PURCHASE ORDERS

Once Altec places an order, it will be transmitted via email from "*Workflow Mailer.*" To make sure you are receiving all of Altec's orders via email, please ensure that your email system is set up to receive mail from: wfaltp@altec.com. You should expect to see the bulk of your purchase orders first thing in the morning, as the system will generate orders overnight based on MRP. However, you could receive them throughout the day due to manual orders, i.e. Kanban, expedited orders, etc.

Altec purchase orders will include the following:

1. Purchase order number
   a. Standard- manually created PO with a 6-digit number
   b. Blanket- system driven PO that contains the blanket number and the release. See example PO below. Blanket# - Release# (336245-123)
2. Bill To address- this is always our Corporate US Headquarters.
3. Freight Terms, FOB and Ship Via- always follow the Altec Freight Routing Instructions unless otherwise stated on the purchase order
4. Date- date the PO issued
5. Buyer- can be a different name than the requester
6. Your # - Supplier part number if applicable
7. Altec part number- usually 9 digits
8. Need By Date/ Needed - the date Altec requires product to arrive on our dock. The date which is used to measure on-time performance. This is NOT the ship date.
9. Quantity- number of parts ordered
10. UOM- Unit of measure
11. Description of part being ordered
12. Ship To location - the address to which products will ship.
13. Requester - contact the buyer

ORIGIN DATE: 16-APR-2018
REVISION DATE: 16-APR-2018

1

PURCHASE ORDER NO. MUST APPEAR ON ALL PACKAGES
Purchase Order No. 336245 **Release** 123 **Revision: 0**
Show purchase order number on all documents and invoices
Date: 04-FEB-2018

4

Altec Industries, Inc.

2

Bill To:
US Headquarters PO Box 380788
Birmingham, AL 35238 United States

Supplier:
SUPPLIER NAME
ADDRESS
CITY, STATE ZIP CODE
COUNTRY

Ship To: ***** SUPPLIER: SEE BELOW FOR SPECIFIC SHIPPING INFORMATION**

THIS IS A BLANKET RELEASE. PLEASE SHIP THE QUANTITY ON EACH LINE TO THE ADDRESS LISTED ON EACH LINE BELOW

PLEASE ENTER OUR ORDER FOR THE FOLLOWING MATERIAL AND/OR SERVICE, SUBJECT TO THE CONDITIONS AND INSTRUCTIONS HEREIN.

5

Terms: NET 30 DAYS | 3 | **Ship Via:** SEE ALTEC ROUTING GUIDE | **Buyer:** Selby, Donald

F.O.B. Shipping Point

Note to Supplier:

Notes:

Line	Shipment	Quantity	U/M	Altec Part #	Rev	Description	Need By	Unit Price	Total
499	1	10.00 9	Each	059610009-	B	Your # 123456 6 RESISTOR;VARIABLE;1K OHM;2 WATT;SEALED;; **090-Midwest Specialty Products Manufacturing** **3907 S 48th Terrace** **Saint Joseph, MO 64503** Darla.Jung@altec.com	28-FEB-2018 8	$12. 71	$127.10
Notes:						11			
699	2	1.00	Each 10	898311102- 7	A	Your # 789123 RELAY;;;12 VDC;;COIL RELAY;W/O PILOT LIGHT **090-Midwest Specialty Products Manufacturing** **3907 S 48th Terrace** 12 **Saint Joseph, MO 64503** Darla.Jung@altec.com 13	12-MAR-2018	$24.91	$24.91
Notes:									

Altec requires a 90-day written notice for a price increase, delivered in person prior to the effective date of such price increase and prior to any shipment of parts that would otherwise be billed at the new increased price. Altec also reserves the right to conduct market test per a requoted price prior to accepting any increase in price.

TOTAL - - - - - - - - - - - - - - - - - $152.01

ALL MATERIAL MUST BE IDENTIFIED WITH ALTEC PART NUMBER

PURCHASE ORDERS (continued)

In order to facilitate the timely payment of your invoice, follow the process below:

1. Confirmation of Order: Please send a confirmation to the respective Altec Buyer upon receipt of our purchase order prior to delivery of material and mailing of your invoice. This confirmation must include:
    a. PO number and release number if applicable
    b. Altec part number as displayed on the PO
    c. Price
    d. Ship/ Promise Date
    e. Correct ship to information per PO to include plant name and plant number

2. All related packing list documentation must reflect the following information:
    a. Altec purchase order number
    b. Altec part number
    c. Quantity shipped
    d. Supplier name
    e. Any special account reference

3. All invoices must have the following information printed on them:
    a. Altec PO number. If a blanket release, please include the blanket number as well as the release number
        1. i.e. "VERBAL" or a name WILL NOT be accepted
    b. Altec part number
    c. Correct SHIP TO information per PO to include plant and plant number
    d. Correct quantity shipped
    e. Correct pricing per the original PO or accepted price by Altec
    f. One PO per invoice only.

PRICE INCREASE POLICY

Altec requires a 90-day written notice for any proposed price increase, to be delivered in person. This is to be done prior to the effective date of such price increase and prior to any shipment of parts that would otherwise be billed at the new increased price. Altec reserves the right to conduct market tests on a requited part prior to accepting any increase.

ALTEC/SUPPLIER KANBAN GUIDELINES

Kanban is a Japanese word that means sign, card, or signal. The goal of Kanban is to signal a supplier to provide items needed, when needed, and in the quantities needed, similar to a pull card system.

Criteria for Kanban item consideration:

1. Set quantity based on usage.
2. Consistent weekly usage.

Supplier's Responsibilities for Kanban:

1. Set up Items on Kanban:
    a. Provide lead time from signal to delivery.
    b. Preferred package/container quantity.
    c. Preferred container size and type.
    d. Required stock quantities needed to support Kanban quantities.
2. The supplier will have either a minimum of 100% of the agreed upon Kanban quantity in stock (lot size x # of cards) or the ability to produce and deliver the total Kanban quantity within the agreed upon lead time.
3. The supplier will ship items within the previously agreed up on lead time.
    a. The lead time consists of the time the signal is received by the supplier until the items are delivered to Altec.
    b. The signal will be a purchase order via email or fax.
    c. Any adjustment in lead time must be communicated 30 working days prior to the change with the Kanban Coordinator in each Altec Organization (Manufacturing Facility) affected.
4. Supplier will ship items within the previously agreed upon quantity/container.
    a. The supplier ship in full Kanban lot quantities. Any deviations will require pre-approval from the Kanban Coordinator.
5. All items will be clearly marked "Kanban."
6. Altec will be invoiced as previously agreed upon.
7. IN the vent the supplier request any change to an agreed Kanban item, the Kanban Coordinators must be notified 30 working days prior to implementation of the change.

Altec's Responsibilities:

1. Valid and timely Kanban signal.
2. Notify the supplier 30 working days in advance of discontinuing an item or pulling the item from the Kanban agreement.
3. Providing the supplier with an updated list of the following:
    a. Items on Kanban with the number of cards, lot quantities, and lead times.
    b. Estimated annual usage.
    c. Confirmation of the stock quantities Altec is responsible for purchasing from the supplier.
        i. A negotiated quantity will be established during the Kanban agreement phase and will be reviewed regularly.
4. The supplier will be contacted in advance and an agreement will be reached when adding a new item to Kanban.
5. Once quantity is identified please use the stocking agreement form.

STOCKING AGREEMENT

On this date____________________, Altec Inc., and its subsidiaries (hereafter referred to as "Altec") and

____ do hereby enter into a stocking agreement on the following items:

Item Number	Quantity to be Stocked (*Attach a sheet if necessary)*

Altec's Responsibilities:

1. Should Altec make a change to any item(s) referenced in this agreement which would cause the item(s) to 1) become obsolete, 2) require rework by the supplier to make the part usable or 3) no longer be needed for any reason, Altec will assume financial responsibility for the finished goods inventory as agreed to in this document.

2. Altec will allow___________________to have access to Altec's electronic planning system (iSupplier Portal) should the desire be expressed, and the proper paperwork completed by said supplier.

______________________________'s Responsibilities:

1. Agrees to hold the above item(s) in finished stock for immediate shipment to Altec. Immediate shipment is defined as the mutually agreed upon date that supplier would have product available.

   Date to have initial stock in place__________________________________.

2. Agrees to hold price on said items and will provide Altec with a 90 day written notice before any proposed price change that is not the result of a design change by Altec.

3. If Altec determines that the product held by the supplier has a quality issue or specification deviation that cannot be repaired by______________________________, Altec will not be required to purchase the non conforming product.

ACKNOWLEDGED AND ACCEPTED BY SUPPLIER:

Supplier: ___________________________________

Signature:___________________________________

Title:_______________________________________

Date:_______________________________________

ACKNOWLEDGED AND ACCEPTED BY ALTEC:

Altec: ____
[Altec Industries, Inc./Other Altec Entity]

Signature:____

Title:____

Date:____

Revisions

Revision Date: (16-APR-2018) -- Revision Level: **A**
Authorized By: Loni Wood