



Originator : QA Manager
Department : Quality

Phone : 036-5231398
E-Mail : info@pmprecision.nl

Order confirmation;

The supplier shall, unless otherwise agreed, confirm the purchase order in writing to PM-Precision B.V. within three working days after receiving the order. If the supplier fails to do so, a written reminder will request to confirm within the next two working days.

Open order lines;

The supplier receives an outstanding orders report each week, which contains the order lines that should have already been delivered and the order lines that should be delivered in the relevant week. The supplier is expressly requested to respond in writing within two working days and, where applicable, to submit a statement of new delivery dates. If the amended delivery date is accepted by the Purchasing department of PM-Precision B.V., the changed date will be processed within the ERP system. PM-Precision B.V. reserves the right to reject any changed delivery dates.

Delivery Performance;

The delivery performance is measured in two ways;

1. CLIP; based on the confirmed (agreed) delivery date
The standard that PM-Precision B.V. uses is 100% on time
2. RLIP; based on the requested delivery date.
The standard that PM-Precision B.V. uses is 90% on time

Remarks;

- The delivery performance measurement takes place by plotting the number of purchase lines delivered on time against the total number of purchase lines supplied by the supplier, within a certain time span.
- PM-Precision B.V. defines the delivery date as the moment when the shipment is physically delivered by PM-Precision B.V. and not the moment then the supplier offers the shipment to the Carrier for shipment. This is regardless of the agreed upon delivery method (i.e. Ex Works).
- If the delivery date is not met due to influences outside the reach of the supplier, then these lines will, after approval by PM-Precision B.V., not be included in supplier performance rating.
- Orders that are delivered later than the confirmed date by the supplier will influence the Supplier performance negatively. This does not relieve the supplier of the obligation to report on time that orders cannot be delivered on or before the agreed delivery date.

Quality Performance;

The quality performance is measured as follows;

- On the number of products delivered; number of delivered items with deviation (supplier complaint) with respect to the total number of items delivered by the supplier, within a certain period of time.

The standard that PM-Precision B.V. uses is max 2% deviations



Remarks:

- If a complaint is unjustified, it will not be included in the supplier's quality performance, after approval by PM-Precision B.V.
- If the quality performance on an annual basis is less than 98%, the supplier will propose and plan corrective actions to increase the quality performance to at least 98%. The plan(s) for the corrective actions must be submitted to PM-Precision B.V. for approval. If no improvements are measurable after the implementation of these corrective actions, PM-Precision B.V. reserves the right to charge the supplier for any initial costs incurred due to inferior quality. If there is no structural improvement of the quality performance, PM-Precision B.V. will remove the supplier from its approved supplier list.

Processing purchase order by supplier:

- The supplier assesses whether the, for the purchase order provided, applicable documents, definitions, specifications, drawings, process / inspection requirements and other relevant technical data are available and feasible. By sending an order confirmation, the supplier confirms that the previous aspects are fully in place.
- PM-Precision B.V. reserves the right if the supplier is ISO/AS9100 certified to verify deliveries randomly.

For value added suppliers the following rules apply, unless otherwise agreed;

- if there are relevant changes to the process definitions and if required, the supplier must obtain written permission from PM-Precision B.V. to implement these changes.
- of each item, one part must be 100% measured, the measured dimensions shall be stated on a measurement report.
- identify the measured item with traceability to the measurement report.
- the measurement report shall be included within the delivery to PM-Precision B.V.
- 100% verification applies to key characteristic requirements. Unless otherwise stated, these measurements do not have to be documented and fall automatically under the second point.
- deviations found during the production process at the supplier shall be communicated with PM-Precision B.V. on how to proceed. Any oral agreement must always be confirmed in writing.
- in the event of any discrepancies found by the supplier during its final inspection, PM-Precision B.V. shall be contacted in writing before any delivery takes place. PM-Precision B.V. will then decide in writing whether the articles are usable or not.
- Parts with deviations must be clearly marked during delivery with reference to the written approval.
- The supplier ensures that the use of "counterfeit parts" is excluded in its complete production process including sub tiers. If the supplier finds that a third party is guilty of counterfeit parts in any way, the supplier must immediately inform PM-Precision B.V.



Data retention

For AS9100 Aerospace customers, the supplier must keep all supplied customer documentation for a minimum of 7 years. The data can be requested at any time.

Right of access

At any time, the end user (customer), suppliers and their regulatory authorities are entitled to enter the premises where the relevant purchase order has been placed. Right to view concerns the purchase order(s) and all relevant documentation.

By signing this document, the supplier fully agrees to these additional conditions.

With kind regards,
Purchaser PM-Precision B.V.

**Signed for agreement
Supplier:**

Name & Signature:

Name & Signature:

Date:

Date: