

# Supplier Terms and Conditions

*Rev 1*

**Purpose:** This Document acts as communication for the Flow Down Requirements from us to our Suppliers.

*Within this Document, the term Supplier refers to external organizations that provide products and/or services to our company.*

The following are requirements for our Suppliers:

- a) The requirements and specifications for the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions) shall be complied with, and shall be available on Swisset Tool Company. Purchase Order (PO);
- b) The Supplier shall maintain controls for the approval of their:
  1. products and services;
  2. methods, processes, and equipment;
  3. the release of products and services;
- c) The Supplier shall maintain organizational competence, including any required qualification of persons;
- d) The Supplier shall cooperate through all interactions with Swisset Tool Company;
- e) Swisset Tool Company, monitors Supplier performance for:
  - a. On-Time Delivery (OTD): Number of late deliveries, Goal: 0 late deliveries.
  - b. Quality: Number of rejected orders at incoming inspection, Goal: 0 rejected orders.
- f) Certain instances may require Swisset Tool Company. and/or its customers to perform verification and/or validation activities at the Supplier's premises;
- g) The Supplier shall maintain control of design and development activities, as applicable;
- h) The Supplier shall maintain control of special requirements, critical items, or key characteristics, as applicable;
- i) The Supplier shall maintain control of tests, inspections, and verification activities (including production process verification), as applicable;
- j) The Supplier shall maintain control of the use of statistical techniques for product acceptance and related instructions for acceptance by the organization, as applicable;
- k) The Supplier shall:
  - implement a quality management system;
  - use customer-designated or approved Suppliers, including process sources (e.g., special processes), as applicable;
  - notify the organization of nonconforming processes, products, or services and obtain approval for their disposition;
  - prevent the use of counterfeit parts;
  - notify the organization of changes to processes, products, or services, including changes of their Suppliers or location of manufacture, and obtain the organization's approval;
  - flow down to Suppliers applicable requirements including customer requirements;
  - provide test specimens for design approval, inspection/verification, investigation, or auditing;
  - retain documented information, including retention periods and disposition requirements (shred);
- l) The Supplier shall provide the right of access by the organization, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;
- m) The Supplier shall ensure that persons are aware of:
  - their contribution to product or service conformity;
  - their contribution to product safety;
  - the importance of ethical behavior.