

## SEKISUI KYDEX Supplier Terms and Conditions

**General:** SEKISUI KYDEX, LLC considers its suppliers to be key contributors to the products and services that we deliver to our customers. We value the conformance of your products and services to our specifications and requirements, your contribution to our product's safety, and your ethical business practices.

**Scope:** These terms and conditions apply to all external suppliers and sub-tier suppliers ("Supplier") which furnish products, processes, or services to be incorporated into KYDEX<sup>®</sup> thermoplastics. Acceptance of a SEKISUI KYDEX Purchase Order binds the Supplier to the requirements noted in the Purchase Order and the Supplier Terms and Conditions listed in this document. SEKISUI KYDEX may modify the Supplier Terms and Conditions by posting a new version on our website (kydex.com). Such modifications do not modify rights and obligations that arose prior to the changes. The modified terms and conditions shall apply to Supplier at the time of the posting on our website.

The Supplier is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by SEKISUI KYDEX and must flow down these requirements to any sub-tier suppliers, as applicable.

**SEKISUI KYDEX shall** ensure the adequacy of requirements prior to communication to external suppliers and shall communicate to Suppliers its requirements for the following, as necessary:

1. The processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, process requirements, etc.);
2. The approval of:
  - products and services;
  - methods, processes, and equipment;
  - the release of products and services;
3. Verification or validation activities that SEKISUI KYDEX, or its customer, intends to perform at the external Suppliers' premises;
4. Special requirements, critical items, or key characteristics, or, the use of statistical techniques for product acceptance and related instructions for acceptance of products to be supplied to SEKISUI KYDEX;
5. Certificate of Conformance or other documented Inspection Reports. To ensure product identification and traceability, SEKISUI KYDEX will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting documentation from its Suppliers as is appropriate. These requirements may be specified on the SEKISUI KYDEX Purchase Order or may otherwise be communicated to the Supplier.

SEKISUI KYDEX verifies the authenticity of the appropriate Certificate of Conformity, Material Certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the Certificate of Compliance specifications, or by other means.

6. Provision of test specimens for design approval, inspection/verification, investigation, or auditing purposes;
7. Corrective actions for nonconforming products or services, or specific actions where timely and/or effective corrective actions to a Supplier issue are not achieved. These actions may include but are not limited to any or all of the following: withholding payment until the issue is resolved, removal of the Supplier from the SEKISUI KYDEX Approved Supplier list, and/or legal action.

It is important to note that SEKISUI KYDEX monitors its Suppliers' product / service conformity and on-time delivery, including applicable documented information;

8. As necessary, SEKISUI KYDEX will submit requests, on the behalf of itself, its customers or regulatory authorities, to access the applicable areas of Supplier (and any level of the Supply Chain) facilities.

**SEKISUI KYDEX Suppliers shall:**

1. Maintain a third party certification to ISO 9001 (latest revision) or evidence of compliance to ISO 9001 (latest revision) including a processes(es) for product test, inspection, and verification; production process verification; and design and development control, as applicable;
2. For Suppliers providing products or services involved in the aerospace industry and supply chain, maintain a certification or evidence of compliance to AS9100D or AS9100 (latest version) for safe product development, test, inspection and verification; production verification; design and development control; and distribution of products, as applicable;
3. When and as requested, provide certificate of analysis with every shipment;
4. Notify SEKISUI KYDEX of nonconforming processes, products, or services and obtain approval for their disposition;
5. Notify SEKISUI KYDEX of changes to processes or products, or services, including changes of their external providers or location of manufacture, and obtain SEKISUI KYDEX's approval;
6. Apply the appropriate controls to their direct and sub-tier external providers to ensure that product requirements are met and flow down to external providers applicable requirements, including customer requirements;
7. Develop, implement and maintain policies and procedures to identify potential Counterfeit Products from Suppliers. Supplier shall immediately notify SEKISUI KYDEX with the pertinent facts if Supplier becomes aware of or suspects that Counterfeit Products may have been used in a product delivered to SEKISUI KYDEX;
8. Ensure employee training and competence, including any required qualification of personnel necessary to provide SEKISUI KYDEX with conforming products or services;
9. Ensure that Supplier personnel are aware of:
  - their contribution to product or service conformity;
  - their contribution to product safety;
  - the importance of ethical behavior;
10. Retain documented information, including retention periods and disposition requirements for a minimum of 5 years from date of Purchase Order.