



# Purchase Order Quality Terms and Conditions

1969 Clearview Rd Souderton Pa 18964 /30 Industrial Rd Hermitage PA 16148/8606 Live Oak Ave Fontana CA 92335  
/108 Progressive Ct Greenville SC 26911/56462 Precision Drive Chesterfield MI 48051 /877 Vernon Way El Cajon CA 92020

## QUALITY TERMS AND CONDITIONS FOR EXTERNAL PROVIDERS

1.0 All suppliers on the SAI ASL are subject to the following:

1. SAI standard P.O. T&C's.
2. SAI purchase order requirements for the purchased product, or service to be provided.
3. SAI supplier qualification, controls, monitoring and performance rating.
  - a. SAI Supplier Performance Ratings are based on individual scoring of the following:
    - i. Product Quality
    - ii. Service
    - iii. Technical Expertise
    - iv. Delivery
    - v. Cost
  - b. SAI Suppliers are required to maintain a minimum cumulative rating of 'GOOD' to remain on the approved supplier list (80% acceptable product/service). Any rating below this threshold, a corrective action will be required to be submitted within 30 days of notification of rating.
4. Requirements to notify SAI of nonconforming test results, processes, products or services and to obtain SAI disposition before delivery to SAI.
5. Notification of SAI prior to implementation of change processes, products, or services, including changes of location and changes to the status of the quality management system, so that SAI can evaluate potential risks and reconsider supplier's continued suitability as an approved supplier to SAI.
6. Retention of documented information regarding the processes, products, or services provided to SAI (15) years minimum, unless otherwise specified.
  - a. After established retention period, records are to be either destroyed or returned to Solar Atmospheres (Attn: Solar Quality Department). Documented information regarding the processes, products, or services provided to SAI shall not be retained in any manner beyond the established retention period.
7. Right of access by SAI, SAI's customers, and applicable regulatory authorities to applicable areas of the supplier's facilities and to applicable documented information at any level in the supply chain.
8. Requirements that persons conducting work under SAI P.O. are aware of their contribution to process, product, or service conformity, their contribution to product safety, and the importance of ethical behavior.
9. **COMPLIANCE WITH LAWS & REGULATIONS** shall, in the performance of a SAI P.O., comply with all laws, ordinances, rules and regulations, Federal, State and local, which apply to Seller's performance and/or product. Seller represents, warrants, and certifies to Buyer, as amended and all regulations and rules promulgated thereunder without limitation that the products purchased by Buyer were produced in compliance with:
  - a. Fair Labor Standards of 1938, as amended;
  - b. Sec. 503 of the Rehabilitation Act of 1973 (41CFR104);
  - c. Sec. 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 (38FR 60-);
  - d. Executive Order 11246, Equal Employment Opportunity, as amended (30CFR; 60-);
  - e. The United States Occupational Safety and Health Act of 1970; and
  - f. All applicable Federal, State and local environmental regulations (including the Toxic Control Substances Act, the Clean Air Act and the Clean Water Act).
  - g. Seller shall maintain an appropriate system of compliance to REACH (product might be going Europe) RoHS (product might be going Europe) Conflict Minerals (certain braze filler metals), prohibitions against the use of Child Labor, and a system of awareness and prevention of Counterfeit Parts, as applicable.
    - i. Seller shall indemnify and hold harmless Buyer



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