



Managed Source Inspection Services

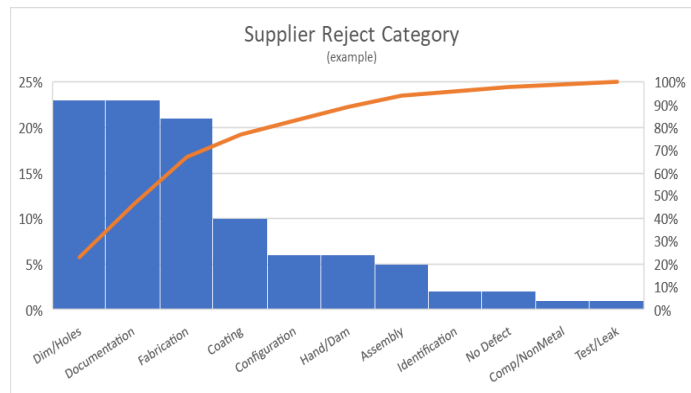
Our global network of quality professionals can be anywhere, anytime.



We believe product quality comes from maintaining a validated, stable, and constantly monitored supply chain. SQA's managed solutions combine a global footprint of proven professionals and dedicated resources with real-time performance data.

Why?

- Mitigate risk due to unknown supplier manufacturing capability
- Keep potential defects at the supplier or "Source"
- Reduce rework and returned shipment costs
- Remediate identified deficiencies with minimal impact on delivery schedule
- Reduce receiving inspection costs such as equipment, inventory, space, and labor
- Prevent potential production shutdowns



How?

- Alignment of reject codes and categories promoting seamless integration into established client Quality System
- SQA manages and deploys a network of a thousand quality professionals in over 55 countries
- Rigorously Qualified, certified by SQA, trained to industry standards and Client SOPs, tools, and requirements
- Specialized, deployed based on specific commodity expertise (e.g., Mechanical, Electronic, Electro-Mechanical, or Composite)
- Proven quality professionals continuously monitored and measured through established KPI's

Benefits

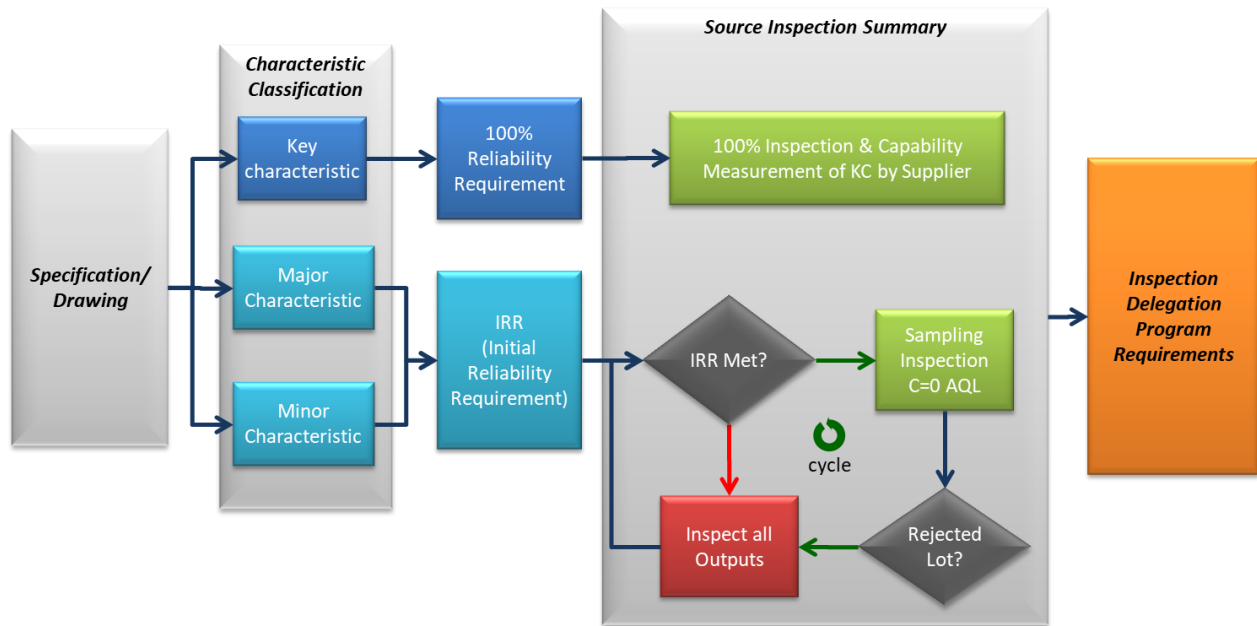


- Establishes maturity level of supply base allowing clients to set baseline performance expectations for suppliers
- Fosters supplier development focus items through Source Inspection data collection and review
- Source data used to track Initial Reliability Requirement performance by Supplier, ultimately reducing inspection where it should be reduced
- Foster supplier relationships, rewarding performing Suppliers through part-specific inspection delegation or dock to stock programs

"SQA Services is like having an extension of our quality global organization in every country where we have presence. Their global team has saved us enormous amounts of time and money" – Quality Vice President, Hi-Tech Manufacturer



Source Inspection & Acceptance Activities Process Flow



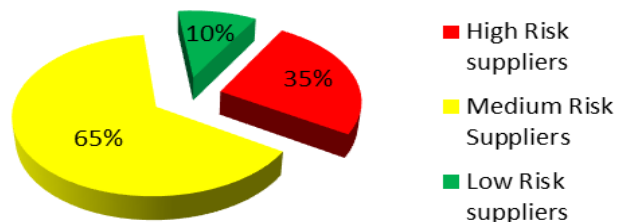
Summary/Conclusion

SQA’s managed inspection services begin with the end in mind, to ultimately reduce inspection. Source Inspection can and should be used as a monitoring tool and direct input for determining supplier capabilities across a supply chain when the true capability is unknown. Inspection data is utilized to identify high and low-risk suppliers.

High Risk	Suppliers with a Customer escape rate of 1% to 25% - High Risk Suppliers <ul style="list-style-type: none"> Determine the exit strategy
Med Risk	“Middle of the Road” Suppliers <ul style="list-style-type: none"> Benefit from focused supplier development activities
Low Risk	Suppliers with no escapes, soft fails, or hard fails – Self Release Suppliers <ul style="list-style-type: none"> Self-release eligible

Supply Chain Risk

example of a global supply chain



SQA Global Solutions: SQA Services specializes in providing Supplier Audit, Engineering, and Inspection globally.



3,000 Audits



150,000 Inspection Hours



40,000 Engineering Hours



70 Countries



1,000 SQA Associates