

## **Supplier Requirements A (All Suppliers)**

Dear Valued Supplier (“Undersigned”),

Sumitomo Electric Interconnect Products, Inc. would like to take this opportunity to thank you for your efforts in providing products and services. We value our suppliers and look forward to working together to provide the highest level of product and services to SEIP customers. Our success would not be possible without the continued efforts of our suppliers to maintain and improve the products and services supplied to SEIP.

To better define our requirements Sumitomo Electric Interconnect Products, Inc. has developed the following description of the basic expectations for our suppliers. Please review the Sumitomo Electric Interconnect Products, Inc, Supplier Requirements shown below.

- 1.** The requirements stated below are standard expectations for SEIP suppliers. If SEIP has a contract with Undersigned, that contract will override these terms if they differ.
- 2. Communications**
  - 2a.** Suppliers are expected to provide any documentation, relative to the products or services, as requested by Sumitomo Electric Interconnect Products. The documentation may include items such as: test reports, certifications, hazardous or banned substances information, PPAP, Material Safety Data Sheets (MSDS), and other items.
  - 2b.** Forms, requests, quality data, and design data should be made available to SEIP in the English language.
  - 2c.** Suppliers should not proceed with work or deliveries without a formal purchase order or other appropriate documentation from the Purchasing department. Only in case of emergency should suppliers accept a verbal purchase order from non-Purchasing personnel.
  - 2d.** Suppliers are required to confirm acceptance of purchase orders in writing. Order confirmations should be provided within 3 business days of receiving the SEIP purchase order.

### **3. Confidentiality**

Suppliers shall hold all information received from SEIP in confidence, including blueprints, data, designs, drawings, engineering data for production, product know-how, and any other information furnished to Seller by Buyer in connection with this contract. No third-party request for information will be authorized unless approved, in writing, by SEIP. Suppliers shall not use such items or information in the design, manufacture, or production of any goods, or for any other purchase or for the manufacture or production of larger quantities than those specified, except with the express consent in writing from the Buyer.

Supplier, including its agents, employees, and representatives will exercise extreme caution to prevent disclosure of such information to third parties. The obligations of this provision shall survive the completion of performance and expiration or termination of this contract.

#### **4. Contacts:**

Suppliers should communicate with SEIP via the contacts listed below. While other personnel may contact the supplier, the supplier should make sure to include the below contacts on all communications.

Accounts Payable: [AcctsPayable@seipusa.com](mailto:AcctsPayable@seipusa.com)

(Use for all communications related to invoices, billing and payments.)

Purchasing: [Purchasing@seipusa.com](mailto:Purchasing@seipusa.com)

(Use for all communications related to purchase orders within the USA).

Import Purchasing: [ImportPurchasing@seipusa.com](mailto:ImportPurchasing@seipusa.com)

(Use for all communications related to customs clearance and purchase orders for suppliers outside the USA).

#### **5. Payment Methods:**

Invoices will be paid via Purchase Order on terms of Net 30 or greater. Exceptions must be approved by SEIP before the first order is placed.

#### **6. Quality Management System:**

Suppliers are expected to have a Quality Management System conforming to one or more recognized national or international standards (i.e. ISO 9001, MIL-9858, 16949, etc.). Compliance may be demonstrated by recognition by a third party. If there is no third party recognition, SEIP may require a self-audit or on-site audit. Specific suppliers will be required to complete a Quality Survey annually. Specific suppliers will also be required to be third party registered to the most current version of ISO9001, AS9100, IATF 16949, TL9000 or ISO13485 by an accredited third party certification body. SEIP will need proof annually of certification.

#### **7. Defect Free Product Delivered On-Time:**

**7a.** Suppliers are expected to provide on-time delivery of 100% defect free products. Many of our customers have implemented “Just-In-Time”, or similar inventory systems.

Failure to maintain on-time deliveries may result in lost sales and/or penalties to SEIP.

**7b.** Supplier shall prevent the use of any counterfeit parts.

**7c.** “On-Time” delivery is defined as within two business days of the requested date. Accelerated delivery is not permitted unless noted in P.O or with prior arrangements/approval of buyer.

**7d.** Suppliers should provide a ship notification with tracking information once the order has shipped.

**7e.** If a delivery will be late, suppliers are required to notify SEIP Purchasing via the contacts above as soon as the supplier is aware that the order will be late.

## **8. Discrepant Product**

**8a. Notice of Discrepant Product:** Prior to shipment, Supplier shall notify SEIP, if a non-conformance condition exists with the product and obtains approval for nonconforming product disposition. Suppliers are expected to immediately notify SEIP in the event discrepant product is identified after shipment. The notification will contain a description of the discrepancy, lot number or other traceability information, and suggested disposition. In the event it is not obvious, possible consequences of use will be included in the notification.

**8b. Responsibility for Discrepant Product:** Suppliers are responsible for all costs incurred by SEIP resulting from discrepant product regardless of when or where the discrepancy is discovered. These costs may include, but are not limited to, shipping cost to return and/or replace product, sorting, rework, penalties assessed resulting from discrepant product and/or missed delivery dates and cost of increased levels of inspection and/or testing.

**8c. Containment of Discrepant Product:** Suppliers are expected to take immediate action to contain discrepant material and prevent further shipment to SEIP. It is further expected that suppliers will implement all necessary measures to maintain scheduled deliveries of defect free products.

## **9. Corrective Action:**

A Supplier Corrective Action Request may be initiated in the event of any failure to deliver defect-free product on-time, or in the case of any other service failure. Suppliers are expected to investigate all incidents of discrepant product. When the discrepancy is verified, suppliers are expected to determine the root cause, develop a corrective action plan, implement the corrective actions and verify the effectiveness of the actions in a timely manner. Suppliers document the actions on the Supplier Corrective Action Request, used by SEIP to report the discrepancy.

SEIP may require special labeling of product or other measures necessary to identify product produced while corrective actions are implemented and effectiveness assessed. If deemed desirable, SEIP may request an onsite audit of a supplier.

#### **10. Change of Business Information:**

Suppliers are expected to notify SEIP Accounts Payable in writing if there is a change in ownership or any other pertinent record.

#### **11. Change Notification:**

Suppliers are expected to notify SEIP in writing of any process or material change, including changes of suppliers or manufacturing facility location. This notification must reach SEIP a minimum of 90 days prior to implementation. SEIP approval of the change may be required.

#### **12. Supplier Undertaking**

Sumitomo Electric Interconnect Products (“Company”)

The Undersigned wishes to provide Company with certain products and/or services, and therefore is willing to be obligated by the terms stipulated as follows, and further agrees to conduct any of its current or future businesses with Company and/or its affiliates, in accordance with the terms hereunder:

- 12a.** The Undersigned agrees to comply with the Sumitomo Electric Group Supplier Code of Conduct, available on the Supplier Resources page of the SEIP website.
- 12b.** The Undersigned shall, in no event bribe or give any illegal or unethical profits to the employees of Company, and/ or their Related Person(s), and Associated Person(s). The Undersigned shall not lure Associated Person(s) into consent or implied consent to conduct any behavior that will contradict their duties. If the Company employee(s) and/or their Related Person(s), and Associated Person(s) asks for promise, bribery or improper benefits or gifts, the Undersigned shall promptly report to the Company and provide related evidence.
- 12c.** The reporting addresses and lines are as follows:
- Company headquarters hotline (Japan): [jubao-zhongguo@info.sei.co.jp](mailto:jubao-zhongguo@info.sei.co.jp)
- Third party hotline: Find the phone number or email address for your region at <http://sei.ethicspoint.com>.

**12d.** Undersigned acknowledge that misconduct shall be reported in real-name wherever possible. In case of an anonymous report, the reporter shall provide contact information. Report shall include clear facts and provide related evidences or clues to such evidences. All reports will be kept confidential by the headquarters of Company in Japan, and no information of reporters will be provided to Company. Provided the reported misconduct is proved to be true, Undersigned could be mitigated or exempted from liability or punishment. If any employee(s) or supplier(s) who is suspected of misconduct could report the misconduct of others and proved to be true, such employee(s) or supplier(s) could be mitigated or exempted from liability or punishment.

**12e.** Misconduct includes but is not limited to:

- (1) Company employee(s), relative person(s), or associated person(s) accepting cash, gifts or shopping cards;
- (2) Company employee(s), relative person(s), or associated person(s) appointing or asking for any cash, gifts or shopping cards;
- (3) any loans between Company employee(s), relative person(s), or associated person(s) and the undersigned;
- (4) Company employee(s), relative person(s), or associated person(s) selling or letting estates, vehicles, and other Company properties at high price, and buying or renting any counterparts at low price from the Undersigned.
- (5) Company employee(s), relative person(s), or associated person(s) requires or accept receiving payment by falsely claiming arranging job for relatives or friends;
- (6) Company employee(s), relative person(s), or associated person(s) directly or indirectly invest in the Undersigned, including holding shares, receiving profit by holding shares indirectly, or investing joint venture;
- (7) in situations where Company employee(s), relative person(s), or associated person(s) entrust the Undersigned with investment of security, futures, gold, or foreign exchanges, receiving profit without actual investment, or receiving unreasonable high profit compared to the actual investment;
- (8) Company employee(s) is hired by the Undersigned;
- (9) Company employee(s), relative person(s), or associated person(s) is hired by the Undersigned and not declared to Company;
- (10) Company employee(s), relative person(s), or associated person(s) receive rebates or commissions by introducing the Undersigned to trade with department(s) controlled by him/her;

- (11) procurement at unreasonable high price operated by Company employee(s);
- (12) corruption, embezzlement, theft by Company employee(s), relative person(s), or associated person(s);
- (13) Company employee(s), relative person(s), or associated person(s) asking for any property by taking the advantage of the position;
- (14) Company employee(s), relative person(s), or associated person(s) conduct any of the above in the name of or by cooperating with a third party (including natural and legal person);
- (15) Requirement of any undue business structure by Company employee(s).

**12f.** Liabilities

- (1) The Undersigned and/or its employee(s)'s breach of any articles under this Undertaking shall be deemed as a material breach of the relevant transaction agreement between the Undersigned and Company. Upon such occurrences, Company has the right to:
  - (1) terminate or cancel any transaction agreement between the Undersigned and Company without incurring any liability;
  - (2) require the Undersigned indemnify, defend and hold harmless Company from and against all damages and loss of profits thus incurred;
  - (3) offset any account payable and/or abovementioned suspended payments in this Section to the Undersigned against any of the liquidated damages above and/or penalties after confirmed by Company.

**12g.** Definitions

- (1) Related Person means spouse, direct blood relatives, collateral relatives within three generations;
- (2) Associated Persons means friends closely related to Company Employee(s) and/or enterprises directly controlled or managed as a high-level manager by Company Employee(s), related persons and friends as specified herein.
- (3) Affiliate means any business entity in any form that directly or indirectly controls another business entity, is controlled by another business entity or is under common control with a business entity, or has common legal representative or common majority shareholder.



Once again Sumitomo Electric Interconnect Products, Inc. would like to thank our valued suppliers for their efforts and assistance. We look forward to continuing our partnership. If you have any questions or concerns regarding our expectations of suppliers or other matters please feel free to email [Purchasing@seipusa.com](mailto:Purchasing@seipusa.com).

Acceptance by Undersigned:

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_