

Quality Terms for Purchase Orders

*The acceptance of a purchase order issued by Hanwha Cimarron indicates acceptance of the following terms.
In the event that these terms cannot be met, notify Hanwha Cimarron immediately.*

1. **Customer Right of Inspection** Hanwha Cimarron, their customers, and regulatory authorities have the right of access by the organization, to the applicable areas of all facilities, at any level of the supply chain involved in the order and, to all applicable records.
2. **Certification / Prevent Counterfeit Parts** External Providers shall sign and certify that all parts, materials, and processes were inspected and found to comply with the requirements of this purchase order. (Suspect) Counterfeit Parts are not allowed. All documentation shall indicate the revision level of the process used.
3. **Processes / Part Revision** All processes, parts, drawings, specifications, etc. listed on this purchase order shall be to the latest revision unless otherwise stated and approved by Hanwha Cimarron.
4. **Identification/Traceability** Identification/Traceability shall be maintained for all products and materials on this purchase order. A Certificate of Analysis/Certificate of Compliance is required for all materials delivered to Hanwha Cimarron. Certificates shall include identification/code/part number, product description, applicable revision number, lot number(s), batch number(s), and/or heat number(s) of parts/material listed on this purchase order. External Provider shall maintain traceability of all raw materials used, test methods and tests performed, acceptance criteria, and test results according to approved specifications.
5. **Documented Information** External Providers shall maintain all documented information associated with the products and/or services listed on this purchase order, as required. Documented information shall be accessible and retrievable. Documented information shall be retained for 20 years minimum, or as otherwise agreed to the length of time as defined by Hanwha Cimarron, as well as industry standards, and shall be provided to Hanwha Cimarron, upon request.
6. **Authorized Markings** External Providers shall not use unauthorized markings. Only markings listed on the drawing and parts list are allowed on parts, including acceptance and date stamps.
7. **Change in Process** External Providers shall notify Hanwha Cimarron of any major product or process changes, including, but not limited to raw material changes, supplier changes, and/or manufacturing facility location changes.
8. **Verification & Validation (Test) Acceptance** External Providers shall may employ the use of statistical techniques for design, test, inspection, verification, and related instructions for critical items, key characteristics, and product acceptance as agreed to by Hanwha Cimarron.
9. **Test Samples** External Providers shall provide the material and/or product samples for testing and inspections required to fulfill this purchase order, including, but not limited to design and development, prototype, design approvals, inspection/verification, investigations, and/or auditing.
10. **National Defense Rated Orders** Purchase orders rated and/or certified for national defense, emergency preparedness, and/or energy programs, the External Provider shall follow all the requirements of the defense priorities and allocation system regulation (15CFR700).
11. **Flow-down Requirements** External Providers shall flow down the supply chain the applicable requirements, including documented customer requirements.
12. **QMS Requirements** External Providers shall implement and maintain a Quality Management System, preferably compliant with ISO 9001 unless otherwise documented on the Purchase Order.
13. **Designated Approved External Providers** External Providers without QMS certification will be approved following CQS-014 Supplier Selection and Monitoring. Only Approved External Providers or Customer Designated External Providers will be used for materials and services directly affecting the manufacturing of Hanwha Cimarron's products.
14. **Awareness for Employee** External Providers shall ensure employees are aware of their contribution toward
 - a) Product/Service conformity
 - b) Product Safety, and
 - c) importance of ethical behavior.
15. **Communication**: External providers shall designate resources for maintaining appropriate channels of communication with Hanwha Cimarron. These resources should be able to provide information relating to products and services, emergency situations related to deliveries, product quality, quality issues, contract review, design changes and any specific requirements from Hanwha Cimarron.
16. **Material Characteristics / Shelf-Life** External Providers are required to provide information on the materials susceptible to degradation over time This information must at least contain shelf-life starting date and expiration date as well as any special storage requirement. Shelf-life Mmaterials must have a minimum of 80% of shelf life remaining at the time of being delivered to Hanwha Cimarron.
17. **Nonconforming products or service** External provider shall communicate to Hanwha Cimarron in the event of a known nonconformity in the product and take the appropriate containment measures to prevent additional affectation. Hanwha Cimarron has the right to claim labor, replacement, repair, or any other related affectation costs derived from non-conforming product or services from external providers. These actions will be notified in advance and writing to external providers.