



**PENN STAINLESS PRODUCTS, INC.**  
 190 KELLY RD QUAKERTOWN PA 18951  
 800-222-6144 • PENNSTAINLESS.COM

SHEET • PLATE • BAR PIPE • TUBING FITTINGS • FLANGES  
 COMPLETE IN HOUSE PROCESSING FACILITIES

## **AS9100 D EXTERNAL PROVIDERS TERMS AND CONDITIONS REQUIREMENTS**

These External Providers Terms and Conditions shall apply to the purchase of all Products (“Products”), Services (“Services”) or Processes (“Processes”) by Penn Stainless Products, Inc. (PSP). All Purchase orders provided by PSP either verbally, by purchase order, agreement, or otherwise, is subject to the below Terms and Conditions. All External Providers shall ensure that all sub-tier External Providers of services, material or processes adhere to these terms and conditions via flow down requirements. External Provider agrees that no Malpractice, Fraud, Falsification or sharing of counterfeit materials will occur and that any occurrence of such may be punishable as a felony under federal statute title 18 chap. 47.

### **AS9100 8.4.3 Requirements**

- a. PSP requires that the External Provider shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
- b. PSP reserves the right of final approval of all Products, Services, and Processes provided, methods of processes and equipment, and the final release of products and services.
- c. PSP requires that all processes required by our purchase order must be performed by competent, qualified personnel.
- d. PSP reserves the right to identify the requirements for interaction with our external providers, including:
  1. The use of email/fax
  2. The use of PSP Customer provided drawings
  3. Documented confirmation methods of all verbal interactions
- e. PSP reserves the right to monitor our external providers performance including:
  1. Supplier Risk
  2. Quality of Product, Service, or Process delivered/provided
  3. On-Time Delivery of Product, Service, or Process
- f. PSP reserves the right to designate requirements for verification or validation activities that PSP or our customer intend to perform at the external provider’s premises.
- g. Design and Development Control is Not Applicable to PSP.
- h. PSP reserves the right to approve or specify any specialty requirements, critical items, or key characteristics.
- i. PSP reserves the right to approve or specify any test, inspection, and verification (including production process verification).
- j. PSP reserves the right to approve or specify the use of statistical techniques for product acceptance and related instructions for acceptance by our organization.

k. PSP reserves the right of access by PSP representatives, PSP customers, and any regulatory authorities to the applicable areas of all facilities, all applicable documentation at any level of the supply chain associated with PSP orders.

1. PSP reserves the right to require and request evidence of External providers ensuring that their personnel are aware of:

1. Their contribution to product or service conformity
2. Their contribution to product safety
3. The importance of ethical behavior

**PSP requires the External Provider:**

1. Send a copy of all packing slips and test reports to [certs@pennstainless.com](mailto:certs@pennstainless.com)
2. All material test reports must be traceable to the original melt source. No test reports will be accepted with white out or address information removed.
3. Inform PSP of any changes to the previously approved quality system described in the Quality Survey provided by External Provider to the PSP Quality Department at time of vendor approval.
4. Use only customer-designed or approved External Providers, including process sources (e.g., special processes)
5. Notify PSP of nonconforming product or services immediately upon discovery, and obtain PSP approval for nonconforming product disposition.
6. Wherever applicable PSP reserves the right to require external providers show evidence of processes to prevent the use of counterfeit parts
7. Notify PSP of changes in product and/or processes, changes of suppliers, and changes of manufacturing facility locations. PSP reserves the right to approve such changes or remove External Provider from Approved Vendor List.
8. Flow down the supply chain the applicable requirements, including customer requirements.
9. Provide test specimens for approval, inspection/verification, investigation, or auditing
10. PSP requires that the External Provider shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
11. No weld repair is to be performed on any material supplied to PSP.
12. No material is to come in contact with mercury contamination.
13. Retain all records associated with PSP Purchase Orders for a minimum of 7 years. PSP requires the disposition of such documents to be controlled in accordance with the requirements of applicable QMS's when applicable. If not QMS is in place, PSP does not require notification for the disposition of such documentation.
14. Allow facility inspection and audit by PSP Quality Representative
15. Maintain Heat/Lot Traceability - Heats must be traceable to the original mill test certificates
16. Maintain Heat/Lot Traceability for PSP supplied material - Heats must be traceable to the original mill test certificates
17. Separate/process PSP material by heat number and mark pieces and bundles accordingly
18. Perform and retain documentation of final inspections
19. Items must be separated by heat and grade
20. Each Bundle must be labeled with PSP PO# and ITEM# (when applicable)
21. Material must be packaged to prevent damage and carbon bands cannot come in contact with material
22. All material supplied must be DRC "Conflict Free"
23. Supplier must have an Electronic Data Retention Procedure including controls for action, delegation, identification, preservation of unauthorized access, password policy, review and recording changes of signatures.

**External Provider** shall provide test certification reports for raw materials on purchase orders for both the chemical and physical test reports. Each report shall list the following:

1. Material specification and revision
2. Heat number and supplier
3. Results of any chemical analysis and physical tests
4. External Provider shall adhere to all PSP Specifications found at [www.pennstainless.com](http://www.pennstainless.com)

**External Provider** shall not provide any Material or Melt from the KOBE STEEL or KOBE TUBE COMPANY, KOBELCO, or any of their affiliates.

**External Provider** agrees that the following requirements are met:

1. If Cutting material – All drops/scrap must be marked with heat number, packaged separately from finished products and returned to PSP
2. Material must be free of Oil and Foreign Object Debris (FOD)
3. Grade Verification on Long Product Required
4. External Provider to have a documented policy if electronic signatures are used

**Non-Disclosure** External Provider will not directly or indirectly use, disclose or permit unauthorized access to any confidential information and will take precautions to prevent any person or entity access to any of the confidential information other than for purposes related to the business purpose. Confidential information shall only be disclosed within the providers organization on a “need to know” basis to employees who have been apprised of its confidential nature and shall not be further disclosed to any third party outside of the providers organization with prior consent from Penn Stainless Products.

**DOCUMENT DELIVERY**

Please send all packing slips and test reports. Packing List must Match PO (QT, Grade, Prod Description, etc.)	<a href="mailto:CERTS@pennstainless.com">CERTS@pennstainless.com</a>
Please send all invoices	<a href="mailto:INVOICES@pennstainless.com">INVOICES@pennstainless.com</a>