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**Order confirmation:**

The supplier shall, unless otherwise agreed, confirm the purchase or in writing to HTM 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 order report each week, which contains the order lines that should have already been delivered and the order lines that should be delivered in relevant week. The supplier is expressly requested to respond in writing within two working days to, where applicable, submit a statement with new delivery dates. If the amended delivery date is accepted by HTM Precision B.V. Purchasing department, the changed delivery date will be processed within the ERP system. HTM Precision B.V. reserves the right to reject any changed delivery date.

**Delivery Performance:**

The delivery performance is measured in two ways;

1. CLIP; based on the confirmed (agreed) delivery date  
The standard HTM Precision B.V. uses is 100% on time
2. RLIP; based on the requested delivery date.  
The standard HTM 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
- HTM Precision B.V. defines the delivery date as the moment when the shipment is physically delivered at HTM Precision B.V. and not the moment when the supplier offers the shipment to the carrier for shipping. This is regardless of the agreed upon delivery date (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 a HTM 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 or on or before the agreed delivery date

### **Quality Performance;**

The quality performance is measured as follows;

- Quantity of non-conforming product (supplier complaint) compared to the total amount of delivered items within a certain period of time.

The standard that HTM Precision B.V. uses is maximum of 2% non-conforming products.

### **Remarks;**

- If a complaint unjustified, it will not be included in the suppliers quality performance, after approval by HTM Precision B.V.
- If the quality performance on an annual basis is less than 98%, the supplier shall propose and plan corrective actions to increase the quality performance to at least 98%.

The plan(s) for corrective action must be submitted to HTM Precision B.V. for approval. If no improvements are measurable after the implementation of these corrective actions, HTM Precision B.V. reserves the rights to charge the supplier for any additional costs incurred due to inferior quality. If there is no structural improvement of the quality performance, HTM 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 or 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.
- HTM 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 HTM 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 HTM 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 HTM 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, HTM Precision B.V. shall be contacted in writing before any

delivery takes place. HTM Precision B.V. will then decide in writing whether the product is usable or not.

- Products 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, to supply must immediately inform HTM Precision B.V.

**Data retention;**

For AS9100 Aerospace customers, the supplier must retain all technical documentation for a minimum of seven years. The data can be requested at any time by HTM Precision B.V. or its customers.

**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.