

**Dolphin Inc. Supplier Terms and Condition Requirements**

To become and remain a supplier to Dolphin, Inc., please read, acknowledge, and accept the following Dolphin, Inc. supplier requirements, applicable until further notice:

- a) Implement a quality management system, if Dolphin, Inc. deems necessary.
- b) Suppliers must use customer-designated or authorized suppliers, including process sources (e.g., special processes) as specified on Dolphin Inc. Purchase Orders.
- c) Suppliers are required to notify Dolphin, Inc. of nonconforming processes, products, or services and obtain approval for their disposition.
- d) Counterfeit Prevention. Suppliers must prevent the use of counterfeit parts or materials. Only authentic materials, goods, or services are to be delivered or sold to Dolphin Inc. Counterfeit products furnished to Dolphin by supplier shall be impounded and replaced by the supplier. Supplier shall be liable for all costs relating to impoundment, removal, replacement of said product, and proof of physical destruction. Dolphin may withhold payment of any counterfeit items and may turn over to said items governmental authorities for investigating. If required by product suppliers must comply with ITAR.
- e) Suppliers of raw materials must prevent the use of raw materials containing conflict minerals per the Dodd-Frank Act, Section 1502. Materials to be free of mercury, Lead and radiation. Suppliers must be compliant with REACH and RoHS.
- f) Suppliers are required to notify Dolphin, Inc. of changes to processes, products, or services, including changes of the suppliers or location of manufacture, and obtain the approval of Dolphin, Inc.'s Manufacturing Manager. No significant process changes are allowed without authorization.
- g) Suppliers are required to flow down to supplier's applicable requirements, including customer requirements.
- h) Suppliers are required to provide test specimens for design approval, inspection/verification, investigation, or auditing upon request.
- i) Suppliers are required to retain all related documented information for a period of 10 years. Once the retention period has passed, hard copy records must be commercially shredded and electronic records must be deleted from active systems and electronic storage.
- j) Suppliers are required to provide right of access by Dolphin, Inc., Dolphin, Inc.'s customers, and regulatory authorities to the applicable areas of facilities and to applicable documented information at any level of the supply chain.
- k) Suppliers are responsible for ensuring that people are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
- l) Dolphin, Inc. tracks supplier performance based upon quality, delivery, and provision of required certificates/test reports, as applicable, and maintains supplier ratings accordingly. If suppliers fail to meet Dolphin, Inc.'s requirements for quality, delivery, and terms and conditions (including those stated herein), Dolphin, Inc. personnel will resolve such issues using means appropriate to the nature and severity of problems encountered. Resolution may involve correction, corrective action, or disqualification of suppliers from use, depending on the nature and severity of the issues.
- m) Supplier's acceptance of a Dolphin purchase order is deemed to be in acknowledgement of current Dolphin Inc. terms and conditions.

**Pertaining to suppliers of special processes (e.g., finishing, etc.):**

Dolphin, Inc. requires suppliers of special processes to provide evidence of process validation according to the requirements of ISO 9001:2015 8.5.1f) and AS 9100, 8.5.1.2. Evidence of validation could include a third-party registration to ISO 9001, AS9100, Nadcap, or similar standard that requires validation of special processes. Alternatively, suppliers of special processes may provide a letter or other evidence of process validation (e.g., from aerospace customers). (A response written in the space provided below may also be acceptable; please sign, date, and return via email with scanned pdf or fax.)

Evidence of process validation must demonstrate conformity to the following requirements (excerpted from AS9100D, 8.5.1.2):

For processes where the resulting output cannot be verified by subsequent monitoring or measurement, the organization shall establish arrangements for these processes including, as applicable.

- a) definition of criteria for review and approval of the processes,
- b) determination of conditions to maintain the approval;
- c) approval of facilities and equipment;
- d) qualification of persons,
- e) use of specific methods and procedures for implementation and monitoring the processes,
- f) requirements for documented information to be retained (**records**)