

# Michlin Metals Inc. External Provider Quality Requirements

## General Requirements

The External Provider Quality Requirements with all of their terms and conditions become an integral part of Michlin Metals Inc. purchase orders in conjunction with Michlin Metals Inc. Standard Terms and Conditions. These requirements are to be flowed down to the external provider's sub-tier external providers.

Any deviations or modifications to existing Purchase Orders will require written notification. **Verbal or otherwise unofficial instruction to deviate from the Purchase Order is not allowed.** Only a legible facsimile copy (fax) or electronic transmittal of the change order issued by Michlin Metals Inc. is considered adequate authority to proceed.

## External Provider Performance

Michlin Metals Inc. will evaluate external providers based upon the quality of their product, delivery to schedule, and timeliness of responses to requests for corrective action. A history of substandard ratings may be cause for removal of the external provider from the Michlin Metals Inc. Approved External Provider List. The objective of Michlin Metals Inc. is to receive quality product on or before scheduled delivery dates.

## Right of Access

Michlin Metals Inc., our customers, government, or regulatory agencies have the right of access to the applicable areas of all facilities, at any level of the supply chain involved in this Purchase Order.

The external provider shall furnish reasonable support and access to manufacturing facilities, quality system documentation, quality records, third-party audit reports, and personnel responsible for implementing and maintaining the quality system.

## Nonconforming Product, MRB, Variances and Requests for Deviation

The external provider shall maintain a system for identification and segregation to ensure that nonconforming product is not intermingled with accepted product. **Michlin Metals Inc. requires notification of any/all nonconforming product and the external provider must obtain documented approval from Michlin Metals Inc. for any/all nonconforming product dispositions.** Previous dispositions shall not be considered precedence for acceptability. Michlin Metals Inc. may request external provider to submit cause and corrective action on discrepancies prior to acceptance of product.

## Notification of Changes

The external provider shall notify Michlin Metals Inc. of any changes to the external providers or any sub-tier changes that affect purchase order requirements. Changes are defined as changes in company ownership and/or location, products, configuration, process, sub-tier external providers, inspection testing methods/techniques. Such changes may void all previous Michlin Metals Inc. external provider qualifications, certifications, approval status, and may require re-qualification. When required, the external provider shall obtain written approval from Michlin Metals Inc.

## Record Retention

The external provider shall retain a complete set of all records, hard copy or electronic, of all purchases by Michlin Metals Inc. These records shall be available to Michlin Metals Inc. upon request.

All records are to be legible, reproducible, and identified to the Michlin Metals Inc. Purchase Order. Records are to be stored and maintained in such a way that they are readily retrievable in facilities that provide a suitable environment to minimize deterioration or damage, and to prevent loss. This applies to Michlin Metals Inc. external provider and their lower-tier external providers.

The retention period for all records shall be ten (10) years minimum unless otherwise specified by the Purchase Order.

Michlin Metals Inc., our customers, government, or regulatory agency representatives shall have full access to review records as they pertain to the Purchase Order.

### **Counterfeit Material Prevention**

All external providers shall guard against the use and delivery of counterfeit material to Michlin Metals Inc. A “counterfeit” part is defined as: “A part falsely represented in some manner, e.g., manufacturer, date code, lot code, reliability level, markings, etc.” as per AS 6174 Rev A.

### **Preservation and Packaging, ESD and FOD Control**

All parts and products intended for Michlin Metals Inc. shall be protected against the potential damage from shipping, ESD (Electrostatic Discharge), FOD (Foreign Object Debris), corrosion, moisture, contamination, deterioration or damage by processing, handling storage at the external provider, or in transit to Michlin Metals Inc., or from any sub-tier external providers.

### **Manufacture Certification**

The external provider shall provide with each shipment one legible and reproducible copy of the manufacture certification. The certification shall include as a minimum:

1. Name and address of the original manufacture.
2. Statement attesting to all product specification requirements.
3. Specification revision level to which the item(s) were manufactured. Must be to latest available revision.
4. Country of Origin

### **Special Process Certifications**

The external provider and/or their sub-tier external provider performing any special process noted on the purchase order, drawing or specifications shall provide a separate certification for each process performed. The certification must identify the following as a minimum:

1. External providers name and address.
2. Michlin Metals Inc. purchase order number.
3. Quantity.
4. Lot number, batch number, or heat number.
5. Process name and specification/condition required – Must be to latest available revision.
6. Name and address of the company that performed the process, if other than the external provider.
7. Signature, Title and date by an authorized representative of the issuing organization.

### **Certification of Conformance**

The external provider shall provide a Certification of Conformance with each shipment, for each item shipped. The Certification of Conformance shall certify that all requirements of the purchase order have been met. The certification must contain the following as a minimum:

1. External provider’s name and address.
2. Michlin Metals Inc. purchase order number.
3. Date
4. Quantity.
5. Heat number and/or lot number (if applicable).
6. Signature, Title and date by an authorized representative of the issuing organization.

### **Conflict Minerals**

External provider warrants that, to its knowledge, no tantalum, tin, tungsten and/or gold ("Conflict Minerals"), contained in any good subject to this order, originated from the Democratic Republic of the Congo or an adjoining country, unless the Conflict Minerals were processed by a facility listed as compliant pursuant to the CFSI Conflict-Free Smelter Program. External provider agrees to abide by the terms and conditions in Purchaser's Conflict Minerals Policy, and to communicate to its sub-external providers its own commitment to responsible sourcing and legal compliance. External provider agrees to cooperate and work with its sub-external providers in an attempt to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Purchaser upon request.

### **External Provider Compliance**

The External Provider agrees to comply with the following: A) Executive Order 11246 as amended and all regulations promulgated pursuant to that Executive Order including but not limited to the provisions of paragraphs (1) through (7) of the "Equal Opportunity Clause" and the "Certification of Non-segregated Facilities", each of which is incorporated herein by reference, B) Section 503 of the Rehabilitation Act of 1973 including the applicable parts of the affirmative action clause entitled "Affirmative Action for Handicapped Workers" (41 CFR 60-741.4) incorporated herein by reference, C) the Vietnam Era Veterans Readjustment Assistance Act (30 USC §2012) including the applicable parts of the affirmative action clause entitled "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era" (41 CFR 60-250.4) incorporated herein by reference, D) Executive Order 13496 "Notification of Employee Rights Under Federal Labor Laws" (29 CFR Part 471, Appendix A to Subpart A) also incorporated herein by reference, E) External Provider agrees to comply with all applicable commercial and public anti-bribery laws, including, without limitation, the US Foreign Corrupt Practices Act and the UK Bribery Act and F) External Provider hereby represents and warrants that neither External Provider, nor any persons or entities holding any legal or beneficial interest whatsoever in External Provider, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time, an event of default will be deemed to have occurred without the necessity of notice to External Provider.