

Purchase Orders Terms and Conditions

1. REQUIREMENTS

- 1.1. Unless otherwise directed by the purchase order requirements, acceptance of a purchase order invokes the requirements from this document. Contact Spectrum Thermal Processing with any questions, If you do not, or cannot, comply with these, or any other PO requirements.
- 1.2. The supplier shall notify Spectrum Thermal Processing of changes in product and/or process definition and, where required, obtain prior approval from Spectrum Thermal Processing.
- 1.3. Suppliers shall ensure that all personnel performing activities affecting quality have been suitably trained per supplier procedures or to Industry standards if applicable. Personnel performing assigned tasks must be qualified on the basis of appropriate education, training, and/or experience. The supplier shall ensure that training records are maintained and available upon request.
- 1.4. Verbal agreements are not permissible. All approvals must be in written form and in English.
- 1.5. Spectrum Thermal Processing monitors supplier performance, which is assessed based on its impact on Spectrum's ability to deliver conforming products on time to our customers. If a supplier's performance negatively impacts Spectrum's ability to meet these obligations, action will be taken.
- 1.6. Compliance by the supplier with all contract requirements is subject to on-site verification by Spectrum Thermal Processing, its customers and/or regulatory authorities, or Spectrum Thermal Processing may request the supplier to provide objective evidence of compliance with all contract requirements. Acceptance of product shall not be used as evidence of effective quality control by the supplier and shall not absolve the supplier of responsibility for acceptable products or preclude subsequent rejection.
- 1.7. Supplier agrees not to make any change in materials or design details that would affect the goods or any component parts thereof with regard to 1) part number identification, 2) physical or functional interchangeability, or 3) repair and overhaul procedures and processes and material changes that affect these procedures without written approval from Spectrum Thermal Processing.

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- 1.8. The supplier shall establish and maintain strict controls during all manufacturing, processing, and inspection operations when products or parts are identified as “Critical” (e.g., Critical, Mission Critical, Flight Critical, Key Characteristics, etc.) on the purchase order, drawing, specification, or other applicable documentation. The supplier’s manufacturing documentation (e.g., travelers, routes, work orders, process instructions) shall be marked with the notation “Critical Part” unless otherwise specified. When work on critical parts is to be performed by a sub-tier source, the supplier’s documentation must include the sub-tier supplier’s documents as part of the submittal. No changes in raw materials, manufacturing, processing, or inspection operations on critical parts are permitted without prior review and written approval from Spectrum Thermal Processing. Any certifications and test reports issued by the supplier or sub-tier sources shall be identified with the notation “Critical Part” unless otherwise specified. All critical parts shall be permanently identified with a serial number traceable to the raw material and processing certifications/test reports, using a method specified on the drawing or specification.
- 1.9. Unless otherwise specified, sample inspection of all attributes shall be performed to ANSI/ASQ Z1.4, Level II, 1.0 AQL, c = 0, or an equivalent plan approved by Spectrum Thermal Processing. Suppliers using sample inspection plans are not relieved from the responsibility for all attributes on the part/assembly.
- 1.10. The following requirements are also necessary:
- 1.10.1. Unless otherwise specified, Suppliers must maintain a quality system that, at a minimum, complies with ISO 9001 (the latest revision per the purchase order date).
 - 1.10.2. Suppliers shall use customer-designated or approved external providers, including process sources (e.g., special processes), when specified in the purchase order.
 - 1.10.3. **Nonconforming Product, Process, or Service:** Suppliers shall ensure that nonconformity is identified, segregated, and properly dispositioned as required. The supplier shall notify Spectrum Thermal Processing in writing within twenty-four (24) hours of the initial discovery of the nonconformity.
 - 1.10.4. The supplier shall have a program in place to prevent the delivery of counterfeit parts and materials to Spectrum Thermal Processing. All parts, materials and assemblies

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(electrical, mechanical, raw material) included in the hardware delivered to Spectrum Thermal Processing shall be procured directly from the Original Component Manufacturer (OCM) / Original Equipment Manufacturer (OEMs), or from the OCM/OEM authorized distributor. If it is determined in a specific instance that this is not possible, Spectrum Thermal Processing shall be notified in writing within (5) working days of this determination. The supplier is responsible for the flow down of this requirement to its sub-tier contractors and their compliance to it. Further guidance on counterfeit parts avoidance can be found in SAE documents AS5553 (Electronics) and AS6174 (Material).

- 1.10.5. Suppliers shall notify Spectrum Thermal Processing within 24 hours of any changes in quality leadership, scope, name, or address of Quality Management System registrations or controlled processes certification status, including suspensions or disapprovals. Suppliers shall also notify Spectrum Thermal Processing in the event of a complete company closure with no transition plan managed by the corporate office. The supplier shall not make any changes or substitutions to any products or services required by the contract, drawing, specification, standard, or other applicable document without prior written authorization.
- 1.10.6. Suppliers, including dealers and distributors, are responsible for ensuring that the applicable requirements of this purchase order are imposed on lower tier procurements for raw material, components or process services (e.g., special processors) being used in the manufacture of products or services being provided.
- 1.10.7. When required, supplier shall provide test specimens for design approval, inspection/verification, investigation, or auditing.
- 1.10.8. Records shall be retained for the required time stated in the specified documents on the purchase order or 2.5 years minimum. Storage facilities shall provide environmental conditions to prevent deterioration, damage or loss. Records in storage shall be protected from unauthorized access. When records contain sensitive information (such as design detail, proprietary info, ITAR, EAR restricted info, etc.), they shall be disposed of by

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irreversible destruction methods such as shredding, or “erasure”/reformatting for electronic/magnetic media.

- 1.11. **Right of Entry:** Representatives of Spectrum Thermal Processing, our customers, and other regulatory authorities shall have access to supplier’s facility and all other facilities involved in the fulfillment of the Purchase Order, where they shall have access to all procedures, practices, processes, associated documents, and records related to quality assurance, quality control, and configuration control.
- 1.12. Supplier shall ensure that employees and people working on its behalf are aware of:
- 1.12.1. their contribution to product or service conformity.
 - 1.12.2. their contribution to product safety.
 - 1.12.3. the importance of ethical behavior.