

# *Payne Magnetics, Inc.*

## **Supplemental Purchase Order Conditions**

### **As applicable, the following terms and conditions apply to all orders received by Payne Magnetics for custom magnetic products:**

#### **1. Requirements for approval of product, procedures, processes, and equipment**

The supplier shall maintain an inspection and calibration system in compliance with the requirements of ISO/9001/AS 9100 as applicable.

Quality records shall be maintained for a minimum of seven (7) years or as otherwise stated in the contract.

#### **2. Requirements for qualification of personnel**

Where applicable, only qualified/certified personnel shall be used based on process specification requirements. Records shall be maintained of the personnel/certifications.

#### **3. Quality Management Requirements**

Suppliers Quality Management must conform to the requirements of ISO-9100.

#### **4. The name/product description or other positive identification, and applicable issues of specifications, drawings, process requirements, inspection instructions and other relevant technical data (e.g., revision level)**

Identification of all materials and applicable reports is required by specification to provide lot or batch number.

#### **5. Requirements relative to supplier notification to organization of nonconforming product**

Supplier must notify Payne Magnetics, Inc. (PMI) of nonconforming product prior to fulfillment of Purchase Order.

#### **6. Requirements for the supplier to notify the organization of changes in product definition`**

The Supplier shall notify PMI of any changes in product definition as it relates to the Purchase Order, including changes of their external providers or location of manufacture, and obtain the organizations approval.

#### **7. Right of access by the organization, their customer, and regulatory authorities to all facilities involved in the order and to all applicable records**

During the performance of this purchase order, the supplier will grant reasonable access to PMI to all the supplier's facilities, to representatives of PMI, PMI's Customers and regulatory agencies for the purpose of evaluating supplier's conformance to requirements.

#### **8. Requirements for a certificate of conformity and test reports.**

As applicable, Certificates of Conformance, Material Certifications and/or Test Reports are required for all purchase orders.

#### **9. Other requirements:**

Will be stated on the purchase order as deemed necessary and applicable to meet customer requirements.

#### **10. Purchase Order number must appear on all documentation.** Labeling and packaging. Packing slips are required for all deliveries.

#### **11. Statistical Techniques Process Control**

The supplier shall identify the statistical techniques in establishing, controlling and verifying process capability and product characteristics. Documented procedures shall be established and maintained to implement and control the application of these statistical techniques. Records of SPC are to be maintained and available upon request for a minimum of 10 years

#### **12. Design and development control/test specimens for design approval**

The supplier shall identify the requirements for design, test, inspection verification (including production process verification), the use of statistical techniques for product acceptance, and as applicable, critical items including key characteristics to sub tier suppliers. Payne Magnetics reserves the right to designate requirements for test specimens in design approval, inspection/verification, investigation or auditing.

#### **13. Awareness of personnel**

The organization will ensure that persons employed and performing work under its control are aware of their contribution to products and/or service conformity, their contribution to product safety, and the importance of ethical behavior.

#### **14. Prevent the use of counterfeit products;** plan, implement and control processes appropriate to the organization and the product, for the prevention of counterfeit or suspect part use and their inclusion in products delivered.

**If for any reason you cannot meet any part of these requirements, please contact us immediately.**