



SUPPLIER QUALITY MANUAL

Printed versions of this manual and other Kooltronic supplier documents shall be for reference only and shall be subject to change without notice. It is the responsibility of all suppliers to verify the hardcopy version against the electronic version on www.kooltronic.com.

APPROVALS


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KOOLTRONIC SUPPLIER QUALITY MANUAL

1. Introduction

In a competitive environment, Kooltronic is a company that always seeks to minimize costs while delivering the best services and highest quality products to its customers.

In order to meet the needs of its customers, Kooltronic demands high performance from its suppliers. In return, it is the goal of Kooltronic to establish long-term relationships with its suppliers.

The purpose of this manual is to provide information the supplier will need to ensure Kooltronic receives products and services that meet or exceeds its standards, allowing Kooltronic's customers to continue to receive the level of quality they have come to expect.

2. References

- a. International Standards Organization (ISO) website (www.iso.org)
- b. National Institute of Standards and Technology (NIST) website (www.nist.gov)
- c. Kooltronic Quality Manual (7.4 Purchasing)
- d. QOP-74-01: Purchasing
- e. QOP-74-02: Supplier Evaluation
- f. QOP-74-03: Verification of Purchased Product
- g. QOP-85-02: Corrective and Preventive Action
- h. UL/CUL/CE
- i. RoHS/WEEE/REACH

3. Purchase Order

The supplier is responsible for adhering to the Terms and Conditions of Kooltronic, the product specification, this Supplier Quality Manual, and any other instructions cited on the Purchase Order.

The supplier shall assume total responsibility for all sub-contract activity to meet specified requirements.

The supplier must carry out a review of the requirements related to the product and ensure that all information required to manufacture the part is obtained from Kooltronic or a specified source.

4. New Supplier Approval

Suppliers must achieve an Approved status on Kooltronic's Approved Supplier List (ASL) in order to be made an authorized supplier to Kooltronic. Approved status is awarded to a supplier demonstrating their quality system meets Kooltronic standards. Kooltronic will approve new suppliers through any of the



following means:

- a. Registered, but not limited to, ISO 9001:2008 or later, or other industry standards as applicable. Suppliers will be required to provide evidence of compliance with this certification.

Fig 1. Industry Standards

Industry Standard	Scope
ISO 9001	The international reference for quality management requirements in business-to-business dealings.
ISO 17025	The general requirements for the competence of testing and calibration laboratories.
UL/CSA	Certifications for the industry-managed program related to the safety of equipment operation.
CE	The CE marking (also known as CE mark) is a mandatory <u>conformity mark</u> on many products in the <u>European Economic Area (EEA)</u> . The CE marking certifies that a product has met EU consumer safety, health or environmental requirements.

- b. If the supplier is currently contracted to Kooltronic and considered APPROVED the supplier may carry out work on other Kooltronic Purchase Orders.
- c. Kooltronic will request that the supplier complete Kooltronic Form K933, Supplier Quality System Survey regardless of industry standard certification.

5. Maintaining Approval

Suppliers are continuously monitored for quality, quantity and delivery performance. The supplier must maintain a performance score that Kooltronic considers to be appropriate in order to remain on the Approved Supplier's Listing.

Failure to comply with the following stipulations may result in loss of approved status as a Kooltronic supplier.

- a. Corrective Action Requests may be issued to suppliers for various reasons. The supplier shall respond to Corrective Action Requests within 20 business days.
- b. The supplier shall notify Kooltronic of customer exposure within 48 hours of non-conformance identification.
- c. The supplier must notify Kooltronic of loss of ISO certification, or other applicable industry certification immediately upon decertification.



Approval is granted with the understanding that Kooltronic may discontinue approval at any time.

6. Corrective Action Request

If Kooltronic finds a non-conformance in the supplier's product, a Supplier Corrective Action Request (SCAR) will be issued. Notification of containment for non-conformances is required within 48 hours from the supplier. Kooltronic requires the supplier to formally respond to the Supplier Corrective Action Request within 20 business days.

Upon receiving the Supplier Corrective Action Request, the supplier will conduct an investigation to determine the root-cause of the non-conformance.

Failure to respond to the Supplier Corrective Action Request could result in loss of approval status, suspension of all deliveries, and further evaluation of contract continuation.

7. Request for Deviation/Waiver

No substitution of material specification, size or any other attribute will be allowed except by the amendment of the Purchase Order.

If a deviation from the Purchase Order specification is necessary, a request for technical support must be submitted in writing. The request will then be assessed, and approved or not approved, allowing the deviation to be permitted or not.

8. Certificate of Conformance

A Certificate of Conformance (C of C) must be sent with every shipment specified by Kooltronic's drawing.

The C of C will be attached to the packing list.

The C of C must contain the following information at a minimum:

Fig 3. Information for Certificate of Compliance

C of C Mandatory Information
Kooltronic Part and revision number
Quantity shipped
Purchase Order Number
Part description
Supplier name and address
Name of person completing form
Title of person completing form
Original and/or electronic signature
Date of signature



9. RoHS/WEEE/REACH

RoHS – All parts supplied to Kooltronic must be compliant with the **Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment**. Kooltronic must be supplied with a certificate which identifies the parts supplied to Kooltronic and if they are in compliance with the RoHS directive.

WEEE – The **Waste Electrical and Electronic Equipment Directive** (WEEE Directive) is the European Community directive on waste electrical and electronic equipment.

REACH – A European Community Regulation on chemicals and their safe use. It deals with the Registration, Evaluation, Authorization and Restriction of Chemical substances.

10. Performance Monitoring

Kooltronic expects its suppliers to continuously perform at a top level, providing Kooltronic with materials that are of the highest quality and delivered when needed. Supplier's performance will be monitored according to Kooltronic Work Instruction PR-74-01-02, Vendor Performance Reporting.

11. Authority

Access is required for purposes of auditing and, if necessary, source inspection on the supplier's premises or their sub-contractor's site. The supplier will be informed in advance of audits and source inspection.

12. Communication

Kooltronic Purchasing Department will be notified of all changes within the supplier's systems that affect quality.

Kooltronic Purchasing Department has the sole authority to modify any aspect of a Purchase Order that affects cost, delivery schedule or quantity.

13. Health and Safety

All potentially hazardous materials must be sent with a Safety Data Sheet (SDS).

Domestic deliveries must abide by Occupational Safety & Health Administration (OSHA) regulations; European international materials must abide by European Union (EU) and/or other relevant regulations. All part and material deliveries must be marked, labeled and packaged abiding by United States Department of Transportation regulations.



Safety Data Sheets must include the Volatile Organic Compound (VOC) content. VOC content should preferably be in lbs/gallon.

14. Stamps and Tags

All parts received must have positive traceability to inspection status. Tags and stamps must identify the individual inspector and be unique to the individual supplier.

15. Part Markings

All materials must be identified with part markings or a Certificate of Conformance.

16. Scrap, Rejects, Non-Conformances

In production, all scrap and rejected parts must be identified, documented and quarantined to prevent mixing with acceptable products. Quarantined area must be of limited access.

17. Work Orders

All processes and manufacturing procedures must be accompanied with applicable work orders. Procedures must define specific requirements in order to complete each process.

18. Gauges

Gauges and tools used during inspection and special processes must be calibrated and traceable to National Institute of Standards (NIST) Standards. (www.nist.gov)

19. Kooltronic Supplier Materials

Kooltronic provided materials such as drawings, tools or models must be controlled and identified.

20. Housekeeping

Supplier facilities are expected to be safe and clean work environments. Appropriate personal protective equipment is expected to be used as applicable. Controlled areas must have objective evidence of control.

21. Kooltronic Procurement Quality Clauses

All suppliers are required to read and adhere to any and all Procurement Quality Clauses that are called out in the Kooltronic Purchase Order.



22. Kooltronic Environmental Policy Statement

Kooltronic is committed to operating in a manner that is compatible with our environment, employees, and our customers. We do so by adhering to the following principles:

- Our operations and our products comply with all applicable government standards and regulations. This includes local regulations for handling hazardous waste within our facilities, as well as international standards and regulations, such as RoHS, to eliminate toxic materials from our products. Appropriate permits and inspections are in place for any emissions and exhaust air. We monitor the quality of our water supply and septic system.
- The RoHS 3 Directive – Reduction of Hazardous Substances effectively prohibits the use of lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB's), polybrominated diphenyl ethers (PBDE's), polybrominated biphenyl oxides (PBDO's), Bis Phthalate (DEHP), Butyl Benzyl (BBP), Dibutyl Phthalate (BBP), Diisobutyl Phthalate (DIBP) in all electrical and electronic equipment. Kooltronic has been RoHS compliant since July 2006. A declaration of conformity stating our RoHS compliance in addition to our other compliance requirements may be found on our website.
- We employ management systems and procedures throughout our operations to specifically minimize the use of hazardous materials by working closely with our suppliers, reduce the amount of energy required for our products through innovative designs, generate less waste by monitoring material usage and promote recycling of materials in our packaging and processes.
- Kooltronic conducts scheduled audits to assure the adherence to this policy.

We continually review opportunities to improve our environmental performance by establishing goals and objectives, and by measuring our progress.

We communicate this policy of responsible environmental management to all our employees by providing the necessary training in all applicable procedures and practices, by informing suppliers of our environmental policy and encouraging them to adopt effective environmental management practices, and by soliciting input from employees, suppliers, and customers on meeting our environmental objectives.