



HALTEC CORPORATION
120 INDUSTRY STREET
LEETONIA, OHIO 44431

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1.0 Introduction

1.1 Overview

Haltec Corporation is committed to meeting or exceeding customers' quality needs and expectations. You as a supplier play a vital role in helping us to achieve customer satisfaction.

Haltec Corporation suppliers are viewed as being fully responsible for the quality of their products. Therefore, they must ensure materials are produced in conformance to the required standards. It is our expectation that Haltec Corporation will receive defect-free product. It is the supplier's responsibility to request an authorization to deviate from the purchase orders or the supplier manual before shipping the product. Failure to do so may result in a formal request for corrective and preventive action from the supplier and/or debit cost incurred.

This Supplier Manual is the property of Haltec Corporation and is issued for reference to our suppliers. This document is maintained electronically at <http://www.haltec.com/>. Printed copies of this manual are considered uncontrolled.

1.2 Scope

This standard applies to suppliers of raw material and services/parts. Acceptance of any and all purchase orders constitutes acceptance and commitment on behalf of the recipient to comply with this manual's content. This manual establishes minimum requirements, is supplemental to, and does not replace or alter any purchase agreement.

1.3 Customer Responsibilities

Haltec Corporation works to develop a strong alliance with our supplier base. To help suppliers perform to their capability Haltec Corporation is obligated to:

- ☐ Set clear requirements
- ☐ Review requirements with the supplier to ensure a mutual understanding
- ☐ Provide timely and accurate feedback on supply base performance
- ☐ Act as a resource to improve supplier performance
- ☐ Actively seek supplier involvement with emphasis on continuous improvement
- ☐ Provide sufficient lead time for order placement, manufacture and delivery
- ☐ Maintain open communication to discuss growth plans and concerns.

2.0 Supplier Quality Expectations

2.1 Quality System Requirements

Haltec Corporation's quality management system is based on the ISO 9001 quality system requirements. Suppliers not certified to ISO 9001 or IATF 16949 may be subject to a quality system assessment by Haltec Corporation.

If not ISO certified, the minimum that should be documented and maintained is as follows:

- ☐ Methods in place to create product, service, and process consistency
- ☐ Training documents in place to help employees be more successful
- ☐ Methods in place to confirm equipment in use is functioning properly
- ☐ Methods in place to respond to non-conformances and corrective actions in a timely manner
- ☐ Methods in place to segregate the materials in question if a problem does occur
- ☐ Regulatory and human rights responsibilities

Suppliers have the responsibility to provide goods and services that meet all end customer quality specifications.

2.2 Incoming Product Document Requirements

Haltec Corporation's goal is to eliminate incoming inspection of supplier's products.

Therefore, it is the responsibility of the supplier to provide a certificate and/or statement(s) of compliance to be issued with every order or in a blanket format. Blankets will be renewed annually if required.

The certificate and/or statement(s) of compliance shall state:

- ☐ Supplier Name
- ☐ Supplier conformance to the purchase order and/or product specifications
- ☐ A statement guarantee that the supplier has full traceability of the product provided
- ☐ Type of material/product being supplied identified by Haltec Identification Number
- ☐ If non-compliant please provide information about how the materials do not comply
- ☐ Free of conflict minerals (Section 2.6)
- ☐ Signature and Date from a designated representative

The supplier is responsible for retaining appropriate test data to confirm compliance upon request.

A sample certificate of compliance is provided in Appendix A.

Safety Data Sheets (SDS) shall be provided with shipment as applicable.

Shipments received without a certificate and/or statement(s) of compliance or without a current blanket certificate/statement on file shall be retained in Incoming Inspection until the required documentation is received.

When requested PPAP documentation will be required prior to shipment. A sample of a Submission Warrant is provided in Appendix C.

2.3 Corrective Action

Haltec Corporation suppliers are responsible for providing defect-free product. If defective product is found, a Nonconforming Product Report (NPR) will be issued, the supplier will be contacted and a Corrective Action Request (CAR) may be issued. A sample Corrective Action Report is provided in Appendix D.

A NPR or CAR may be issued for but is not limited to the following:

- ☐ Nonconforming product
- ☐ Missing certificates of compliance
- ☐ Improper packaging or labeling
- ☐ Identified process improvement
- ☐ Other issues as deemed appropriate by the Purchasing and/or the Quality Assurance Departments.

Communication to the supplier shall be initiated via a Nonconforming Product Report (NPR):

- ☐ This will be reflected in the supplier's quality and, possibly, delivery rating
- ☐ If a corrective action response is deemed necessary (chronic or frequent occurrence) then a Corrective Action Request (CAR) shall be issued (see Section 2.3)
- ☐ The supplier is expected to respond in a timely manner to any quality or delivery issues. Response timing and content requirements are as follows:

Initial response within 24 hours of notification including:

- ☐ Containment plan to hold and inspect all product at supplier facility
- ☐ Disposition of any product in transit, at Haltec Corporation and at Haltec Corporation customers including authorization to return for credit, sort/rework at supplier expense or hold for supplier review
- ☐ Timing to replace product with certified product (product that has been 100% inspected for defects). All certified stock must be identified as such

Corrective actions to be completed within 14 calendar days of receipt of request including:

- ☐ Members involved
- ☐ Problem description
- ☐ Interim containment
- ☐ Root cause analysis
- ☐ Permanent corrective action
- ☐ Verification of corrective action
- ☐ Prevention and request for additional time to complete (including estimated time frame for completion) if applicable

Suppliers issued a corrective action will be placed on the "Incoming Inspection List" and must pass 3 consecutive audits to be removed from the list. This shall be reflected in the supplier's quality rating.

2.4 Request for Deviation

Suppliers shall not make any changes in product construction or manufacturing processes without prior customer approval. This also includes reworked or repaired product. A product deviation is used when a specific quality of product being shipped or used is not compliant with the specified drawing, purchase order or specifications.

Deviation requests shall be submitted in writing by the supplier to Haltec Corporation and approved before goods and/or services are delivered.

Changes to any of the following may also require a deviation:

- ☐ Manufacturing processes or locations
- ☐ Supply
- ☐ Product formulations
- ☐ Product identification
- ☐ Physical/Chemical properties
- ☐ Ownership of the company

2.5 Charge-Back Policy

Costs associated with supplier product quality issues that are the supplier's responsibility shall be charged back to the supplier.

These charges may include but are not limited to:

- ☐ Deviations
- ☐ Expedited freight
- ☐ Customer shutdown charges
- ☐ Inspection fees

- ☐ Charge-back costs incurred by the end customer
- ☐ Any additional costs incurred by Haltec Corporation as it directly relates to the quality of the product supplied

If the rejects cause downtime at Haltec Corporation, the supplier will be debited at an appropriate and agreed upon rate.

2.6 Regulatory Reporting

Haltec Corporation requires our suppliers' to comply with all applicable regulatory requirements:

- ☐ **RoHS - Restriction on Hazardous Substances (EU Directive, 2002/95/EC)**
Restricting the use of hazardous substances in electrical and electronic equipment (RoHS Directive 2002/95/EC). It also requires heavy metals such as lead, mercury, cadmium, and hexavalent chromium.
- ☐ **REACH - Registration, Evaluation, Authorization and Restriction of Chemical Substances. (EC 1907/2006)**
This regulation is to ensure a high level of protection of human health and the environment. It shall apply without prejudice to Community workplace and environmental legislation
- ☐ **Conflict Minerals - Natural resources extracted in a conflict zone. (Dodd-Frank Act) Section 1502**
Requires persons to disclose annually whether any conflict minerals that are necessary to the functionality or production of a product of the person, as defined in the provision, originated in the Democratic Republic of the Congo or an adjoining country and, if so, to provide a report describing, among other matters, the measures taken to exercise due diligence on the source and chain of custody of those minerals
- ☐ **Other Regulatory Requirements – Specialized products used to fulfill a customer specific need may have additional requirements. Suppliers identified must provide documentation that satisfies these regulatory requirements.**

To achieve this RoHS, REACH, and Conflict Mineral certificate/statements of compliance are required for products supplied to Haltec Corporation. These documents shall indicate compliance or non-compliance of the product provided. Haltec Corporation is committed to these regulations and a supplier's ability to conform shall be taken into consideration when building or continuing business relations.

3.0 Purchasing Expectations

3.1 Supplier Assessment

Haltec Corporation may require potential suppliers to complete a Supplier Survey. This includes suppliers that have not met Haltec Corporation performance expectations and suppliers that are not ISO 9001 or IATF 16949 certified. A copy of this survey is located in Appendix B.

A Supplier Quality System Audit may be performed at the supplier's manufacturing location by a Haltec Corporation quality representative.

3.2 Supplier Responsibility

Prior to approval Haltec Corporation contingent suppliers are required to provide an up-to-date copy of:

- ☐ Completed Supplier Survey
- ☐ Supplier Quality Manual acknowledgement (See Appendix 6.1)
- ☐ ISO/TS certificate (If Applicable)
- ☐ Signed Non-Disclosure Agreement (If Applicable)
- ☐ Statement guaranteeing a contingency plan is in place
- ☐ W9 Form

☐ Certificate of Liability Insurance

Disaster/contingencies are to include plans to ensure continuity of product supplied to Haltec Corporation in the event of a business interruption

3.2.1 It is the responsibility of the supplier to notify Haltec Corporation of any changes in Senior Management regardless of how those changes may affect the business relationship between the supplier and Haltec Corporation (rev. 05012018)

A sample of the Supplier Survey is provided in Appendix B.

4.0 Labeling, Packaging and Shipping Requirements

4.1 Labeling Specifications

Each package to be clearly labeled with the following when applicable:

- ☐ Supplier part number
- ☐ Lot number
- ☐ Manufacture date
- ☐ Expiration date (If Applicable)
- ☐ Barcodes (data based on need)
- ☐ Haltec Corporation part number

Special labeling requirements may be noted on the purchase order.

4.2 Packaging Specifications

Packaging of products shall be done in a matter to ensure:

- ☐ Product integrity during shipping and handling
- ☐ Packages/containers must be free of:
 - Debris
 - Foreign material
 - Fluids

In addition, suppliers are responsible to identify and communicate any packaging changes, improvements, etc. Special packaging requirements may be noted on the purchase order.

4.3 Shipping Specifications

Shipping method and terms are designated on the purchase order unless agreement has been reached for supplier to pay shipping cost. Suppliers are responsible for adhering to shipping instructions on PO. Haltec Corporation should be contacted for any deviation from instructions prior to shipping. Haltec Corporation must approve collect "premium" freight methods if used in order to meet confirmed delivery date. Advanced notice to be given on any shipping or delivery delays beyond the due date specified on the confirmed purchaser order. A subcontract product or service provided directly to the customer is received by an entry into the electronic receiving record. The supplier provides a tracking # which is recorded on the Haltec Corporation Packing Slip. The packing slip is forwarded to Accounts Payable for incoming invoice; also a copy sent to Accounts Receivable for billing the customer for shipment.

If agreed upon shipping freight terms are not followed, Haltec reserves the right to debit any cost difference incurred.

5.0 Supplier Performance and Evaluation

5.1 Introduction

Supplier report cards are communicated on a semi-annual basis to suppliers that have fulfilled a minimum of 6 purchase orders within that timeframe. The purpose of this rating is twofold – it provides objective comparison of a supplier's performance and it is a tool to benchmark the supplier's competitiveness in the marketplace. Haltec Corporation wants to ensure that our ratings are accurate and effective. If a supplier feels there is a discrepancy in their rating report, they should contact Haltec Corporation Purchasing within 2 weeks of the report date.

5.2 Supplier Score Rating Criteria

Suppliers are rated on the following criteria:

- ☐ OTD – On Time Delivery
- ☐ Quality/DPPM
 - Non-Conforming Product
 - Corrective Actions
 - PPM of non-conforming material
- ☐ Service and Responsiveness
 - Response to requests
 - Response to quality issues
 - Notification of changes affecting delivery

These criteria will be weighted based on severity and influences on the overall supply chain as it affects the customer.

Appendix 6.1

SUPPLIER QUALITY MANUAL RECEIPT ACKNOWLEDGEMENT

This form is to be signed and returned to the **Haltec Corporation Quality Assurance Department** prior to the generation of a purchase order from Haltec Corporation for any initial order of goods or services to be rendered from a potential supplier.

This form may be returned by any available means and in any available format, such as scanned hard copy, fax or mailed hard copy.

Supplier Manual Receipt Acknowledgement

I acknowledge receipt and acceptance of terms outlined in Haltec Corporation Supplier Manual. This contract for service once signed becomes a binding document between your company and Haltec Corporation.

Supplier Name

Printed Name of Supplier Representative

Signature of Supplier Representative

Date

Return to: HALTEC CORPORATION
120 Industry Street
Leetonia, OH 44431
Attn: Director of Quality
sgibson@haltec.com
FAX: 330-222-2302



Appendix A
Sample of a Certificate of Conformance:

**CERTIFICATE OF COMPLIANCE**

(Exhibit H)

DATE: _____

VENDOR: _____

_____CUSTOMER: HALTEC CORPORATION

_120 Industry Street_____
_Leetonia, OH 44431_____
_____Cust. Order # _____
Purchase Order # _____Sales Order No. _____
P/O Date _____

PART NO.	HALTEC PART	QUANTITY	DRAWING NO.	REV.
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

ADDITIONAL COMMENTS:

_____**HALTEC CORPORATION'S QUALITY SYSTEM
IS APPROVED TO ISO-9001-2015 w/design**

Reg # 99.053.2

We certify that the above listed products were shipped on the above listed P.O. reference in conformance to specifications and referenced drawings as listed in the table above.

Shane A. Gibson
Director of Quality

Appendix B

Sample of the Haltec Corporation Supplier Survey

1. Company Profile

Company Name:	_____	Years in Business:	_____
Street Address:	_____	Contact Name:	_____
	_____	Phone:	_____
City:	_____	Fax:	_____
State/Province:	_____	Contact E-mail:	_____
Country:	_____	Company website:	_____
Zip Code:	_____		
Business Type: (manufacturing; distributor; services; other)			

Capabilities: (list products, services, and special capabilities)

2. Quality System Information

Supplier

- | | | | |
|--|------------------------------|-----------------------------|------------------------------|
| 1. Is your quality system certified to ISO 9000 or higher and/or other? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 2. Is the Quality Manual available to the customers? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 3. Does your company have an established Quality Control Program? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 4. Are material certifications maintained on file for materials and parts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 5. Is the identity of materials and parts maintained throughout the process? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

6. Is your calibration system in accordance with a particular standard? ☐ Yes ☐ No ☐ N/A
7. Are inspection written procedures in place for the control of stamps? ☐ Yes ☐ No ☐ N/A
8. Is there a system for identification and handling of rejected parts? ☐ Yes ☐ No ☐ N/A
9. Is there receiving inspection procedures to assure that received materials and products meet purchase requirements? ☐ Yes ☐ No ☐ N/A
10. Is there a system/procedure for identifying non-conforming product? ☐ Yes ☐ No ☐ N/A
11. Do you have written instructions/procedures for the following?
- | | | | | | | |
|--|--------------------------|-----|--------------------------|----|--------------------------|-----|
| a. Quality Control | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A |
| b. Manufacturing Workmanship standards | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A |
| c. Inspection Standards | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A |
| d. Engineering Drawings of Parts | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A |
| e. Corrective/Preventive Action | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> | N/A |
12. Do you provide Certificate of Conformance/FAA 8130-3 Form/EASA Form 1 for all parts? ☐ Yes ☐ No ☐ N/A
13. Is serial number traceability maintained? ☐ Yes ☐ No ☐ N/A
14. Are records protected against damage, alteration, deterioration and loss? ☐ Yes ☐ No ☐ N/A
15. Are test and inspection records for parts/components supplied with all repaired/overhauled material supplied? ☐ Yes ☐ No ☐ N/A



16. Is there a training program to properly train the employees? ☐ Yes ☐ No ☐ N/A
17. Is there a documented and enforced policy to control shelf life items? ☐ Yes ☐ No ☐ N/A

3. Authorization

This document will be used as part of a supplier qualification and rating process. By submitting this form, signer represents the information provided is complete and accurate as of the date of this submission.

Name: _____ Date: _____

Title: _____

4. Approval

Company

Supplier Status: ☐ Approved ☐ Not Approved ☐ Observation

Vendor #: _____

Comments: _____

Procurement
Rep: _____

Approval Date: _____

QA Rep: _____

Approval Date: _____



Appendix C

Sample of a PSW (Part Submission Warrant) as part of a PPAP submission:

PART SUBMISSION WARRANT

Name: _____ Part Number _____

Safety and/or
Government Regulation YES ☒ NO ☒ Engineering Change Level _____ Dated _____

Dimensional Engineering Change _____ Dated _____

Shown on Drawing No. _____ Purchase Order no. _____ Weighted _____ kg

Checking Aid No. _____ Engineering Change Level _____ Dated _____

SUPPLIER MANUFACTURING INFORMATION**SUBMISSION INFORMATION**_____

_____Customer Name/Division _____
Buyer/Buyer Code _____**REASON FOR SUBMISSION**

- | | |
|---|---|
| <input type="checkbox"/> Initial submission | <input type="checkbox"/> Change to Optical Construction or Material |
| <input type="checkbox"/> Engineering Change | <input type="checkbox"/> Sub-Supplier or material Source Change |
| <input type="checkbox"/> Tooling: Transfer, Replacement, Refurbishment, or additional | <input type="checkbox"/> Change in Part process |
| <input type="checkbox"/> Correction or Discrepancy | <input type="checkbox"/> Parts produced at Additional Location |
| <input type="checkbox"/> Other ___ Please specify _____ | |

REQUESTED SUBMISSION LEVEL (check one)

- ☐ Level 1 Warrant, Appearance Approval Report (for designated appearance items only)
- ☐ Level 2 Warrant, Parts, Drawings, Inspection results, Laboratory & Functional results, Appearance Approval Report
- ☐ Level 3 At Customer's Location--Warrant, Parts, Drawings, Inspection results, Laboratory & Functional results, Appearance Approval Report, Process capability Results, Capability Study, Process Control Plan, Gage Study, FMEA
- ☐ Level 4 Per Level 3, but without parts

SUBMISSION RESULTSThe results meet all drawing and specification requirements: ☐ YES ☐ NO (if no, explain)**DECLARATION**


I affirm that the samples represented by this warrant are representative of our parts and have been made to the applicable customer drawings and specifications and are made from specified materials on regular production tooling with no operations other than the regular production process. I have noted any deviations from this declaration below

EXPLANATION/COMMENTS _____

Name: _Shane a. Gibson_____
Authorized Signature _____Title: _Director of Quality____ Ph__ (330) 222-1501_____
Dated: _____**FOR CUSTOMER USE ONLY**☐ approved ☐ rejected ☐ other _____

Customer Name _____ Customer Signature _____ Dated _____

Appendix D Sample of Corrective Action Report

8D CORRECTIVE ACTION FORM (CAR)				CAR NO:		 HALTEC CORPORATION	
DATE OPENED	ORIGINATOR	CUSTOMER	SUPPLIER (IN-HOUSE)				
PART NUMBER	TEAM LEADER	Discipline	TEAM MEMBERS				
TARGET DATE	ACTUAL CLOSE DATE	IMPLEMENTED DATE	PREPARED BY	Discipline 8	ACCEPTED BY		
Discipline 2 DESCRIPTION OF PROBLEM							DATE:
Discipline 3 CONTAINMENT PLAN							DUE DATE:
Discipline 4 DESCRIBE ROOT CAUSE AND RISK ASSESSMENT							DUE DATE:
Discipline 5 PERMANENT C/A PLAN							DUE DATE:
Discipline 6 VERIFICATION OF EFFECTIVENESS							DUE DATE:
Discipline 7 PREVENT RE-CURRANCE							DUE DATE: