External Provider Requirements

Purpose:
This document summarizes the requirements of Zeus Company LLC., Zeus Industrial Products LTD. and its' affiliates, hereinafter referred to as "Zeus" for its key external providers.

Scope:
These requirements apply to key external providers that have been determined by Zeus to directly affect the quality of Zeus products.

Definitions:

- **Key External Providers** supply services or purchased materials that are critical to the quality of products produced by Zeus.
- **Key Purchased Materials** are purchased materials, which can significantly impact the quality of products.
- **Key Purchased Services** are services contracted from a supplier that are critical to the quality of product produced by Zeus such as calibration services, testing services, and precision machining of critical equipment, or purchased outsourced processes.
- **Special Processes** are manufacture or service processes, the results of which cannot be verified by subsequent monitoring or measurement. These include processes where deficiencies become apparent only after the product is in use or the service has been delivered

Responsibilities:

- **Zeus Corporate Quality** is responsible for maintenance of this document and Supplier Quality System Questionnaires.
- **Zeus Purchasing** assures that key purchased materials and services are purchased from the Approved Supplier List, manages the procurement process, and provides a point of contact with the suppliers.
- **Zeus Corporate Quality and Zeus Corporate Purchasing** jointly evaluate and review potential suppliers and maintain the Approved Supplier Lists.
- **The Key External Provider** is responsible to comply with the requirements of this document and any requirements listed on the individual contract or purchase order.

Supplier Performance:

- At Zeus, we consider our suppliers to be essential partners in our manufacturing process. We closely monitor the quality and punctuality of our key material suppliers. Supplier performance at Zeus is managed as follows:
    - Supplier performance metrics- all locations except the Zeus Engineering Center (3740 Industrial Blvd , Orangeburg, South Carolina 29118)
        - On-time delivery performance is assessed by comparing the "Receipt Date" with the "Need by Date" as specified in the purchase order over a rolling twelve-month period.
        - The quality rating system evaluates suppliers on the ratio of acceptable lots to total lots received over a rolling twelve-month period.
    - Supplier performance metrics - Zeus Engineering Center (3740 Industrial Blvd , Orangeburg, South Carolina 29118)
        - On-time delivery performance is assessed by comparing the "Receipt Date" with the "Need by Date" as specified in the purchase order over a rolling twelve-month period.
        - The quality rating system evaluates suppliers based on the number of SCARs over a rolling twelve-month period.

- Performance Thresholds
  - Quality Rating (lot acceptance rate) ≥ 90%
  - On-Time Delivery ≥ 90%
  - SCAR Quantity- no more than 2

- If supplier performance falls short, Zeus will initiate improvement activities as necessary. Additionally, supplier performance data for key material suppliers is available upon request.

General Supplier Requirements:
Unless exception to these requirements is specifically stated on the purchase order, external providers of Zeus shall comply with the following requirements:

1. The key contact for all suppliers is Zeus Purchasing:

   Zeus Corporate Purchasing, Orangeburg, SC 803-531-2174

   Zeus Purchasing, Letterkenny, Ireland 353-74-9160050

2. The supplier must be included on the Approved Supplier List. Depending upon the criticality of the product or service, one or more of the following will be required for supplier approval:

   a. Completion of the Zeus Supplier Quality System Questionnaire. A supplier's internal self-assessment document may be accepted if all required information is provided.

   b. QMS Quality accreditation through an accepted certifying body

   c. Appropriate industry-specific accreditation

   d. Acceptable performance history

3. The supplier shall be responsible for assuring that their sub-tier suppliers utilized to provide product or services affecting Zeus product quality have in place the appropriate quality assurance and traceability programs.

4. The supplier shall apply appropriate controls to their direct and sub-tier external providers to ensure that requirements are met.

5. The supplier processes are documented, controlled, and monitored as appropriate for the product or service. Testing and conformity to requirements will be verified prior to release for shipment of products. Appropriate testing and inspection frequencies, procedures, and requirements are defined and followed. The development of custom products or services for Zeus will follow defined design and development processes. Any special processes that cannot be verified through testing or inspection will be validated.

6. The supplier shall maintain appropriate quality, traceability, and calibration records for a minimum of 5 years, unless otherwise approved by Zeus. The supplier shall make this information available to Zeus upon request in a format that maintains appropriate confidentiality.

7. The supplier shall guarantee that the personnel providing Zeus products and services are qualified to perform these tasks. This includes awareness of their contribution to conformity, product safety, and the importance of ethical behavior, including consideration of acceptance records as a warranty of conformity and compliance. Training records of those personnel shall be made available to Zeus upon request in a format that maintains appropriate confidentiality.

8. The supplier shall notify Zeus Purchasing of any nonconforming product or service provided to Zeus, including any latent defects in products already delivered. In the case of calibration services, the provider will immediately notify Zeus Purchasing of any equipment received for calibration that is outside of calibration limits. Proposals for use of specific lots of non-conforming material or services must be discussed with Zeus Purchasing, who will coordinate decisions and arrangements for use with Zeus quality and manufacturing groups.

9. The supplier shall notify Zeus Purchasing in advance of any changes in materials, processes, design, sub-tier suppliers, or manufacturing locations outside pre-approved locations that will affect fit, form, or function of products or services supplied.

10. If the supplier's QMS is third-party certified, the supplier shall notify Zeus Purchasing of any change in their certification status.
11. The supplier shall allow Zeus to inspect or audit applicable areas of facilities, documentation, and records for products and services purchased by Zeus upon request. Scope, boundaries, and confidentiality will be defined in advance with reasonable notice, dependent upon the urgency of the issue.
12. The supplier shall allow Zeus, our customer, and applicable regulatory authorities upon request, including as needed, access to applicable areas of facilities, documentation, and records. Scope, boundaries, and confidentiality will be defined in advance with reasonable notice, dependent upon the urgency of the issue.
13. The supplier shall warrant that all Products will be free from any counterfeit material. "Counterfeit Materials" shall mean any component, part and/or material that is made in imitation of the original device, forged, or copied or contains in whole or in part, any component, part or material that is made in imitation of the original device, forged, or copied.
14. The supplier of key purchased materials shall provide required product safety information concerning material components and compliance to regulatory directives. A supplier's internal product safety document will be accepted if all required information is provided.
15. The supplier of key purchased materials shall provide a Certificate of Analysis or Certificate of Conformance to the raw material specification for all raw materials purchased by Zeus.
16. The supplier shall provide packaging per Zeus specifications, or in accordance with the best commercial packing methods, to protect the product from damage and for safety in handling during the shipping process.