

## **PURCHASE ORDER QUALITY PROVISIONS**

- 1) Requirements for approval of product, product safety, procedures, processes and equipment shall be listed on purchase order if applicable.
- 2) Requirements for qualification of personnel shall be listed on purchase order if applicable.
- 3) Quality management system requirements shall be listed on purchase order if applicable.
- 4) The latest revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data shall be used. Identification of this data will be on purchase order if applicable.
- 5) Requirements for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instructions for acceptance by the organization, and as applicable critical items including key characteristics shall be listed on purchase order if applicable.
- 6) Requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection/verification, investigation or auditing shall be listed on purchase order if applicable.
- 7) The supplier shall:
  - i) Notify Stampings of Minnesota of nonconforming product and arrangements for resolution when non-conforming products are discovered,
  - ii) Obtain Stampings of Minnesota's approval for nonconforming product disposition,
  - iii) Notify Stampings of Minnesota of changes in product and/or process, changes of suppliers, change of manufacturing facility location and, where required, obtain Stampings of Minnesota's approval,
  - iv) Flow down to the supply chain the applicable requirements including customer requirements listed on purchase order where applicable,
  - v) Apply appropriate controls to their direct and sub-tier external providers, to ensure that requirements are met, and
  - vi) Use customer-designated or approved external providers, including process sources.

- 8) Records shall be retained a minimum of ten (10) years. Stampings of Minnesota shall be contacted prior to the disposition of any records related to services or products purchased.
- 9) Stampings of Minnesota, Inc. or its customers and regulatory agencies shall be afforded the right to verify at your facility or your supplier's facility that the product conforms to specified requirements.
- 10) Stampings of Minnesota expects suppliers to meet delivery dates as documented on Purchase Orders and the parts received to be meet all the requirements stated on the Purchase order with no defects. Suppliers who fall below 95% for On-time Delivery (early deliveries are accepted) and/ or have a Quality Rating below 95% are subject to probation and/or removal from the approved supplier list. The ability of our supplier base to provide high quality products and services directly contributes to the success of Stampings of Minnesota and is extremely important to us.

11) SUPPLIER CODE OF CONDUCT

Stampings of Minnesota is committed to integrity and compliance in everything we do. We expect our supply base to conduct themselves with the utmost integrity, delivering high quality products while following all applicable laws, regulations, and standards of business conduct. Suppliers are expected to foster a culture where employees and managers can communicate openly and raise concerns without fear of retaliation, intimidation, or harassment. Our supplier's commitment to acting ethically is the right thing to do, and is good for business.

12) CONFLICT MINERALS DISCLOSURE

Seller acknowledges the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), and in particular its Minerals provision (Section 1502), and Seller also recognizes the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC countries"). Accordingly, Seller commits to comply with Section 1502 of Dodd-Frank and its implementing regulations. In particular, Seller commits to have in place supply chain policies and processes to undertake: (1) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into products it provides Buyer; (2) due diligence of its supply chain, as necessary, to determine if Conflict Minerals are sourced from the DRC countries directly or indirectly; (3) the conduct of any risk assessment and mitigation actions necessary to implement these country of origin inquiry and due diligence procedures; and, (4) timely disclosure to Buyer on all its Purchase Orders/Subcontracts for products containing "conflict minerals" that are delivered during the current calendar year. Seller shall take all other measures as are necessary to comply with the Act and its implementing regulations, as they may be amended over time.

### 13) PROHIBITION ON COUNTERFEIT PARTS

Our customers require us to use only authorized and authentic parts and components that are manufactured in accordance with applicable standards and specifications. Accordingly, you are prohibited from supplying us with any parts or components that do not meet such standards, including a strict prohibition on the use of counterfeit parts. Suppliers shall implement counterfeit part prevention processes that should consider:

- i) Training of personnel in the awareness and prevention of counterfeit parts
- ii) Application of parts obsolescence monitoring program
- iii) Controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources
- iv) Requirements for assuring traceability of parts and components to their original or authorized manufacturers
- v) Verification and test methodologies to detect counterfeit parts
- vi) Monitoring of counterfeit parts reporting from external sources
- vii) Quarantine and reporting of suspect or detected counterfeit parts.