

IN 22.00 Generic Purchase Order Requirements

Work Instruction Rev. B / 11.29.2022

Qualifications of Personnel.

Personnel shall have appropriate qualifications to conduct their jobs, including industry qualifications if specified for the performance of a given task and degrees as required to perform a given task.

Communication

Sherex will communicate with external providers for issues related to purchase orders. The external provider is responsible to communicate with Sherex on any issues that arise with the purchase order, including product conformity, and on-time delivery.

Control and Monitoring of External Provider's Performance

Sherex monitors external providers' performance and will notify if their performance is unacceptable. If warranted, the external provider will be issued a corrective action.

Corrective Action

Acceptance of a Purchase Order obligates the Seller to perform, upon request, a corrective action investigation when discrepant material is received by Sherex, a written report shall be furnished when requested by Sherex, within a reasonable time period not exceeding the time stated on the specific request, which is specific and conclusive to prevent a reoccurrence of the discrepancy.

Test, Inspection, and Verification.

When specified on the purchase order or part drawing, the external provider shall be responsible for any testing, inspection, and verification requirements. When the Revision is provided on the Purchase Order, the Revision must be on the acknowledgements, labels, inspection documentation, certificates, or any relevant documentation.

Special requirements, critical items, or key characteristics:

- a) No goods shall be delivered to Sherex that contain material or components that vary from or fail to comply with the Sherex required Specifications. Seller will give Sherex prior written notice of any proposed deviation from the Sherex required Specification as stated on the PO. Seller shall be responsible for any additional costs incurred by Sherex due to use of such nonconforming materials. Should the Seller determine that nonconforming material has been delivered to Sherex, Seller is required to notify Sherex immediately. Seller shall not make any substitutions of goods and/or materials without the prior written consent of Sherex.
- b) In the event of Seller's delivery of noncompliant goods and/or non-conforming materials as set forth in Section above the Seller shall, upon Sherex's request, perform a corrective action investigation and prepare and deliver a written report to Sherex within a reasonable time period in form and content acceptable to Sherex.
- c) Sherex reserves the right to reject /refuse acceptance of untimely delivered goods and/or goods which are not in accordance with the Specifications and/or Seller's warranties as set forth herein. Sherex will charge Seller for the cost of inspection of any and all goods rejected by Sherex. Rejected goods will be held for Seller's instruction at Seller's risk and if Seller so directs, will be returned to Seller at Seller's expense. No rejected goods returned to Seller hereunder shall be replaced without a new purchase order issued by Sherex to Seller, unless asked by Sherex to do so. Sherex's payment for goods shall not be deemed an acceptance of such goods. Sherex's payment to Seller for goods shall not constitute acceptance of such goods and shall not be deemed as a waiver of Sherex's rights relating to the inspection and/or rejection of such goods.

Quality Management System:

Sherex requires its vendors to implement a quality management system to ensure only quality products and services are provided.

Notification of Nonconforming Processes, Products, or Services.

No product shall be shipped under this purchase order which contains material or processes used that depart from drawings or specifications. The external provider will provide notification of any proposed deviation of material and receive prior consent to manufacture and ship nonconforming material. The seller shall be responsible for any



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additional costs incurred due to use of such nonconforming material. Should the Seller detect that nonconforming material has been delivered to Sherex; the Seller is required to notify Sherex immediately.

Counterfeit Parts:

The Seller warrants that counterfeit supplies or material shall not be supplied to the Sherex or installed in the Sherex's products by the Seller. The Seller warrants that only new, unused, authentic, genuine and legitimate items shall form part of the supplies supplied to the Sherex.

Use of Approved Suppliers:

Sherex requires its vendors to use only suppliers who are approved through vendor's internal controls or Sherex approved suppliers while subcontracting any work related to Sherex.

Changes to Processes, Products or Services:

The external provider shall notify Sherex in writing if there are any changes to its processes, products or services. This includes changes to their external providers, location of manufacture or the organization's approval status.

Reference and Flow Down:

Seller shall reference and flow down the Sherex revision status of drawings, specifications, process requirements, inspection instructions, and other relevant technical data if so stated on the PO or in the Specifications to any sub-tier external providers.

Use of Statistical Techniques:

The external provider shall use approved statistical techniques for product acceptance as specified on product documents and as applicable.

Test Specimens

The external provider shall provide to Sherex any test specimens that are required by the purchase order.

Record Retention

Seller's records, documents, and information associated with this Order (excluding any Sherex Information) must be retained for a minimum of ten (10) years.

Right of Access and Entry

Seller shall provide Sherex with reasonable right-of-entry and access to Seller's facility for the purposes of product, systems and process verification at any level of the supply chain when required. Seller shall allow access by Sherex and any customer or regulatory agency as deemed appropriate.

Communication to Vendor's Employees:

Sherex requires the vendors to communicate and make aware of its employees, their contribution to product or service conformity, their contribution to safety and the importance of ethical behavior.

Certificate of Compliance.

By accepting a purchase order from Sherex Fastening Solutions, LLC. as required by the purchase order, the seller agrees to provide certification of compliance with all products (items) sold to Sherex Fastening Solutions, LLC. Where Sherex specifications are referenced on the purchase order, the seller is required for processing Sherex parts to the current revision letter of the Sherex specification. The Sherex specification revision letter must be noted on the Certificate of Compliance from the seller.



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FOD Requirement

The seller must maintain a Foreign Object Debris/Damage (FOD) prevention program designed to make sure the parts supplied to Sherex are free from any foreign objects (debris/residue) generated during the operations.

APPROVAL

| Name | Title | Signature | Date |
|---------------|-----------------|----------------------|----------|
| Rich Stauffer | VP Operations | <i>Rich Stauffer</i> | 10/8/19 |
| Steven Lippa | Quality Manager | <i>Steven Lippa</i> | 11/29/22 |
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REVISION RECORD

| Rev Ltr. | Date | Revised by | Change Description | Training Req'd |
|----------|------------|------------|---|----------------|
| A | 10.04.2019 | Sunil R | Original Doc | NA |
| B | 11.29.2022 | Steve L | Added requirement for supplier to add Sherex specification revision letter on the Certificate of Compliance | NA |
| C | | | | |
| D | | | | |
| E | | | | |
| F | | | | |
| G | | | | |
| H | | | | |
| I | | | | |
| J | | | | |

| DISTRIBUTION | Associated Quality Records |
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SHEREX FASTENING SOLUTIONS®

Sherex Fastening Solutions

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| Network Server | NA |
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