/supply-chain/sovereign-supply-chain-hub/>

Purchase Order/Contract Requirements

Suppliers must ensure compliance to the applicable ASC PO or contract. Further to this, suppliers are expected to be able to demonstrate that they have a process that ensures they comply with the obligations set out within the PO or contract requirements. Where a PO or contract documentation has drawing or standard references, links, specifications, revision numbers, or any other identified requirement to be provided or adhered to, the supplier shall ensure compliance with the requirement. If the supplier is uncertain regarding any aspect of what ASC has issued, they must contact ASC as soon as practicable to resolve any uncertainty prior to incurring any costs or committing to supply.

Inwards, Outwards and In-Process Goods Assurance/Controls

Suppliers to ASC are expected to be able to demonstrate they have processes for the management of Goods Inwards, Goods Outwards and In-Process QA/Inspection activities.

Suppliers must ensure that goods undergo the required level of checks and balances (e.g. visual inspections, traceability checks, sample dimensional inspections)

as specified by ASC, via Technical Specifications (TS) or as contractually agreed during production and prior to delivery.

Handling of ASC-Supplied Materials

ASC-supplied materials must undergo the same level of Inwards Goods inspection and traceability control as any other materials purchased by the supplier.

Where required, Inwards Goods inspections must include sample dimensional inspection, visual inspection and marking/traceability checks (validated against the delivered certification/OQE).

Material traceability must be maintained up until the point of use in production.

Unused material (including off-cuts/remnants) must be marked and remain fully traceable up until the point of use in the supplier's production, or its return to ASC.

Control of Sub-Tier Suppliers

It is a requirement that all ASC direct suppliers can demonstrate they maintain effective control over their sub-tier suppliers (e.g. manufacturers/mills), including a process for monitoring the performance of sub-tier suppliers.

Direct suppliers to ASC must (on request) provide to ASC the necessary OQE to confirm that their sub-tier suppliers have been adequately assessed and are approved to supply.

The supplier must flow down all ASC PO requirements (e.g. technical/OQE) to their sub-tier suppliers. The expectation of sub-tier suppliers to ASC is the same as the requirements detailed in this manual, particularly in relation to the controls, restrictions and protocols with ITAR, IP and Commercial-in-Confidence documentation.

ASC may undertake quality audits of a supplier's sub-tier suppliers on a case-by-case basis.

Internal Audit

Suppliers are expected to be able to demonstrate that they maintain an effective internal audit program of their QMS that meets the requirements of ISO 9001 (latest version).

Control of Non-Conforming Products and Services

Suppliers shall ensure that products that do not conform to ASC's requirements are identified and controlled to prevent their unintended use or delivery. Appropriate action based on the nature of the non-conformance of products and services shall be taken; an example of this would be to provide ASC a non-conformance concession/deviation request for approval prior to delivery of goods to ASC. This applies also to products and services discovered during or following delivery.

If a non-conforming product or service is provided, ASC will advise the supplier of the non-conformance and raise a Quarantine Report. A triggered audit may be undertaken and a formal non-conformance raised and monitored with the supplier. In exceptional cases, removal of the supplier from the Approved Supplier List may be considered.

Qualified and Trained Personnel

It is a requirement that the supplier can provide evidence that employees are suitably qualified and experienced personnel. Suppliers must satisfy ASC that there is a system in place to maintain currency of delegations, licences and qualifications relevant to the scope of work and tasks to be undertaken for ASC work.

Control of Design Development Planning

Where suppliers provide design and development, the supplier shall plan and control the design and development of goods and services. During the design and

development planning, the supplier shall determine the:

- design and development stages;
- review, verification and validation steps that are appropriate to each design and development stage, including Inspection and Test Plans (ITPs); and
- responsibilities and authorities for design and development.

The supplier shall manage the interfaces between different groups involved in design and development to ensure effective communication and clear assignment of responsibility. Planning output shall be updated, as appropriate, as the design and development progresses.

The supplier shall ensure that a process exists for configuration management of items or goods provided to ASC that are used on the CCSM. A Configuration Management Plan (CMP) or equivalent is expected of large organisations. For a small-medium enterprise, evidence that a scheme is in place for managing the product's configuration baseline would suffice. ASC is to be notified of any change to baseline configuration via an Engineering Change Proposal to ensure any change does not impact the system's fit, form or function.

ITP Applicability/Controls

Where a PO/contract OQE requires a supplier to submit an ITP to ASC, the supplier's ITP document will be subject to ASC approval and must be submitted prior to commencement of work.

As part of ASC's approval of the supplier's ITP, ASC may add hold and witness points at its discretion. When hold and/or witness points are required to be observed the supplier must inform ASC of the upcoming event with adequate notice in accordance with the terms of the ITP. Hold points shall not be conducted without an ASC representative present unless the hold point has been formally waived by ASC.

Evidence of waivers must be retained and submitted with the ITP as OQE.

As an exception, witness points may be conducted on the assigned date without ASC's presence if appropriate notification has been provided to ASC. Evidence of this notification must be retained and submitted with the ITP as OQE.

The ITP document must contain sufficient information to identify what inspection and/or testing will be carried out to meet PO/contract requirements and must be signed and dated by an ASC Engineering representative to authorise the ITP. It is the supplier's responsibility to ensure ASC endorses the ITP prior to work commencing.

Inspection Measuring and Testing Equipment (IMTE) – Calibration

For all IMTE used for final compliance measurements on ASC components in Australia, the supplier must ensure the equipment has been calibrated at specified intervals traceable to national measurement standards. Where third-party calibrations are conducted on the IMTE, testing laboratories must be endorsed by NATA to the latest revision of ISO/IEC 17025 and certified to conduct the applicable calibration within their scope and appear on the national register website. Where unique and/or specific IMTE needs to be certified by original equipment manufacturer facilities or specialised providers that do not meet all the above criteria, ASC approval should be sought.

For all work conducted outside Australia, all final measurement equipment must be traceable to a calibration laboratory accredited to the latest revision of ISO/IEC 17025 (ILAC). All international accredited laboratories must be certified to conduct the applicable calibration within their scope and appear on the relevant body's register website. ASC reserves the right to ask for equipment calibration certificates

to be supplied on demand (if required) as indicated in the PO.

IMTE shall be maintained in a manner that protects ASC from receiving non-conforming goods.

A register including history of all IMTE used on ASC work must be maintained in order to capture the latest test date and validity, including calibration periodicity. The IMTE must also contain a unique serial number or identifier to assist with traceability in the event of a non-conformance.

The supplier's IMTE calibration procedure shall ensure the validity of previous measuring results should any IMTE be found to be defective or out of calibration.

ASC must be notified in the event of potential and/or confirmed non-conforming goods and services as a result of IMTE used to inspect ASC components failing at the subsequent calibration.

Testing Laboratories and Inspection Providers

All Non-Destructive Testing (NDT) shall be completed by suitably qualified operators to ISO 9712 (minimum level 2) by a relevant certification body, such as the Australian Institute for Non-Destructive Testing (AINDT) or an international equivalent. All NDT reports shall be issued by a laboratory accredited to ISO/IEC 17025 on an endorsed (ILAC/NATA) certificate.

All laboratories performing mechanical and chemical testing shall be accredited to ISO/IEC 17025 and reports issued on an endorsed (ILAC/NATA) certificate.

All facilities performing pressure equipment inspections on pressure vessels (new or in-service) shall ensure the operators are suitably experienced and qualified by a relevant certification body such as the Australian Institute for the Certification of Inspection Personnel (AICIP) in Australia or an international equivalent.

OQE Requirements

Provision of clear and unambiguous OQE is essential to ensure that goods and services meet ASC technical and contractual requirements. OQE requirements must be provided for individual line items as specified in the PO or contract unless otherwise stated.

The master list of OQE attributes for commodities supplied to ASC can be found at <https://www.asc.com.au/supply-chain/sovereign-supply-chain-hub/#register> under the Sovereign Supply Chain Hub ('Registering to become an ASC supplier' section). Suppliers to the CCSM program should view the submarines version of the document; suppliers to the OPV program should view the shipbuilding document.



A supplied part's Serial Number (SN OQE Attribute) shall be documented on all supporting OQE exactly the same as the SN stamped, stencilled, etched or engraved on the physical part. All numbers, letters, characters and spaces must be exact (e.g. A01-ABC0123/1). It is the supplier's responsibility to ensure the OQE serial number requirements are passed onto any contractor or sub-tier suppliers to ensure the serial number is consistent and matching throughout the supporting OQE.

All OQE documents shall be in the English language. Dual-language documents are acceptable provided one of the languages is English.

OQE documents submitted to ASC must indicate full compliance with requirements, or be supported with documents confirming acceptance of deviations by appropriate ASC delegates.

OQE documents for standards that have no acceptance criteria shall be validated by the supplier as meeting ASC's requirements and/or acceptance criteria.

Administrative OQE documents shall be signed and dated by an authorised quality representative of the supplier's organisation. Technical OQE documents shall be signed or stamped by authorised quality or technical representatives of the certification body or their delegate.

Submission of OQE to ASC

A process has been created for the loading of all PO documentation OQE electronically. It is to be submitted via email and the title naming convention detailed below must be adhered to.

This includes that a valid PO number is fundamental in ensuring the artefacts are automatically loaded to ASC's ERP. The email address for this process is podocs@asc.com.au. Every time an email is sent to this email address it will be loaded to the ERP against the relevant PO.

The message format, as follows, must include 'OQE', which will then notify Supplier Quality Control of OQE being uploaded.

Naming convention

'OQE *PO #* Line # Date Rev #'

Example

OQE M000074521 Line 3 19-2-18

Or

OQE M000075369 Line 1 21-5-17

Rev 2

Or

OQE SDR for M000078963 Line 2 5-5-17 Rev 3

If unclear on what OQE is required and in what format, the supplier must consult with their ASC point of contact before actioning the PO or contract.

Opening and Closing Reports (OCRs) for Refurbished Goods

A PO for the refurbishment of ASC plant and equipment may require an OCR to be provided as part of the delivered OQE.

This report should include photos that clearly capture the condition of plant and equipment as received; a clear list of parts required to refurbish the plant and equipment; and photos of the refurbished item prior to dispatch to ASC.

NB: OQE requirements for refurbished items may differ from new items. Refer to the master list of OQE attributes found at: www.asc.com.au, Supply Chain, Sovereign Supply Chain Hub, Objective Quality Evidence Definitions: Submarines.

ASC Quality Requirements for Shelf-Life Products

Shelf-life products (e.g. synthetic rubber, epoxies, paints, adhesives, sealants and fastener-locking compounds) must comply fully with ASC OQE attributes, the information supplied on the product CoC, and in accordance with OEM requirements and specifications.

Shelf-life products must be in accordance with the manufacturer's specifications and have a minimum 85% of shelf life remaining upon receipt at ASC. If the minimum 85% of shelf life remaining cannot be achieved, written agreement from the ASC Supply Chain Representative must be obtained and included in the OQE for the item at receipt to ASC.

ASC Quality Requirements for Fasteners

Fastener material specification, dimensional specification and delivery conditions (e.g. surface treatment) must conform to that stated in the ASC PO.

Fastener Threads: Must be sample-inspected by the manufacturer or supplier to ensure conformance to the specified standards.

Fastener Surface Treatment: Where specified in the PO/contract, plating, galvanising, heat-treatment, etc. must be sample-inspected by the manufacturer or supplier to ensure complete coverage and conformance to the specified standards.

Fastener Marking: Where stipulated in the PO/contract, threaded fasteners must be marked in accordance with standards specified (e.g. carbon steel fasteners to ISO 898-1 and ISO 898-2, stainless steel fasteners to ISO 3506-1 and 3506-2) and must be identified by the manufacturer's marking symbol (including material grade).

Note: For guidance, threaded fasteners manufacturer's marking symbols are listed in *DoD MIL HDBK 57 F, 21 June 2011, Listing of Fasteners Manufacturer's Identification Symbols*. Refer to the master list of OQE attributes found at: www.asc.com.au, Supply Chain, Sovereign Supply Chain Hub, Objective Quality Evidence Definitions: Submarines.

Intellectual Property (IP), Technical Information and Export Controls

Kockums IP

Suppliers who are required to have access to Kockums IP must handle this information securely. Kockums IP is divided into two categories:

- Category 1 data – the majority of data and subject to restrictions on disclosure and use; and
- Category 2 data – more sensitive and subject to additional restrictions on disclosure and use.

ASC will provide suppliers with a Confidentiality Deed Poll (Deed Poll) that applies to the data they need to access. The Deed Poll will be accompanied by emailed instructions on how to complete it.

For more information, refer to: www.asc.com.au, Kockums Intellectual Property Supplier Fact Sheet.

At ASC, goods and technical data that have restrictions on their use or re-transfer under an export authorisation are known as Controlled Technology. Restrictions on Controlled Technology vary considerably, depending on the technology's sensitivity and where it came from. Such technology

is subject to specific restrictions and its unauthorised disclosure, reproduction, re-transfer and/or use is prohibited by both domestic and international laws which attach significant penalties to non-compliance. Technology originating in the United States (US) may be subject to the International Traffic in Arms Regulations (ITAR), which provides for penalties up to USD \$1 million per violation and 10 years imprisonment per criminal violation.

Other Controlled Technology may be subject to US Export Administration Regulations (EAR) or other non-US legislation (including European Union export regulations and Australian export legislation). Again, restrictions on its use by, and re-transfer to, other companies usually apply and non-compliance attracts severe penalties.

Provision of Controlled Technology to suppliers by ASC

ASC may be required to provide Controlled Technology to external parties, including suppliers, and it therefore requires recipients to adhere to specific handling requirements.

- Controlled Technology must not be disclosed to any unauthorised persons or commercial parties including, but not limited to, employees, subcontractors, consultants, suppliers or sub-tier suppliers/manufacturers.
- Controlled Technology must only be used by the recipient in accordance with the terms of documentation signed by the recipient in relation to that specific supply or, in the absence of a such documentation, only the purpose for which it was provided.
- On completion of the contracted activities, the original Controlled Technology and any reproductions made (whether authorised or otherwise) in any format whatsoever (including, but not limited to, digital media and hard copy print out) must be returned/delivered to ASC immediately upon request and in a

manner consistent with ASC policy on the receipt of Controlled Technology.

Reproduction includes:

- Copying by any means, including printing, 3D printing, scanning, photocopying, photographing.
- Storing it anywhere on any computer, hard disc drive or printer buffer; or on any form of portable media such as a CD, DVD, flash drive, media card or handheld device of any sort.
- Creating derived technology (physical products from controlled data, by 3D printing, or by replicating or reverse engineering equipment or including drawings, figures and technical data in reports).

Suppliers receiving Controlled Technology from ASC must be able to demonstrate that they are able to:

- Securely store Controlled Technology (hard copies and electronic data).
- Obtain and provide non-disclosure statements when required.
- Provide evidence that controls are in place to manage access and use of Controlled Technology, including by sub-tier suppliers, which, in the case of Controlled Technology subject to ITAR, must be capable of controlling access with reference to relevant nationality restrictions.
- Complete Non-Re-transfer Agreements and End Use Certificates, as required.

Receipt of Controlled Technology by ASC

As a recipient of items and/or technical data that may be subject to export controls, ASC is legally required to adhere to any use and/or re-transfer restrictions imposed on it and/or other handling requirements required by relevant legislation and export authorisations.

ASC will therefore ask suppliers whether

items/data being supplied are subject to any export control legislation.

It is mandatory that before receiving any Controlled Technology from suppliers, ASC ensures the supplier has:

- informed ASC if the items/data being supplied are subject to any export authorisations;
- checked that ASC and any other entities which may be required to receive and access it, are properly authorised to do so;
- provided ASC with a copy of the relevant export authorisation; and
- clearly identified, on both the technical data and part as well as in accompanying correspondence/ file name, that it is export-controlled, and provided the export authorisation reference.

Delivery of Controlled Technical Data to ASC

Controlled Technical Data is physical/ tangible or electronic/intangible data and material, such as documentation, drawings, photographs, plans, diagrams, models, engineering designs and specifications, manuals, instructions or software, which are regulated by expert controls and/or supplied subject to an export authorisation.

Specific information about the functional, performance (including test data) or material specification or attributes of Controlled Goods, or which is required to design, develop, produce, assemble, operate, repair, test, maintain or modify Controlled Goods, is also Controlled Technical Data. This is likely to include information contained in, or known as, OQE.

It is the responsibility of the supplier to identify where OQE contains Controlled Technical Data and to adhere to ASC's delivery policy in respect of such, as outlined above.

All Controlled Technical Data subject to export controls is required to be provided to ASC in one of the following three ways:

1. Directly to ASC's Configuration Management Team using portable media, by arrangement with the procurement officer.
2. Directly to ASC's Configuration Management Team by printed hard copy, by arrangement with the procurement officer.
3. Using ASC's secure File Transfer Protocol, by emailing: CMInbox@asc.com.au

Emailing export-controlled data to anywhere other than the email address provided above is strictly prohibited.

Sending export-controlled data hard copy with/in the same crate as the physical item(s) to which it relates is strictly prohibited.

Control and Retention of Quality Records

Suppliers are required to maintain effective control of quality records, including the identification, storage, protection, retrieval, retention and disposition of records. All records associated with an ASC order shall be retained for a minimum of 12 years.