

1. PURPOSE

The purpose of this document is to define the purchasing requirements that a supplier must satisfy as part of the minimum contractual agreement requirements for working with HyTech. Additional requirements may be imposed under the specific contractual agreements.

2. SCOPE

This document applies to all suppliers that provide materials, product or services to HyTech.

3. REFERENCES

AS-12.001 – Supplier Code of Conduct

F-05.016 – HyTech Supplier Assessment

F-12.001 – Purchasing Acknowledgement Form

QW-12.001 – Counterfeit Product Prevention Policy

QW-12.002 – Supplier Approval & Monitoring

SAE AS9100D – Quality Management Systems – Requirements for Aviation, Space and Defense Organizations

IATF 16949:2016 – Quality management system requirements for automotive production and relevant service parts organizations

ISO 9001:2015 – Quality management systems - Requirements

4. DEFINITIONS

Supplier – A person or organization that provides something needed such as material, product or service in a transaction involving two or more entities with an agreed upon compensation.

Contractual Agreement – A legally enforceable agreement between two or more entities, generally relating to a transaction for the purchase or sale of materials, products or services. A contract involves obligations on the part of the contracting parties, which may be expressed verbally, or in writing.

PPAP – The Production Part Approval Process is used in the automotive supply chain for establishing confidence in suppliers and their production processes.

5. REQUIREMENTS

5.1. HyTech Spring and Machine (HyTech) requires all suppliers supplying material, performing work or providing services on products for use in Automotive, Aerospace, or Medical components and devices to be registered to ISO/IEC 9001:2015, at a minimum, and working toward certification to an International Standard such as IATF 16949, ISO/IEC 13485 or SAE AS9100, as appropriate for their business. For calibration services, an ISO/IEC 17025 Accreditation is required. Proof of such Certification shall be submitted to HyTech annually or when supplier's certification is renewed.

5.2. If a supplier of material, products or services of automotive related parts does not possess a current accreditation to IATF 16949, a QMS certified to ISO 9001 is the minimum acceptable starting level of development unless otherwise authorized by the customer. Based on current

HYTECH				Purchasing Requirements		
Document ID. :	AS-12.002	Rev #:	04	Rev. Date:	04/07/2021	Page 2 of 5

performance and the potential risk to the customer, the objective is to move suppliers through the QMS development as outlined in IATF 16949:2016 with the ultimate goal of IATF 16949 certification.

- 5.3. HyTech will require an evaluation of the supplier utilizing F.05.0016 – Supplier Assessment form to establish that the supplier meets appropriate requirements and does not represent a significant risk to the product realization process.
- 5.4. In addition to the initial completion of the Supplier Assessment form, HyTech shall periodically require a re-evaluation of a supplier to assure the continued compliance with the requirements contained within this and other HyTech quality management system documentation, associated accreditation requirements and HyTech’s customer flow-down requirements. Some examples of conditions in which re-evaluation is performed are, but not limited to:
 - Significant changes in the structure or operational context of the supplier
 - Changes in the level of quality of materials or services receiving
 - Issues related to product or service nonconformance’s
 - Customer requests or industry related complaints
 - Extensive period of time since last assessment
 - Information that lead to the belief the risk levels to product realization have increased
- 5.5. HyTech requires that our supplier’s personnel, performing work that may affect the product quality, to be trained, as appropriate, to ensure competence on assigned tasks. Records of said training shall be available to HyTech, upon request.
- 5.6. Suppliers may be requested to perform PPAP (using the latest revisions of AIAG PPAP) or First Article for purchased product or services. HyTech will inform the required PPAP level, due date, and any other required information. Any deviations from this requirement shall be discussed and agreed to in writing by HyTech Quality Manager or designate. The PPAP documentation shall provide clear indication of the use of statistical techniques for product acceptance and related instructions for acceptance by the organization and shall be consistent with the flow down requirements specified in this document and all other contract documentation and/or contractual agreement.
- 5.7. It is the supplier’s responsibility to supply material, product or services that meet all specified standards and/or customer flow-down requirements. Suppliers shall submit Certification of Compliance (CoC) or Certificate of Analysis (CoA) to the most recent specification revision level. It is the supplier’s responsibility to acquire these specifications and keep the most recent revision available for use. If a design print is provided, it is the supplier’s responsibility to acquire the most recent / updated prints from HyTech and state the revision level on all documents.

HYTECH				Purchasing Requirements		
Document ID. :	AS-12.002	Rev #:	04	Rev. Date:	04/07/2021	Page 3 of 5

5.8. Upon receipt of purchased product, HyTech may sample and inspect received product; however, this inspection and acceptance does not absolve the vendor of their responsibility to manufacture and supply conforming material, products or services to HyTech.

5.9. All suppliers, as defined above, shall:

- Notify HyTech of nonconforming materials, products or services (to include product in transit).
- Obtain HyTech approval for nonconforming material, product or service disposition if affected product is property of HyTech.
- Notify HyTech of changes in product and/or process, suppliers, manufacturing facility location, and where required, obtain organizational approval; and
- flow down to the supply chain applicable requirements including:
 - customer requirements;
 - requirements defined in this document;
 - record retention requirements; and
 - right of access by HyTech, and their customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

5.10. Aerospace Purchasing Requirements

HyTech is an AS9100 aerospace certified supplier and is required to ensure that our purchasing process complies with all applicable purchasing requirements. These aerospace purchasing requirements are supplied to your company as an addendum to the Purchase Order issued to your company for materials products or services.

In addition to the specifications, drawings, process requirements, inspection instructions and/or other relevant technical data that is contained with, or specified on the Purchase Order, your company is being notified of, and required to, comply with the following additional requirements:

1. Limitation on Use of Disclosure: Supplier shall never disclose any confidential information to any person or entity outside without express written permission from HyTech.
2. Calibration service providers are required to provide evidence that all calibrations are performed with standards traceable to NIST.
4. The implementation of a quality management system;
5. The use of customer-designated or approved suppliers, including process sources (e.g., special processes);
6. Notification to HyTech when nonconforming materials, products, or services occur and obtain approval for disposition;
7. Notification to HyTech Spring & Machine of changes to your materials, products, or services, including changes of your suppliers or location of manufacture, that may affect HyTech's ability to meet the customer's requirements, and to proactively obtain approval from HyTech regarding your intent to modify;
8. HyTech partners with our suppliers to ensure a supply chain that is committed to the ethical sourcing of materials and products, is free from unethical business practices, and is respectful of human rights. Suppliers who compromise their commitment to ethical business practices, conflict-free sourcing, and human rights compromise their potential business with HyTech.
9. The flow down to your sub-tier suppliers of any applicable specifications or requirements, including HyTech requirements;

10. Retain applicable processing records, as specified within the Purchase Order, including retention and disposition requirements associated with these records for a minimum of 15 years.
11. The right of access by HyTech, HyTech's customers, and/or regulatory authorities;
12. Acceptance of the notice, as specified on the Purchase Order, of any verification or validation activities that HyTech, or its customer, may intend to perform at your premises;
13. Aerospace suppliers shall be aware of, and comply with, the requirements as specified in HyTech's purchasing documents.
14. Awareness and controls to prevent the use, or supply of, counterfeit parts to fulfill the Purchase Order requirements:
- a. For purposes of this Section, "Work" consists of those parts delivered under the Purchase Order that are the lowest level of separately identifiable items (e.g., articles, raw materials, components, goods, and assemblies).
- b. "Counterfeit Work" means Work that is or contains unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer.
- c. Unlawful or unauthorized substitution includes used Work represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics. "Suspect Counterfeit Work" means Work for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the Work is authentic.
- d. Supplier shall not deliver Counterfeit Work or Suspect Counterfeit Work to Buyer under the Purchase Order.
- e. Supplier shall only purchase products to be delivered or incorporated as Work to Buyer directly from the original component manufacturer ("OCM")/original equipment manufacturer ("OEM"), or through an OCM/OEM authorized distributor chain. Supplier may use another source only if: (i) the foregoing sources are unavailable, (ii) Supplier's inspection and other counterfeit risk mitigation processes will be employed to ensure the authenticity of the Work, and (iii) Supplier obtains the advance written approval of Buyer.
- f. Supplier shall maintain counterfeit risk mitigation processes in accordance with industry-recognized standards and with any other specific requirements identified in the Purchase Order.
- g. Supplier shall immediately notify Buyer with the pertinent facts if Supplier becomes aware or suspects that it has delivered Counterfeit Work or Suspect Counterfeit Work. When requested by Buyer, Supplier shall provide documentation that authenticates traceability and enables tracking of the affected items through the supply chain back to the applicable OCM/OEM.
- h. This clause applies in addition to and is not altered, changed, or superseded by any quality provision, specification, statement of work or other provision included in the Purchase Order addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
- i. If Work delivered under the Purchase Order constitutes or includes Counterfeit Work, Supplier shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of the Purchase Order. Notwithstanding any other provision in the Purchase Order, Supplier shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation Buyer's costs of removing Counterfeit Work, of installing replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. If Work delivered under the Purchase Order constitutes or includes Suspect Counterfeit Work, Supplier shall, at its expense, promptly prove that such Suspect Counterfeit Work is authentic. If Supplier is unable to prove such authenticity to Buyer's sole satisfaction, the provisions of this paragraph regarding Counterfeit Work shall apply. The

remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity or under other provisions of the Purchase Order.

j. At the request of Buyer, Supplier shall provide a certification that the Work provided to Buyer does not contain any Counterfeit Work or Suspect Counterfeit Work. Certification may also include or require the submission of an original certificate of conformance, original test reports, or other data traceable to approved labs or other entities to ensure an item is as claimed. Buyer may request clear identification of the name and location of supply chain intermediaries from the OCM/OEM to the direct source of the Work for Supplier; and where available, the batch identification of the OCM/OEM for the Work, such as date codes, lot codes, or serial numbers.

k. Supplier shall be responsible to communicate the above counterfeit controls to sub-tier suppliers the delivery of items that will be included in or furnished as Work to Buyer.

15. As a supplier to HyTech, you are responsible for controlling the actual configuration of parts and components, as specified in the purchasing documents, which are contracted to you that affect product safety.

As an approved supplier to HyTech, we request that you do your best efforts to ensure that your personnel are aware of their contribution and impact on providing safe, defect-free services and/or products that meet your company, HyTech's, and the end customer's expectations.

- 5.11 Record retention requirements are as follows: All Quality Management System records (including, but not limited to: APQP, Audits, Lab test inspections, gage/test equipment verification and calibration records, etc.) and performance records (FAI, PPAP, Performance Testing, control charts, PO's etc.) shall be kept for as long as services or material are supplied to HyTech plus fifteen (15) years. All records shall be available for review upon request. In the event the supplier discontinues business operations, the Supplier shall transfer to HyTech all records in support of all previous HyTech business.
- 5.12. The supplier shall be evaluated prior to approval as well as evaluated for performance bi-annually in accordance with the requirements & specifications in QW-12.002 – Supplier Approval & Monitoring.

END OF DOCUMENT

Change History

Rev.	Description	Approved By:	Date:
00	Original Release	L Brown	07/08/2016
01	Revision to document control and AS9100D requirements	J Seegert	05/20/2018
02	Revised Sections 5.2 and 5.3 to require the use of F.05.016 – Supplier Assessment and address the renaming/revision of WI.12.001 to QW-12.002	J Seegert	08/12/2018
03	Section 5.1 changed compliance to certified, added section 5.2	J. LaGrow	08/18/2020
04	Added aerospace purchasing requirements and cleaned up document	E. Stroud	04/07/2021