**Hayes Bolt & Supply (HBS) Preferred Status Suppliers** **must comply to HBS I-2 Standard Supplier Terms and Conditions (www. hayesbolt.com/terms), in addition to the HBS I-3 qualifiers herein**. Your acceptance of HBS Purchase Order (s) confirms acceptance of this agreement. Changes to any requirement in this agreement must be approved prior to shipment in writing by a member of HBS’ Management Team.

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## Best Practices

HBS is committed to operational Best Practices, ethical and responsible conduct, fair and respectful treatment of all individuals, and practices that promote safety, health and environmental protection. We expect Suppliers who do business with us to share these commitments, and we strongly encourage each Supplier to meet the following standards in all activities that relate to our company in addition to the minimum entry level of our HBS I-2 Suppler General Terms and Conditions, a copy residing at [www.Hayesbolt.com](http://www.Hayesbolt.com). Compliance with these standards may be used in determining whether to grant or continue preferred status.

## Quality Management System (QMS)

Supplier must establish and maintain processes that are reasonably designed to ensure compliance with an International Organization for Standardization (ISO), Aerospace Standard (AS) or Military Standard equivalent QMS acceptable to HBS for the items covered on the Purchase Order. Suppliers who have represented their ISO or AS registration with HBS are to keep that registration current or notify HBS that they have opted out of said registration.

## Traceability

Lot traceability is required for the products on this purchase order. A unique lot/control number assigned by the Supplier must be traceable to the manufacturers production lot, thereby traceable to all raw materials, processing and testing results. If the Supplier has purchased through distribution, Supplier shall require their Supply Chain to maintain unique lot/control throughout the chain in order to drill back to the manufacturer’s production lot information as required. Commingled lots will be rejected. .

## Certificate of Conformance

If specified on Purchase Order, supplier shall provide a certificate of conformance with each shipment, stating the product supplied meets all drawing, specification and purchase order requirements. Additional material certs may be required at the time of purchase and will be noted on the purchase order.

## Counterfeit Parts Prevention

Seller represents that its Quality System ensures that counterfeit product or services will not be delivered to HBS Bolt & Supply. Seller shall only provide OEM product to HBS through an appropriate Supply Chain of authorized manufacturers and distributors. If this purchase order names specific branding of a product; supplying another or alternative to the manufacturer’s product, shall be cause for rejection. When requested by HBS, Seller shall provide appropriate documentation which authenticates traceability within the Supply Chain.

## Thread Protection

All externally threaded fasteners 3/8 inch and above in diameter shall be packaged in a manner to have the full length of the threads and shank protected from handling or shipping damage. All product 7/8 inch and above shall have additional protection which may include layering of packing material, and/or plastic sleeves or webbing.

## Compensation/ Hours of Work/ Labor Laws

Supplier must comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, and other elements of compensation, and will provide all legally mandated benefits. Supplier will not use forced or involuntary labor, including prison labor, bonded labor, indentured labor, or any other type of labor associated with human trafficking or abuse.

## Coercion and Harassment:

Supplier will treat each employee with dignity and respect, and will not engage in or permit corporal punishment, threats of violence, or other forms of harassment whether based on race, color, sex, sexual orientation, gender identity, national origin, religion, disability, age, or any other legally protected characteristic.

## Discrimination:

Supplier will not discriminate in hiring practices or any other condition of work based on race, sex, sexual orientation, gender identity, color, age, national origin, physical or mental disability, religion, status as a disabled veteran, or other legally protected characteristics.

## Environmental Protection

Supplier will comply fully with all applicable environmental laws, and seek ways to conserve natural resources and energy, reduce waste and the use of hazardous substances, and minimize any adverse effects on the environment.

## Compliance with Applicable Laws

Supplier will comply with all laws and regulations applicable to their business, as well as the standards of its industry, including those pertaining to the manufacture, pricing, sale, distribution, labeling, import, and export of merchandise. Without limiting this requirement, Supplier will not: Engage in any activities that would violate any applicable laws and regulations relating to (1) Bribery or illegal payments, (2) Laws against unfair competition, (3) Unfair and deceptive trade practices, (4) The environment, (5) Health and safety, (6) International trade, including exports and imports, (7) Data privacy, (8) Money laundering, (9) Employment, (10) Contracting with governmental entities, or (11) Medical devices, if applicable.

## US Fastener Quality Act (FQA)

If goods are applicable under the FQA, Supplier certifies by the purchase order acceptance that they have furnished goods in compliance.

## Insurance

Seller covenants and agrees, as a condition of purchase, at its expense to provide and procure broad form vendors liability insurance coverage the policy limits shall be $1,000,000 per occurrence for bodily injury and property damages with a minimum of $5,000,000 in the aggregate. Seller, upon request will provide proof of certificates which are required once purchases meet or exceed $100,000 per year.

Change Record

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| --- | --- | --- | --- |
| **Rev** | **Date** | **Responsible Person** | **Description of Change** |
| A | 28 May 2019 | M. Daigle | Initial release |
| B | 14 Mar 2024 | S.G. Nuanez | Updated Certificate of Conformance and Insurance. Added Change Record. |