

## Supplier Terms and Conditions

### **PURPOSE**

To establish the minimum requirements for manufacturing facilities, material suppliers or special process suppliers supplying products or services to L&R Precision Tooling, Inc.

### **SCOPE**

These requirements shall apply to all goods and services supplied to L&R.

### **REQUIREMENTS:**

Acceptance and execution of any purchase order implies acceptance of L&R's terms and conditions.

### **Where applicable, suppliers will have systems in place to:**

- Implement a quality management system, (certified third party i.e. ISO, NADCAP etc. or an internal system), control L&R supplied specifications and confirm the proper revision specifications, drawings, process requirements, inspection/ verification, and other relevant technical data are available, flowed down the supply chain, and followed as listed on the purchase order.
- Create and maintain documentation and history of products produced to L&R specifications for a minimum of three years or as required by contract.
- Maintain all equipment used in the manufacturing process.
- Allow L&R, its customer's, and regulatory authorities' access to the applicable records and facilities utilized to perform any activities conducted on behalf of L&R.
- Ensure that suppliers use customer approved special process sources,
- Calibrate / control devices used to verify compliance to specifications when appropriate.
- Insure all manufacturing lots are uniquely identified and segregated where appropriate. Ensure non-conforming products are labeled and segregated during processing and shipping. If there is any reason to suspect counterfeit items could be included in a shipment to segregate and identify those items as well.
- Insure adequate instructions are in place to ensure consistency between lots.
- Clearly identify, label, and package product in a manner to protect it from damage during shipment.
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## Suppliers accept the responsibility for:

1. If there will be any disruption in delivery as related to the terms of the purchase order, then the supplier will immediately notify L&R of the issue so options can be explored to fulfill the customer requirements.
2. Notifying L&R if there is a significant change in the manufacturing process, suppliers, or controls. *A significant change includes, but is not limited to: Change of facility, Ownership, regulatory requirements, or changes in the management of the business.*
3. Conforming to the supplied specification and understand that deviations will not be allowed without prior written authorization. In the event of non-conforming product, supplier will notify L&R to obtain disposition instructions.  
*\*Note: Only written deviations are to be considered authorized. Verbal instructions are not acceptable and may result in disqualification as an approved vendor.*
4. All subcontractors utilized in manufacturing product to L&R's Specifications, at a minimum, must ensure services will be performed to Industry Standard Specifications and a Certificate of Conformance, inspection documentation, testing records, and or Material Certifications will be provided L&R may waive these document requirements and will note that on the corresponding Purchase Order, when applicable. In the case of calibration services NIST traceability must be stated on the documentation. Additionally, suppliers will be responsible for ensuring that persons are aware of; their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.
5. Any notes or information added to a print or traveler must be initialed and dated with the company name indicated. The information will be written in ink and any correction should be crossed through with a single line in order to not obscure the original entry. For a copy of L&R's QMS, please contact Jarett Dalton Quality Control Manager.
6. All deliverables must not have come into contact with mercury in any form, or been exposed to, mercury bearing instruments or equipment. *\*Note: If you have knowledge that mercury contact has occurred with any material or product, you shall notify L&R prior to shipment to determine how to proceed or in the event it becomes known after a shipment occurs, you will notify your L&R contact with the details as soon as possible.*
7. Conflict Free Minerals Policy- L&R will only purchase raw materials that do not contain or can be classified as "Conflict Minerals" from the Democratic Republic of the Congo or an adjoining country. These conflict minerals include Tin, Tungsten, Tantalum and / or Gold. As a responsible business, we ask our suppliers to give due diligence to ensuring their supply chain is free from any of these conflict minerals. L&R must be notified immediately if there is any question to the country of origin so appropriate steps can be taken to ensure L&R continues to voluntarily abide by the Dodd-Frank Act of 2010, 1502.
8. Suppliers to L&R must follow all applicable State and Federal requirements concerning working conditions in any facility accepting purchase orders from L&R Precision Tooling Inc. The areas of focus include the following: health and workplace safety, environmental, and social requirements. Any vendor that has any concerns that their business cannot or will not meet these expectations must inform L&R of their concerns so both parties can work together to develop a solution for any areas of concern.

9. No restricted chemicals may be used in the performance of any purchase order from L&R without prior approval from L&R. Vendors shall inform Buyer issuing PO if the subcontractor has any concerns about the chemicals used in their process and L&R will determine the actions needed on a case-by-case basis.

10. Any contractor, Maintenance Technicians, or any personnel contracted to perform any work onsite in L&R's Precision Tooling Inc's facility must follow all State & Federal regulations. The contractors must provide Personal Protection Equipment to ensure their employees work in a safe manner while on site to protect their health and the employees of L&R. If there are any questions or concerns, please contact the Operations Manager for guidance.