

Hypertherm®

Supplier handbook





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Corporate headquarters, 21 Great Hollow Road, Hanover, NH



North American cutting technology center, 71 Heater Road, Lebanon, NH



Centricut Team, 100 Etna Road, Lebanon, NH

Purpose of this handbook

In this handbook, you will find information on what you can expect from Hypertherm and what will be expected of your organization in a business relationship. This enables your organization to begin planning and investing now to fully understand and comply with all aspects of our supplier management program and begin the process of building a long-lasting partnership.



Central manufacturing, 88 Etna Road, Lebanon, NH



Waterjet Team, 305 2nd Street NW, Suite 115, New Brighton, MN



OMAX 21409 72nd Ave S Kent, WA

50 years of Shaping Possibility

With the right tools and a relentless focus on innovation, partnership, and community, we believe anything is possible.

Fifty years ago, in a small two car garage, Hypertherm® began our journey with simple, powerful ideas about business and an invention that shaped the future of industrial cutting. The same ideals that fueled our inception all those years ago are still what drive us today: A passion for challenging what is achievable with the products we create, the culture we foster, and the experience we deliver to our customers. As we look to the horizon and the next 50 years, we are proud that our people, partners, and innovations will shape the future with solutions that make anything possible for industries around the world.

At Hypertherm, we give shape to our customers' vision with the world's leading industrial cutting solutions. Every day we help individuals and companies around the world envision better, smarter and more efficient ways to produce the products that shape our world. So whether you're cutting precision parts in North America, constructing a pipeline in Norway, fabricating agricultural machinery in Brazil, gouging out welds in the mines of South Africa, or building a skyscraper in China, you can count on Hypertherm to help you not just cut parts but achieve your vision.

100% employee ownership matters

At Hypertherm, we are not just employees: we are all owners. Ownership is a powerful motivator that ensures our customers are our top priority. As owners, we make sure every product is built to the highest quality and that our service is second to none. And we build long-term relationships that deliver value for us, our partners and our customers.



Worldwide presence and strength

Hypertherm is a key partner for your fabrication needs and has built a global organization focused on providing high-performance cutting solutions.

Key elements of the Hypertherm formula include:

- Dedicated Associates focused on customer-centered product design and support
- Local sales and service
- Broad application experience and proven results
- Sustainable and ethical business practices benefit our customers and communities



Our supplier philosophy of partnership

Hypertherm's culture is based on a strong set of values that guide the company's beliefs and actions. These values are:

- Excellence in technology innovation
- Focus on the customer
- Honesty and integrity
- Respect for the individual
- Community leadership
- Environmental stewardship
- Shared ownership and rewards
- Continuous improvement and business excellence
- Personal growth and development

Hypertherm's supplier relationships are founded on these values. We view supplier relationships as partnerships, not merely transactional arrangements. Our suppliers are viewed as an extension of our operations. Our selection of new suppliers, and our evaluation of existing suppliers, is guided by our values and measured by clearly communicated performance expectations.



A good cultural match can be important in any business relationship, which is why we weigh these selection criteria heavily when qualifying new suppliers. Hypertherm ultimately strives to establish long-term supplier partnerships that build a coalition of companies bound by the common mission of strong business performance, promoting the well-being and development of all of our Associates, and enriching the communities and environments where we live, work and conduct business.



Code of Ethics and Business Conduct

Our Code of Ethics and Business Conduct contains principles that have long been a part of Hypertherm's core values and ethical beliefs. Our key values define who we are as individuals and as a company – to each other, and to our customers, shareholders, suppliers, competitors and communities.

Hypertherm strives to partner with companies that share our commitment to ethics. We will work to ensure the standards of our strategic partnerships compatible with our own.

Our supplier code of conduct contains principles that have long been a part of Hypertherm's core values and ethical beliefs. Our key values define who we are as individuals and as a company-to each other, and to our customers, shareholders, suppliers, competitors and communities. These principles are:

Uncompromising integrity – staying true to what we believe. We adhere to honesty, fairness and the doing the right thing without compromise, even when circumstances make it difficult.

Respect for people – we treat everyone with dignity, as we would like to be treated ourselves. This respect applies to every individual we interact with around the world.

Hypertherm expects our suppliers and/or any of its affiliates to conduct business to the highest ethical and legal principles. Suppliers are responsible for ensuring that any employees, affiliates, distributors, subcontractors or agents of the supplier that provide product or services to Hypertherm read, understand and comply with the supplier code of conduct. Hypertherm will not do business with suppliers that violate the law. These laws include local environmental, employment, safety and anti-corruption statutes. Specifically, we expect all Hypertherm suppliers to adhere to the following principles.

To learn more about our code of conduct on human rights, the environment, ethics and integrity, and conduct compliance. You can find supplier code of conduct at <https://www.hypertherm.com/en-US/our-company/about-us/supplier-resource-center/>

Any observed potential illegal or unethical behavior believed to violate the supplier code of conduct is expected to be reported to 1-877-874-8416 or submitted via an anonymous online report tool at [Silent Whistle](#).

Purchasing practices

Suppliers win Hypertherm business based on product or service suitability, price, delivery, quality, and partnership. Purchasing agreements should be documented and clearly identify the services or products to be provided, the basis for earning payment and the applicable rate or fee. All items covered in Hypertherm contracts are agreed to via good faith negotiations. The amount of payment must be commensurate with the services or products provided.

Building quality relationships with other companies gives us a competitive advantage.

Gifts

Hypertherm Associates do not accept gifts. Gifts may include courtesies, services, favors, loans, event tickets or other items of value. Exceptions include items of nominal value (less than \$25), such as small promotional items bearing another company's name, or a social event such as picking up a luncheon check. We will not accept anything that could create the appearance that our decisions or judgment for Hypertherm would be compromised as a result.

We not only hold our Associates accountable, we hold our suppliers accountable to adhere to these policies.

Supply chain transparency

There are numerous reasons why it is important that Hypertherm understand as much of our supply chains as possible, including legal concerns, assessing risk and customer reporting obligations. It is our expectation that, when requested, our supply partners share information on their extended supply chains. This includes tier-2, tier-3, and raw material suppliers. Requested information may include sub-supplier names, manufacturing locations, manufacturing process details, conflict-free mineral verification, verification of compliance with laws concerning environmental protection, labor practices, etc. It is also our expectation that Hypertherm be permitted to visit a sub-supplier's site when deemed necessary.

Quoting and Request For Quotes (RFQs)

Hypertherm believes in understanding a supplier's business and the processes that drive costs for them. During the quoting process, your procurement partner will want to understand material costs, cycle times, processing times, overhead and production costs, as well as margins. Understanding cost drivers can result in design improvements or even process improvements. Being transparent opens the door for continuous improvement activities and also ensures that our Suppliers make a healthy margin so that they remain a sustainable business and a reliable partner.



Confidentiality

Non-Disclosure Agreements (NDAs)

When doing business with Hypertherm, suppliers often have access to drawings, contracts and other information that is confidential in nature. All such data and information shall be considered the sole property of Hypertherm.

All suppliers must sign an NDA before entering into the RFQ/RFP process with Hypertherm.

Hypertherm's documents and reports are to be maintained in the strictest confidence as a shared tool to accomplish our mutual requirements only. In accordance with Hypertherm's Non-Disclosure Agreement, none of Hypertherm's information should be shared with any other parties without express written permission. This includes outside processing or 2nd tier suppliers that are a part of the quoted value stream.

Hypertherm takes intellectual property (IP) protection seriously. Hypertherm holds many patents, and prioritizes keeping them secure. In addition, Hypertherm values and respects our suppliers' information, and will protect their information as outlined in the Non-Disclosure Agreement (NDA). To learn more about the value of genuine Hypertherm product, see our web page:

<https://www.hypertherm.com/en-US/where-to-buy/counterfeit-consumables/>

Visitors and contractors at Hypertherm

Any supplier who will be physically present at a Hypertherm facility is required to comply with Hypertherm's visitor security policy (HSE1088) and, depending upon the onsite work to be done, the contractor safety program (HSE1115) which includes the contractor safety program compliance certification. "Suppliers should work with their Hypertherm procurement partner to acquire the latest revision of HSE1088 and HSE1115 to determine how these policies apply to the specific business relationship. Failure to comply with these programs may lead to termination of the supplier's business agreement with Hypertherm.

All suppliers must coordinate their visit through their respective procurement partner and need to be escorted by a Hypertherm Associate at all times while on site. The only exception to the escort rule would be for suppliers who manage Supplier Managed Inventory (SMI) locations or are on the approved contractor list. These suppliers must sign-in at the building they are visiting and should clearly display a visitor badge at all times while on site. In addition, all suppliers should have a signed NDA on file prior to visiting our facilities.



Conflict minerals

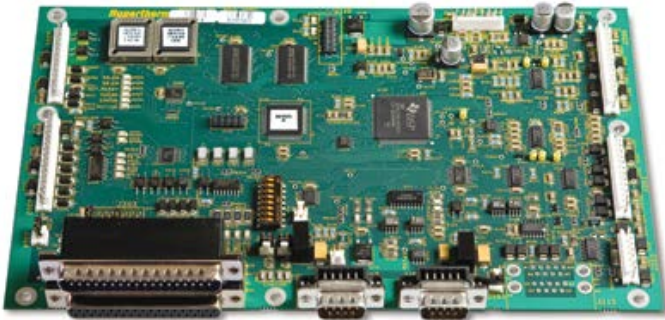
Hypertherm's corporate communication and policy to achieve a "conflict free" supply chain

Corporate communication

"Conflict minerals"¹ originating from the Democratic Republic of the Congo (DRC) and adjoining countries are sometimes mined and sold, under the control of armed groups, to finance conflict and violence. Some of these conflict minerals can make their way into the supply chains of both industrial and consumer products.

Hypertherm has put systems and processes in place to enable us to reasonably conclude that the tantalum, tin, tungsten and gold in our products do not finance or benefit armed groups in the region, while continuing to support legitimate mineral sourcing. These include strong management systems to implement Hypertherm's policy on conflict minerals, aligned with the OECD Guidelines.²

Compliance with the policy is important to the selection and retention of all suppliers that provide goods to Hypertherm worldwide, including raw material suppliers as well as suppliers of semi-finished or finished goods.



Policy

Hypertherm suppliers are expected to supply materials to Hypertherm that are "DRC conflict-free." "DRC conflict-free" means: (1) any "conflict minerals" (gold, columbite-tantalite, also known as coltan, cassiterite, wolframite or their derivatives tin, tantalum or tungsten, collectively known as the "3TGs") necessary to the functionality or production of supplied materials do not directly or indirectly finance armed groups through mining or mineral trading in the Democratic Republic of Congo or an adjoining country, or (2) any 3TGs in supplied materials are from recycled or scrap sources.³ Suppliers are expected to adopt policies and management systems with respect to conflict minerals and to require their suppliers to adopt similar policies and systems.⁴

Hypertherm may, in its sole discretion, assess and monitor ongoing performance and compliance with this policy, including but not limited to a review of appropriate supplier documents and onsite visits to determine whether this policy is being adhered to. On a periodic basis, suppliers may also be requested to certify conformance to this policy. Hypertherm reserves the right to terminate any relationship where conformance with this policy is not achieved and maintained.

¹ "Conflict minerals", as defined by the Securities and Exchange Commission (SEC) rules, is a broad term which means columbite-tantalite (Coltan), cassiterite, gold, wolframite, or their derivatives which are limited to tantalum, tin or tungsten, regardless of whether these minerals finance conflict in the Democratic Republic of the Congo (DRC) or adjoining countries.

² OECD (2013), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing <http://dx.doi.org/10.1787/9789264185050-en>.

³ Conflict minerals are from "recycled or scrap sources" if they are from recycled metals, which are reclaimed end-user or post-consumer products, or scrap processed metals created during product manufacturing. Recycled metal includes excess, obsolete, defective and scrap metal materials that contain refined or processed metals that are appropriate to recycle in the production of tin, tantalum, tungsten and/or gold. Minerals partially processed, unprocessed, or a "bi-product" from another ore are not included in the definition of recycled metal. Item 1.01(d) (6) for Form SD, 77 Fed. Reg. 56274, 56364 (Sept. 12, 2012).

⁴ Suppliers are expected to provide Hypertherm completed EICC-GeSI declarations evidencing this commitment and documenting countries of origin for the tantalum, tin, tungsten and gold they purchase.

Environmental specifications

Hypertherm is committed to complying with all applicable laws and regulations for the markets that we serve. Hypertherm requires our supply base to comply with several product environmental regulations such as RoHS, WEEE, REACH and others – for a full description of other regulations, please refer to 048266 document. Compliance must be demonstrated throughout the supply chain – from original manufacturer to end-user. We believe for Hypertherm to be successful in demonstrating compliance in this area, our supply base partners shall have a solid understanding of all the laws and regulations which govern the products that they produce or distribute.

Below is a summary of some of the most important regulations with a link to their current respective websites. It is required that you visit each of these websites for obtaining the most current information and how it would apply to the product that you are supplying to Hypertherm. Documentation demonstrating compliance may include, but is not limited to:

- Certificate or Declaration of Compliance
- Full Material Disclosure
- Formal test results showing material/product chemical composition
- Online access to documents that show compliance
- IPC 1752 Material Declaration
- Documents of Exceptions



The RoHS directive

Restriction of Hazardous Substances (RoHS) directive restricts the use of hazardous materials in electronics

and electrical products. Hypertherm continues to work toward the reduction of RoHS materials in our products, which are subject to the RoHS directive, except where it is widely recognized that there is no feasible alternative.

RoHS 2011/65/EU: <https://ec.europa.eu/>



The WEEE directive

On January 27, 2003, the European Parliament and the Council of the European Union authorized directive 2002/96/EC or WEEE (Waste Electrical and Electronic Equipment).

As required by the legislation, any Hypertherm product covered by the directive and sold in the EU after August 13, 2005 is marked with the WEEE symbol.

WEEE 2002/96/EC: <https://ec.europa.eu/>



The REACH regulation

The REACH regulation (1907/2006), in force since June 1, 2007, has an impact on chemicals available to the European market. The REACH regulation requirements for component manufacturers states that the component shall not contain more than 0.1% by weight of the Substances of Very High Concern (SVHC). Component manufacturers and other downstream users, such as Hypertherm, are obligated to obtain assurances from its suppliers that all SVHC materials used in or on Hypertherm products exceeding 0.1% by weight of the component will have a European Chemical Agency (ECHA) registration number. To provide material information as required by the REACH regulation, Hypertherm requires suppliers to provide REACH declarations and identify any known use of REACH SVHC. Pursuant to the REACH regulation, any use of SVHC in amounts exceeding 0.1% w/w of the parts has been eliminated. Where components are commercially available with multiple sources, components with SVHC materials can and will be replaced.

REACH 2006/121/EC: <https://ec.europa.eu/>



Globally Harmonized System of Classification and Labeling of Chemicals (GHS)

Globally Harmonized System of Classification and Labeling of Chemicals (GHS).

All chemicals, including lubricants, sealants, coolants, adhesives, solvents, coatings and other preparations or mixtures used by Hypertherm in, on, for, or with its products, require a Safety Data Sheet (SDS) published or reaffirmed within the last two years, even when used in very small quantities.

If you have any questions regarding Hypertherm's environmental specifications policy or requirements, please contact your Procurement partner. To obtain a copy of part number 048266, please use the link provided below, and download Hypertherm's Environmental Specification.

<https://www.hypertherm.com/en-US/our-company/about-us/supplier-resource-center/>

Safety critical components

Hypertherm's end-products must meet regulatory requirements worldwide and, consequently, some of the purchased components used in their design and manufacturing must comply with applicable component-level certifications. Hypertherm will communicate and collaborate with the supplier base to identify whether and what certifications are needed as part of the component selection process.

Components classified as Safety Critical Components (SCC) typically have one or more applicable component-level certifications. SCC designation is usually applied where a component failure may increase the risk of hazard.

CE marking and/or a manufacturer's self-declaration to European standards are not considered component-level certification unless a formal certification from a notified body is supplied.



In North America, it is expected that applicable certifications can be independently verified through online certification directories provided by certification bodies, such as:

Canadian Standards Association (CSA) certified product listing:

<http://www.csagroup.org/services/testing-and-certification/certified-product-listing/>

Underwriters Laboratories (UL) on-line certification directory:

http://database.ul.com/cgi-bin/XYV/template/LISEXT/1FRAME/index.html?utm_source=ulcom&utm_medium=web&utm_campaign=database

Hypertherm is committed to the use of SCC which have already been granted component-level certification(s). The use of SCC with a certification status facilitates Hypertherm's commitment to manufacturing products with high levels of safety and quality. In addition, component certifications provide the original component manufacturer with the ability to manage component changes with its own preferred certification bodies.

Since end-product certifications are product passports required by some countries to import, install, or operate Hypertherm's products, the supplier's failure to ensure the SCC are identical or equivalent throughout the end-product lifecycle can result in variation notices and stop shipments during certification body factory inspections. The certification bodies and Hypertherm's internal teams (Regulatory, Quality, and Operations) verify periodically that SCC used in Hypertherm's end-products have been properly authorized by the certification body. Any discrepancy in maintaining required component-level certifications throughout Hypertherm's end-product lifecycle is considered a major nonconformance and it will be dealt with accordingly.

Hypertherm's Supplier Management Program (SMP)

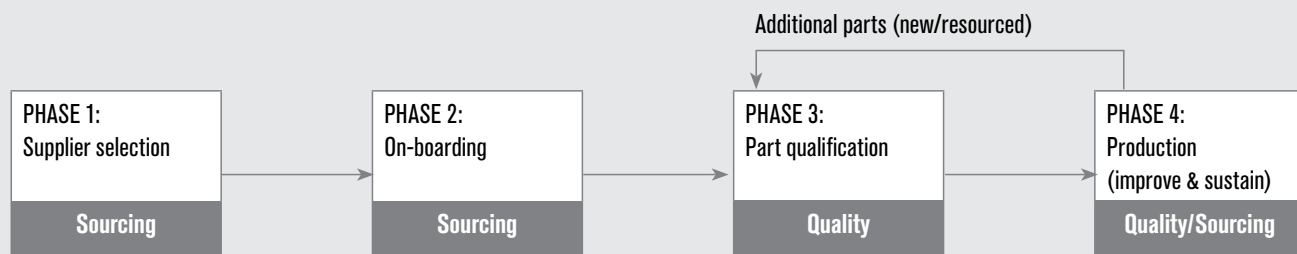
The Supplier Management Program (SMP) is a disciplined process that helps establish Hypertherm's relationship with suppliers from the early stages of business engagement through the sustaining aspects of partnerships. The process is structured in four phases.

Phase 1 – Supplier selection

Potential new suppliers are first screened, evaluated, and approved based on their likelihood of meeting Hypertherm's needs. As part of this phase, onsite or virtual evaluations may be carried out with the use of multi-disciplinary scorecards, leading to recommendations for action classified into Areas of Concern (AOCs) or Opportunities for Improvement (OFIs).

Phase 3 – Part qualification

Following completion of supplier on-boarding activities, the focus is on qualifying the part(s) against Hypertherm's requirements. The extent of the part qualification efforts depends on the combined supplier-part risk level, as determined by Hypertherm's risk assessment approach. At the core of this phase, Production Part Approval Process (PPAP)-related activities may be requested by Hypertherm and executed by the supplier (QA3525). Other risk mitigation activities may be needed, including but not limited to more rigorous design reviews, source inspection, and inventory management measures.



Supplier Management Program

Phase 2 – Supplier on-boarding

During this phase, the approved supplier becomes familiarized with Hypertherm's practices and procedures, these may include:

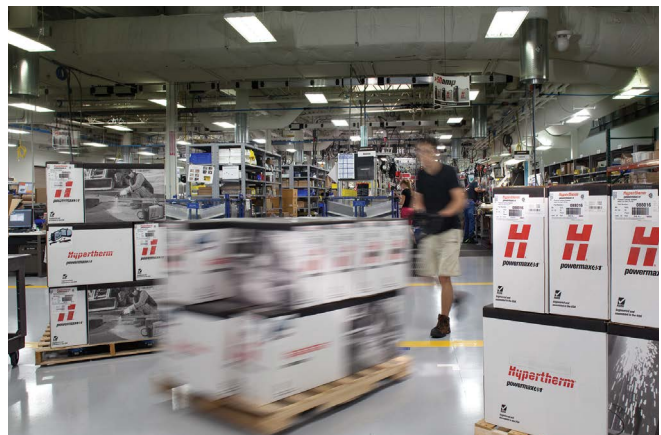
- Part-level qualification approach
- Environmental Specification, 048266
- Part specific workmanship assembly standards and cosmetic specifications
- Supplier Code of Conduct
- Packaging guidelines
- Terms and Conditions

Other required deliverables in this phase include:

- Supplier set-up form
- Xnet
- Action plan development/deployment in response to AOCs/OFIs identified during onsite assessments.

Phase 4 – Production (improve and sustain)

After production-level ordering and shipments begin, supplier performance is monitored, communicated through scorecards, and jointly reviewed during periodic business reviews. In the event that nonconformances occur, corrective action requests may be issued to the supplier for adequate and timely resolution. Continuous improvement initiatives (such as lean, social responsibility, risk reduction, and error proofing) are encouraged as a key enabler to meeting ever changing customer and market expectations.



General ongoing expectations

Throughout the relationship with Hypertherm, the supplier is expected to:

- Make on-time shipments of fully conforming product
- Comply with all Hypertherm requirements
- Invest in training to fully understand and meet Hypertherm requirements
- Communicate with Hypertherm prompt and effectively, especially as it pertains to:
 - Changes in the supplier's business that may affect Hypertherm in any way
 - Emergent quality issues
 - Late shipments
 - Any significant product or process-related changes, such as product revisions or Bill Of Material changes; use of alternate material; modifications to the manufacturing process; new, refurbished, moved or rearranged equipment; change in manufacturing location; new tools; and change of sub-supplier(s)
- Establish a comprehensive, documented Quality Management System (QMS) that ensures all products shipped to Hypertherm conform to applicable requirements. Such QMS will include, but not limited to, documented procedures and instructions; document revision control; calibration and maintenance of measuring and test equipment; effective process controls; and internal audits. Preferably, the supplier's QMS is certified by a reputable 3rd party entity
- Promote strong emphasis on upfront planning for quality, which should include preventive measures such as: thorough design reviews, Failure Modes and Effects Analysis (FMEA) and Risk Reduction, comprehensive Control Plans, error/mistake proofing, and part-level qualification practices (PPAP)
- Plan for continuous improvement initiatives (process and/or overall performance)
- Proactively secure Hypertherm's approval of any deviation to specifications prior to shipments
- Deploy appropriate corrective action measures in response to non-conformance events that reach Hypertherm, including rapid and effective containment, determination of root cause(s), and implementation of permanent corrective action(s). Preferably, the supplier will use the Global 8D methodology for root cause analysis & problem solving, with frequent communication with Hypertherm on status updates from the initial notification about the non-conformance event through final closure of the issue
- Maintain an effective product identification and traceability system to enable quick and accurate information retrieval, in particular as related to containing and resolving a quality issue, thus minimizing the risk of downtime and associated costs
- Retain records of inspection and test information, as applicable, so it can be accessed by the supplier and/or Hypertherm in support of problem resolution efforts



Supplier scorecard

At Hypertherm, we are committed to measuring and providing feedback to our suppliers in the key areas of partnership, quality, delivery, social and environmental sustainability. We believe that consistent communication and a cooperative, team approach to problem solving will promote solid supplier relationships. Our supplier scorecard covers the topics outlined below:

Category	Question topics
Partnership	<ul style="list-style-type: none"> ▪ Cost management ▪ Request for quote responsiveness ▪ Returns responsiveness ▪ Information sharing ▪ Sustainability support
Quality	<ul style="list-style-type: none"> ▪ Defects per million ▪ Impact of poor quality ▪ Problem resolution ▪ Continuous improvement ▪ Shipping and packaging
Delivery and support	<ul style="list-style-type: none"> ▪ Invoicing accuracy ▪ On-time delivery %

The frequency of scorecards will vary depending on the level of business, risk assessments, and supplier status. Your Hypertherm procurement partner will invite you to participate on the necessary frequency. This review is an opportunity for you and your Hypertherm procurement partner to discuss areas for improvements and recognize successes that you have had during the review period.

The resulting score from the scorecard process along with various other factors will drive a “Supplier Status” classification which determines the level with which

Hypertherm is willing to conduct new business with a given supplier. Based on the outlined criteria a supplier will be classified as one of the following:

Approved – may participate in New Product Development (NPD) and RFQ activities.

Restricted – able to participate in NPD and RFQ activities but will only be awarded new business with proper approvals.

Conditional new – may participate in NPD and RFQ activities and may earn new business with proper approvals during first year of commercial relationship, after which Approved/Restricted status will determine level of business.

The benefits of the scorecard process

- Enables Hypertherm to clearly communicate our full expectations and priorities to our supply partners
- Facilitates sharing of best practices to improve our mutual business and sustainability performance
- Enhances our overall partnership, collaboration, mutual learning
- Provides a more manageable, scalable supplier engagement process for the future

In addition to our scorecard, you will invited to participate in our web-based supplier compliance portal, Greenstone. When invited, please click on the link below to create or access your account:

<http://www.greenstoneplus.com/login>



Hypertherm's pull-based system

Our purchase orders support our electronic kanban pull process that is integrated into our Enterprise Resource Planning (ERP) software. This system enables real-time demand signaling across the supply chain and improved visibility. Hypertherm uses multi-bin and visual signaling, which Associates scan at various stages of the manufacturing process to signal usage. This scan releases replenishment orders to Hypertherm's suppliers that then fill the order from their inventory. Our master supply agreement will include supplier specific expectations around replenishment. Please discuss with your procurement partner.



Currently integrating processes for OMAX, please contact your Hypertherm category manager for specific information

Purchase orders and releases

Below is an example of a Hypertherm Blanket Purchase Agreement. These agreements are based on a forecasted quantity over a defined period of time. *It is not a declining balance order*, but rather a tool to facilitate releases as demand creates new requirements.

Hypertherm PROJ3 Blanket Purchase Agreement 210421, 0
Purchase Order #, Revision:

Supplier: Supplier Central 10 Graham Pond Road GRAFTON, NH 03240 United States	Type: Blanket Purchase Agreement Order: 210421 Revision: Revision Date 0 / Purchase Order Revision Order Date: 24-MAR-2016 Buyer: Blood, Megan megan.blood@hypertherm.com
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Bill To: **HYPERTHERM, INC.**
PO BOX 230
HANOVER, NH 03755
United States

Payment Terms: NET 30 DAYS	Freight Terms: COLLECT	FOB:	Ship Via: Means of shipment i.e. UPS
Diag: Hubba (603) 123-6784	Supplier Contact Information:	Effective Start Date: 01-JAN-2016	Effective End Date: 31-DEC-2016

Note: All prices and amounts on this order are expressed in USD

Line	Part # / Part # Revision	Quantity	UOM	Unit Price (USD)
1	108076 / 00E BSHG 3/4DD X 1-1/16 HOLE BLK UNIV Part Description Manufacturer / Mfg Part # ESSENTRA / PGSC-1926A Drawing # 108-W-076 REVE	54730	EACH	.06
2	108077 / 00D BSHG 1" X 1-3/8 HOLE BLK UNIV HEVCO PRODUCTS / 2184 108-W-077 REVD	4030	EACH	0561
3	108078 / 00C BSHG 1/2 ID X 13/16 HOLE BLK HEVCO PRODUCTS / 2106 108-W-078 REVC		EACH	0408

Example of a Blanket PO (actual format may vary)

Below is an example of a Hypertherm purchase order release. The supplier is expected to ship releases within the agreed upon lead time and meet the required delivery dates.

Hypertherm PROJ3 206682, 0
Purchase Order #, Revision

Supplier: Supplier Central 10 Graham Pond Road GRAFTON, NH 03240 United States	Type: Blanket Release Order: 206682-00 Revision: Revision Date 0 / Purchase Order/Revision Order Date: 25-JAN-2016 Buyer: Jann, Verhulst v.jann@hypertherm.com
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Ship To: 21 GREAT HOLLOW ROAD
PO BOX 809
HANOVER, NH 03755
United States

Hypertherm has multiple Bill To addresses. Review each PO for the correct ship to location.

Bill To: PO BOX 230
HANOVER, NH 03756
United States

Payment Terms: NET 30 DAYS	Freight Terms: COLLECT	FOB:	Ship Via: Means of shipment i.e. UPS
Diag: Hubba (603) 123-6784	Supplier Contact Information:		

Note: All prices and amounts on this order are expressed in USD

Line	Part # / Part # Revision	Delivery Date	Quantity	UOM	Unit Price (USD)	Tax	Amount (USD)
27	108076 / 00E BSHG 3/4DD X 1-1/16 HOLE BLK UNIV Part Description Ship To: Use the ship to address at the top of page 1 Hypertherm Subinventory (factory): BB-INV (0801KCL1) Manufacturer / Mfg Part # ESSENTRA / PGSC-1926A Drawing # 108-W-076 REVE	29-JAN-2016	800	EACH	.06	N	48.00
							Total: 48.00 (USD)

Example of a PO release (actual format may vary)

Accounts payable

As a partner within Hypertherm's Supplier Network, we would like to assist you with invoice guidance, available payment options, and general inquiries. Below is some helpful information to avoid payment delays.

Purchase order labeling

In cases where Goods or Services are being purchased through Purchase Order notification, all related invoices MUST have a valid purchase order populated on the invoice. Invoices without PO labeling will delay payment of the invoice.

Non-purchase orders

In cases where credit cards are used to purchase Goods or Services, please do not generate an invoice for goods or services already paid through credit card. This could lead to duplicate payment and non-value-added work of processing credit documents for duplicate payments.

Accounts payable bill to address:

Hypertherm, Inc.
P.O. Box 14
Hooksett NH 03106
Phone: (603) 643-3441

Electronic submission of invoices-

Email: APIInvoices@Hypertherm.com

When submitting electronic invoices, it is important to remember the following.

- Each email is to contain only one invoice.
- Invoice must be sent as an attachment (Format: black and white – tiff or pdf only)

- Only one invoice per attachment
- Do not e-mail links to invoices.
- Do not embed the invoice into the e-mail.
- Do not use this e-mail address for invoice inquiries or statements.

Emails which do not meet these criteria will be rejected back to you from "Vision 360 Enterprise<support@bluecreeksoftware.com>. A copy of your original email and attachments will be included. You will need to make the appropriate corrections and re-submit your invoice(s).

Invoice statements and payment inquiries-

Hypertherm requests that you submit a statement of outstanding invoices to Hypertherm monthly. The preferred method of receiving statements is via email.

Email: Apinquiry@hypertherm.com

Payment options

Check: All new suppliers are initially established for payment via check. All payments are generated through the Bank of America, Portland Oregon office. Please allow 7–10 days for receipt.

Currently integrating processes for OMAX, please contact your Hypertherm category manager for specific information



Return to supplier

In the event Hypertherm receives a defective product from a supplier, the supplier will receive a "Return to Supplier" request form (see below). This form will specify if Hypertherm is requesting "credit, replacement, or repair" for the defective product. "Credit" is the standard request for Hypertherm.

Any questions about the form should be directed to the applicable Hypertherm team planner/buyer or procurement partner.

Upon receiving the "Return to Supplier" request form, Hypertherm requires a "Return Material Authorization" (RMA) number from the supplier. The RMA number should be sent to the Hypertherm Planner/Buyer or Procurement partner within two business days of request. Hypertherm

will ship returns at the expense of the supplier and may charge back for any internal inspection or rework required to resolve the issue on the supplier's behalf.

A credit memo is expected to be issued within one week of the receipt of product to the supplier's facility. Credit memos can be sent to apinvoices@hypertherm.com, P.O. Box 230 Hanover, NH 03755 or Fax (603) 653-7071.

Currently integrating processes for OMAX, please contact your Hypertherm category manager for specific information

The following purchased component is defective. We are requesting that it be returned to the Supplier

Red Tag #	123456
Buyer	Noel Spencer
Supplier info	Code Name Joe's Machine Shop Address 1 1 Copper Lane Address 2 Address 3 City, ST, Zip Hanover, NH Phone xxx-xxx-xxxx FAX xxx-xxx-xxxx
Contact Info	Name Jane Doe Title Mailstop Phone -
Failed/Defective Item	887654 Widget Mfg Part # Serial # Quantity 1
Dept Found	1210 Torch Assembly
Defect Code	FIN Finish or Cosmetic
Disposition Code	RTS Return to Supplier
Cause Code	HND Handling
Date Found	7/1/2012
Reported By	NTS
Comments	Flat side of widget has scratches
MP Tech Comments	
PO #	121212
Packing Slip #	333333
Unit Price	\$1.00
Supplier RMA #	RMA number goes here once issued by supplier (Required within 24 hrs)
Return for:	Credit (X) Replacement () Repair ()
Corrective Action Required?	Yes or No

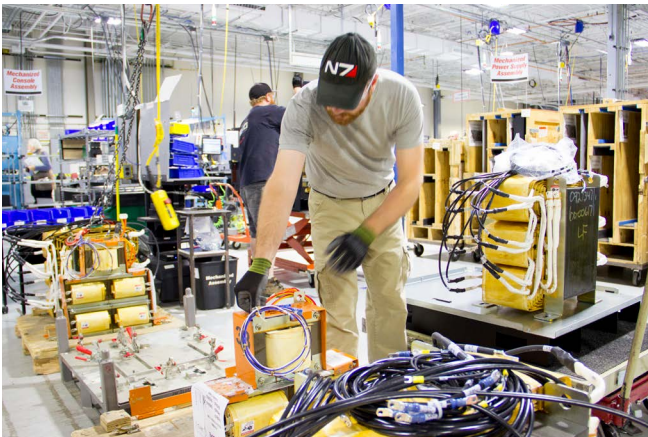
Example of a Return to Supplier form (actual form may vary)

Packaging guideline

Hypertherm’s packaging guideline (MC3439) defines the minimum general requirements for the packaging and transportation of all parts, subassemblies, products and materials that will be received by any of Hypertherm’s locations. These requirements include, but are not limited to the safety of the product, environmental restrictions, and operational productivity.

This guideline does not specify all packaging materials. It will not take precedence over any requirements prescribed by interstate commerce regulations, uniform freight classification tariffs, official air transport regulations, National Motor Freight Classification rules, postal regulations, and other applicable rail, motor, air, parcel post, or express carrier regulations, including those for hazardous materials.

All supplier’s packaging questions and communications should be coordinated through your Hypertherm procurement partner. Ask them to share our guideline in detail.



Learn more at http://www.hypertherm.com/en-us/About_us/

Hypertherm is a trademark of Hypertherm, Inc. and may be registered in the United States and/or other countries.

Please visit www.hypertherm.com/patents for more details about Hypertherm patent numbers and types.

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Inbound shipping preferences

We would like to work with our suppliers to establish best carrier options for both singular and recurring shipments to our facilities. Following is a guideline to assist you with when you may need to coordinate with Hypertherm to select a carrier.

One time shipments	Preferred carrier
Parcel shipments (less than 150 lbs. and length not longer than 108")	
Domestic	UPS
International	Contact Hypertherm Logistics
Freight shipments (over 150 lbs., palletized/cart, lengths of any size)	
New England (ME, NH, VT, MA, CT, RI)	Ross Express
Domestic	FedEx LTL Economy
International	Contact Hypertherm Logistics
Recurring shipments	Preferred carrier
Parcel Shipments (less than 150 lbs. and length not longer than 108")	
Domestic	UPS
International	Contact Hypertherm Logistics
Freight shipments (over 150 lbs., palletized/cart, lengths of any size)	
New England (ME, NH, VT, MA, CT, RI)	Ross Express
Domestic	FedEx LTL Economy
International	Contact Hypertherm Logistics

If you are a new supplier to Hypertherm or you are shipping internationally, please work with your procurement partner to complete the “New Shipment Info” form prior to establishing a shipping route. International shipments require advance notice so that brokers can be contacted, proper paperwork prepared and the best carrier selected.

Currently integrating processes for OMAX, please contact your Hypertherm category manager for specific information

As 100% Associate owners, we are all focused on delivering a superior customer experience. www.hypertherm.com/ownership

Environmental stewardship is one of Hypertherm’s core values. www.hypertherm.com/environment

100% Associate-owned

