	SYSTEM PROCEDURE Customer Order Review and Approval Process	
REVISION: 07	PROCEDURE NO.: 9	DATE EFFECTIVE: 06/01/22

1. PURPOSE

1.1. The purpose of this document is to establish the documented procedure for coordinating Tempco Electric Heater Corporation’s review and acceptance of customer contracts / orders, which includes the following activities: 1) ensuring that the product requirements are adequately defined, 2) resolving any contract or order differences from those previously expressed, 3) ensuring that Tempco Electric Heater Corporation has the ability to meet the defined requirements, 4) maintaining records of contract / order reviews.

2. SCOPE

2.1. This procedure applies to the acceptance of all customer contracts / orders that establish manufacturing requirements for Tempco Electric Heater Corporation’s manufacturing and assembly operations and resale products.

3. PROCEDURAL REQUIREMENTS and RESPONSIBILITIES

- 3.1. The Customer Service Manager and the Order Entry Administrator have the primary responsibility for ensuring compliance of this procedure and to ensure the necessary resources for successful implementation are provided. They will ensure that all customer requirements relating to the product, including those not stated but necessary are determined and reviewed. This review is performed prior to providing a commitment and acknowledgement to the customer.
- 3.2 Customer Orders are received via mail, email, FAX, SA3 computer program, customer web-based system, and any member of Sales or OFT can utilize the SA2 program. The order entry administrator will upload the orders into the Customer Order Management system to enter the order and retrieve any customer specific information such as packaging, transportation, COC’s required and PPAP’s submittals (e.g. DAVCO). The MAPICS system is used to enter the order number, customer and/or Tempco part number from the item master, pricing (i.e. standard list or contract) and the delivery date is provided through lead times loaded into MAPICS and uploaded into SA2. The part number, ship to and shipping method is also verified.
- 3.3 The Order Entry Administrator uses the MAPICS system and verifies the relevant information including customer special notes, pricing, request dates, commission percentages and ensures all required information is entered. A customer acknowledgement is provided to all customers via FAXSTAR, unless the customer specifies the acknowledgement to be communicated/transmitted via other method and/or acknowledged in their own web-based system (e.g. Milacron, Grainger). Pick tickets are issued for stock material on hand.
- 3.4 The Change Order Request process defined within the Design Control Procedure 11 is utilized by Customer Service or Sales to request and implement changes. All Change Order Requests are followed up with an acknowledgement.



SYSTEM PROCEDURE


Customer Order Review and Approval Process

REVISION: 07

PROCEDURE NO.: 9

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- 3.5 Verbal orders/credit card orders are entered directly into the system, with orders over \$500.00 always requiring a follow-up purchase order or Tempco generating purchasing order agreement to be received. The purchase order is then verified by the order entry administrator and updated if necessary.
- 3.6 Expedite orders use the Expedite form, which is monitored in the Order Tracker system and linked to the manufacturing order.
- 3.7 Completed manufacturing orders are entered into the PC based QC Log Evaluation Record by Quality using the Final Inspection form and subsequently provided to the Shipping Desk Administrator. The order is transferred into MAPICS MAFG and into the staging area, where the Shipping Desk will process the shipment unless Accounting maintains it on hold. Customer Service will generate the required documentation for international shipments.
- 3.8 Return material authorizations are controlled in the PC based RMA program. When the customer requests an RMA, if agreed, the product may be field scrapped without the physical material being evaluated at Tempco. If evaluation of the physical material is needed, the Stockroom receives the RMA and transfers it to Quality who receives the returned material with the RMA which was sent to the customer. The Tempco part number, quantity, description of the problem and compliance with specifications are documented. Quality Assurance performs and documents a failure analysis in the compliance with specifications section. Engineering input is solicited when necessary. Upper Management or other designated person will subsequently assign the disposition of the product (e.g. scrap, rework or return to customer). Reworks are documented on an MO and Engineering will generate the manufacturing documentation as determined by review from the QC and follow the normal production process if necessary.
- 3.9 Customer Communication
- 3.9.1 Effective arrangements for customer communication relating to the processes of quoting, order review and acceptance and order changes are defined within the context of this procedure and attached flowcharts.
- 3.9.2 Customer feedback is documented in accordance with the Corrective Action and Opportunities for Improvement Procedure 21.
- 3.9.3 In addition, product information can be communicated through brochures, the Tempco Electric Heater Corporation website, social media, memorandums/emails, and verbally by the Chief Revenue Officer, Customer Service Manager, Customer Service Representatives, Territorial Salespersons, Engineering personnel and Marketing/Media personnel. These personnel are trained and qualified to ensure the necessary product knowledge is realized prior to communicating product information to customers. This qualification is documented on Human Resource Qualification Records.

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4. PROCEDURAL REQUIREMENTS

The sequential steps for Tempco Electric Heater Corporation’s customer contracts/orders review process are presented in flowchart format on the next three (3) pages. The function and/or position responsible for the activity in the flow is identified outside the initial activity. This responsible function and/or position continues until a change is identified. The function of a decision or option requires the responsible function and/or position be identified for each result.

5. RECORDS

- 5.1 Customer Order (If Applicable)
- 5.2 Customer Order Management System (SA2/SA3)
- 5.3 MAPICS System
- 5.4 Change Order Requests
- 5.5 PC Based RMA Program



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Customer Order Review and Approval Process

REVISION: 07

PROCEDURE NO.: 9

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6. REVISION HISTORY

REVISION LEVEL	DATE OF REVISION	SECTIONS	DESCRIPTION OF CHANGE
00	4/27/09	All	Initial Release
01	5/26/10	All	Revised 3.2 to include SA3 program
02	6/6/14	2.1 3.5 3.8	Added resale products Customer Service changed to the order entry administrator and updated if necessary Sales changed to VP of Sales or other designated person. Last sentence on Reworks updated.
03	6/3/15	3.2	Replaced Order Entry Administrator with Sales and OFT
04	6/1/17	5.2 Chart pg. 7	Added SA2/SA3 Added Sales to Customer Service at top of chart
05	01/29/18	3.9.2	Was Procedure 7.2. Updated procedure name and procedure number in section 3.9.2.
06	08/28/20	3.8 3.9.3 7 Chart pg. 5	Added RMA field scrapped language Added Social Media to how & Marketing/Media Personnel to who communicates this product information. Removed /Marketing from Vice President of Sales/Marketing Changed the Management Representative to Samir Patel Removed /Marketing from V.P Sales/Marketing
07	06/01/22	3.3.1 3.3.2 3.9.3 7	Removed Sales Operations Manager. Added Customer Service Manager Added Customer web-based system Removed VP of Sales & Sales Operations Mngr. Added CRO and Customer Service Manager Removed Sales Operations Manager. Added Customer Service Manager. Change prepared by from Debbie Wiles to Andre Garcia. Removed VP of Sales, Added Chief Revenue Officer. Change Senior Management from William Kilberry to Dan Samsa





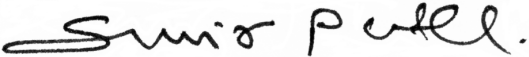
SYSTEM PROCEDURE
Customer Order Review and Approval Process

REVISION: 07

PROCEDURE NO.: 9

DATE EFFECTIVE: 06/01/22

7. AUTHORIZATION

POSITION	HELD BY	AUTHORIZATION SIGNATURE OR INITIALS
Prepared By: Customer Service Manger	Andre Garcia	
Chief Revenue Officer	Dan Samsa	
Management Representative:	Samir Patel	



SYSTEM PROCEDURE

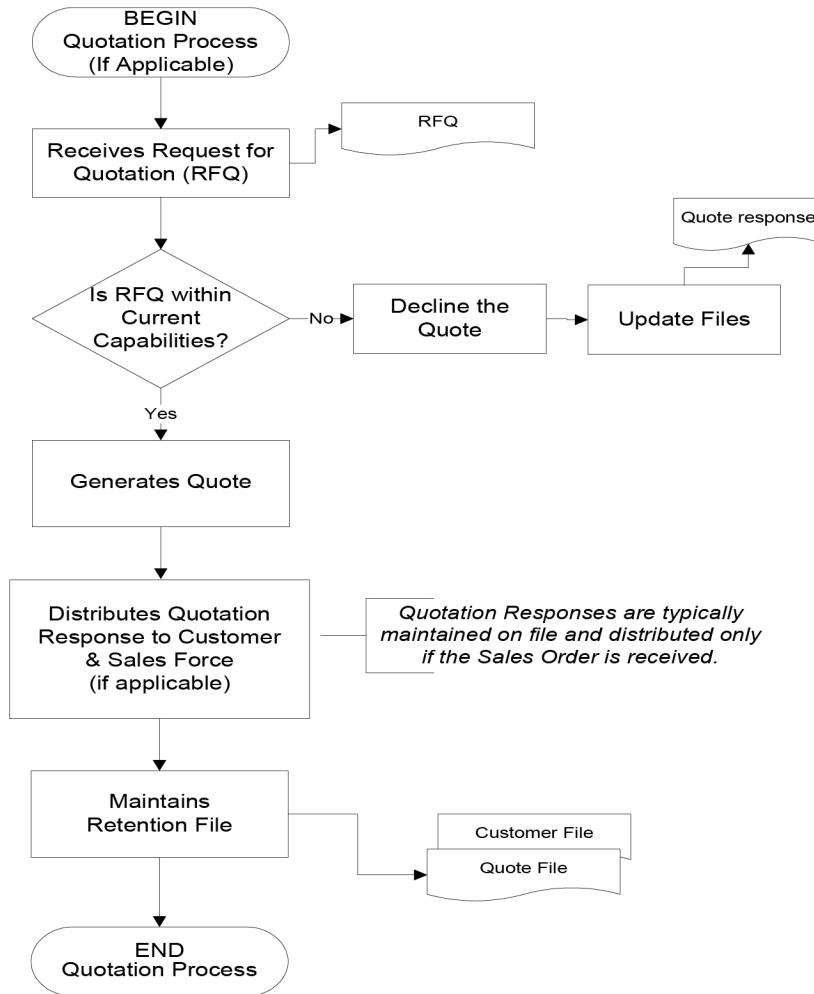
Customer Order Review and Approval Process

REVISION: 07

PROCEDURE NO.: 9

DATE EFFECTIVE: 06/01/22

Chief Revenue Officer, Customer Service Manager, Customer Service and/or Territorial Sales Managers



Note:

The order review and approval process may not involve providing quotations. However, when a quotation is required by a customer this flow chart defines the process sequence.



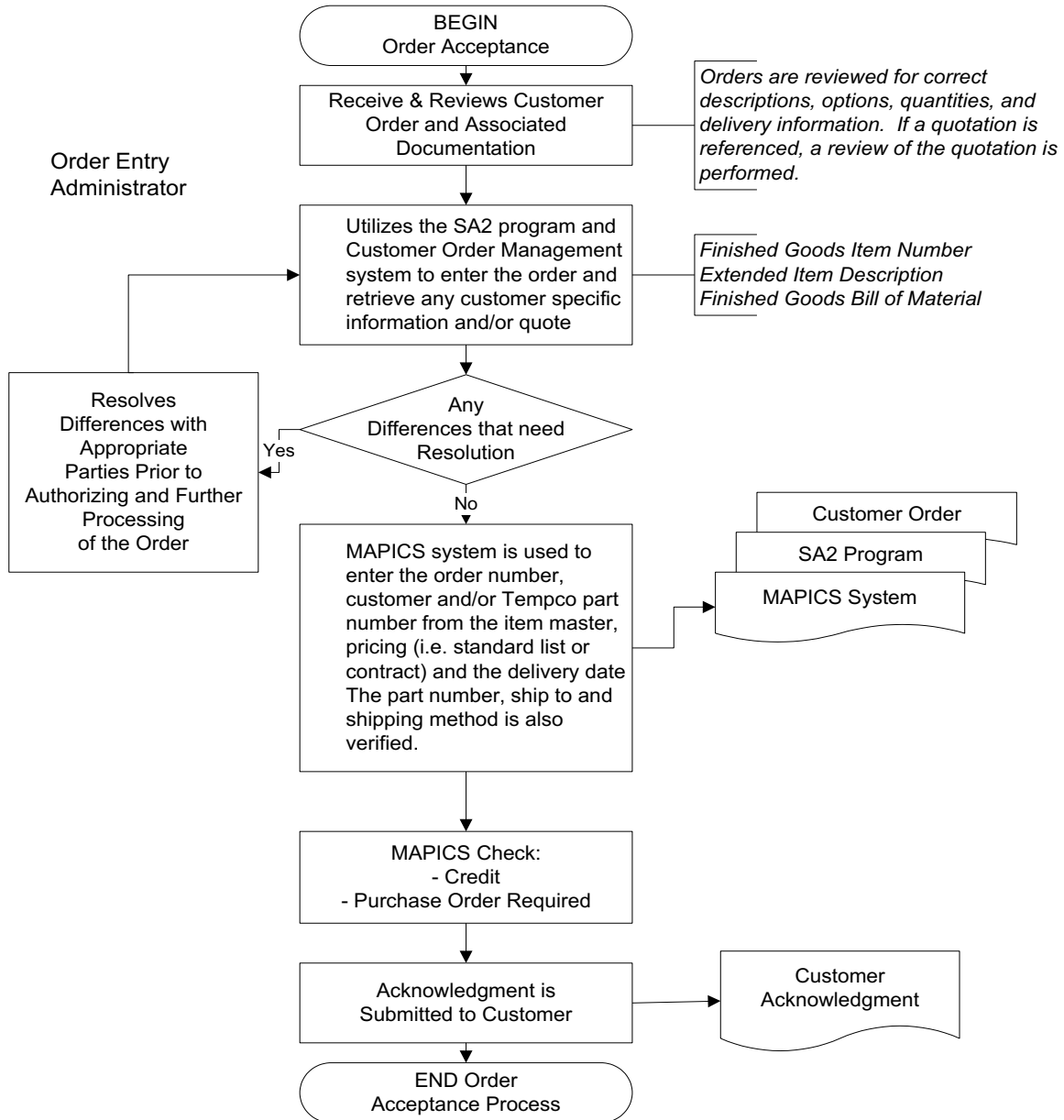
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