

**i3 Assembly and
i3 Microsystem
SUPPLIER HANDBOOK**

Table of Contents

- **Introduction**
- **Quality Philosophy**
- **Integrated Supply Chain**
- **Approving a Supplier**
- **Supplier Selection**
- **Purchased Item Qualification**
- **First Article Submission**
- **Qualification**
- **Process Changes**
- **Sub-Tier Suppliers**
- **Quality System and Right of Access**
- **Employee Awareness**
- **Conflict Material Avoidance**
- **Traceability**
- **Counterfeit Parts Prevention**
- **RoHS Compliance**
- **Ozone Depleting Substances**
- **Records**
- **DPAS & Rated Contracts**
- **Warranty**
- **Nonconforming Material**
- **Buyer-Supplied Product**
- **RMA Process**
- **Packaging & Shipping**
- **Supplier Performance Management**
- **Procurement Terms and Conditions**

Introduction. This Supplier Handbook is designed to provide the supplier (“Supplier”) with easy access to the requirements, expectations and processes of i3 Assembly, Inc. and i3 Microsystems, Inc. (“Buyer”).

While adhering to the contents of this handbook is a condition of doing business with Buyer, it does not constitute or imply a guarantee or contract awarding work to you as a supplier.

This handbook and the information contained within should be treated as confidential. No portion of this handbook is to be disclosed to others without written permission from an authorized agent of Buyer.

This handbook supersedes all previous handbooks, policies, statements, letters and memoranda. The

Buyer reserves the right, at its discretion, to amend, change, or terminate without notice any of its plans, programs, practices, or policies, as required. Nothing contained in this handbook shall be construed as creating an expressed or implied obligation on the part of Buyer.

Quality Philosophy. Buyer is responsible for establishing objectives and using measurements to drive continual improvement in quality and in customer satisfaction. All employees are expected to contribute to continual improvement as an integral part of our quality management system. In addition, we need and expect Supplier to actively participate in our continuous improvement efforts.

Supplier must at a minimum ensure that all products delivered meet all specified requirements (Quality Assurance Requirements that are associated with the purchase order) including drawings, specification, statements of work, delivery commitments and terms and conditions. As Supplier works with Buyer and cycles of learning are gained, Supplier can provide more value-add by offering ideas to improve quality, reliability, lead times and costs. Supplier will continually drive improvements in performance and service reinforce their value and position their companies for success in gaining new and continued work as a result.

Integrated Supply Chain. Every opportunity begins with a customer and their design for product. Once the design is firm, Supplier of choice is determined for the procured materials/services, the processes to be used to produce the customer's product have been defined, Buyer will engage the supply base to ensure all components and materials are in place to meet the customer's demand and delivery requirements. This process begins with a Supplier evaluation, then approval, followed by obtaining quotes to identify the Supplier of choice. Through the life of the customer project, Buyer relies heavily upon our supply base to ensure only conforming product is shipped to Buyer, it arrives on time, and at a competitive price.

Approving a Supplier. Supplier is evaluated on various facets to gain an understanding of their products/services offered, capabilities, and potential risks to Buyer which may impact our continuity of supply. The evaluation process covers the potential Supplier's:

- Quality management system compliance (if certified, a copy of the certification is required)
- Infrastructure, short term and long-range plans
- Financial stability
- Technical capabilities and offering
- Manufacturing capabilities and capacity
- Continuous improvement practices and results
- Performance, both internally and externally (cost, quality, delivery, service)
- Risk based thinking / mitigation capability

A cross-functional team within will review the data and information collected to determine if Supplier will be added to the supply base. This same criteria will be considered as part of ongoing supplier surveillance as defined in the supplier performance management section.

Initial data collection begins with a request to provide basic company profile information. As the

qualification process proceeds, the potential Supplier will provide additional detailed information pertaining to the above criteria during an on-site assessment or through self-assessment, as requested by Buyer.

It is expected that Supplier maintains compliance to industry quality management system requirements. Registration or certification to a recognized QMS standard is preferred and may become a differentiating factor in the supplier selection. It is understood that registration or certification is not required but a quality system that meets the below standards is required. Examples of such standards include:

- ISO 9001
- ISO 13485
- AS9100

In addition to QMS compliance, materials used in the manufacture of products delivered to Buyer must meet the requirements of Mill-Spec, Underwriters Laboratory (UL) and/or Canadian Standards Association (CSA) approval when specified in specifications/drawings or other documentation stating product requirements. In some cases, COTS materials may be used as allowed by our customer.

Supplier Selection. Supplier selection is contingent upon successful qualifications based upon requirement defined in conjunction with a competitive quotation. Final supplier selection decisions are executed jointly by Commodity Management and Quality.

To facilitate Customer and Commodity Managers in communicating consistent and complete requirements so that the needed data can be obtained, Buyer utilizes a Request for Quote (RFQ) process that incorporates product, delivery and quantity requirements as well as requirements for product qualification.

Frequent exchange between the Supplier and Buyer is expected to best complete the purchase order requirements as appropriate. Any exception to supplying the specified requirements must be documented and submitted to Buyer. This data is critical for Buyer to award work to meet our customer requirements and the expectations of stakeholders.

Once a decision of award is made, the Supplier is notified and any contractual agreements are finalized. Buyer will then take the necessary actions internally to update our ERP system so that purchase requirements are correctly communicated to Supplier. At the time a purchase order is generated for an item, the purchase order will contain directions to Supplier to review Buyers website <http://i3electronics.com/supplier-documents/> and direct Supplier to match the commodity code on the purchase order to the Quality Codes for that item. This purchase order also indicates if the item is DPAS regulated (see DPAS & Rated Contracts section). In addition, if applicable, Buyer will provide the necessary drawings, specifications, statement of work or other equivalent describing the product or service to be provided.

Customers continually raise the bar for Buyers performance in cost, lead time, quality and service. As a result, Buyer may request refreshed RFQs on product currently provided. It is critical that Supplier carefully review these RFQs and respond as aggressively as possible to main the position as the

Supplier of choice.

Purchased Item Qualification. Product supplied to Buyer is to be free of defects per documented requirements. Supplier is responsible for the quality and performance of each of the components that comprise the final product, including those components that are purchased from other sources.

If applicable, Buyer purchased product qualification process is comprised of a review of first articles combined with a data review. The following section describes the qualification elements.

First Article Submission (See QAR6). If required, First Article Inspection submission and approval is required before the 1st delivery of this line item order. It is suggested that Supplier use their own forms as long as they contain the following information at a minimum. If Supplier does not have a documented process/form Buyer will supply a FAI form. Buyer reserves the right to waive FAI requirements. If so, Buyer Quality Assurance will notify the Supplier in writing. This notification must be included with the shipment of parts.

- *FAI required items.*
 - Verification to all notes are documented (Targets and actual to the notes)
 - Quality Signature
 - Purchase Order Number
 - Quantity
 - Part Number
 - Revision
 - Any deviations/waivers associated with this line item order

Qualification. Upon review of the submitted data package, Buyer will determine readiness to qualify the product based upon acceptance of first article sample(s) and inspection report

Supplier listed within the Buyer contract must ensure the following:

- Ensure that externally provided processes remain within the control of its quality management system
- Define both the controls that it intends to apply to an external provider and those it intends to apply to the resulting output.
- Take into consideration:
 - The potential impact of the externally provided processes, products, and services on the organizations ability to consistently meet customer and applicable statutory and regulatory requirements
 - The effectiveness of the controls applied by the external provider
 - The results of the periodic review of external provider's performance
 - Determine the verification, or other activities, necessary to ensure that the externally provided processes, products, and services meet requirements.
 - Competence, including any required qualification of persons;

Verification activities of externally provided processes, products, and services shall be performed according to the risks identified by the organization. These shall include inspections or periodic testing as applicable, when there is high risk or nonconformities including counterfeit parts.

Process Changes. Supplier must obtain Buyers prior approval before making any changes to the process used to manufacture a product being supplied. While manufactured items are governed by manufacturing drawings, process changes could pose a risk that must be evaluated in advance.

Sub-Tier Suppliers. Supplier is required to notify Buyer in advance of outsourcing work to sub-tier suppliers or before making changes to any sub-tier suppliers being used and/or the location of work being performed. Buyer requires the right to review and approve sub-tier suppliers before they are used consistent with the Buyer process used to approve the original Supplier. When sub-tier suppliers are approved, Supplier is required to flow-down all applicable requirements to sub-tier suppliers including technical drawings, regulatory requirements, this document, etc.

Quality System and Right of Access. Supplier shall be certified to or maintain a quality system in compliance to the latest revision of AS9100, IS9001 or ISO 13485 (Depending on the item being procured). Buyer, its customers and/or regulatory agency shall be allowed right of access to visit Supplier's facilities to monitor the items being procured for Buyer to determine and verify the quality of work, records and material(s). Buyer will provide advance notification of such visits, whenever possible to avoid disruption of planned schedules. All product not meeting form, fit or function shall be reported to Buyer.

Verification activities conducted by Buyer or its customer shall not be used as evidence of effective control of quality and shall not absolve the Supplier of the responsibility to provide acceptable product or service, nor shall it preclude subsequent rejection by Buyer or its customer.

Employee Awareness. Buyer requires Supplier to promote a culture of employee awareness of their contribution to product and service quality, their contribution to product safety, and the importance of ethical behavior.

Purchase Order Confirmation. Buyer will issue formal purchase orders to Supplier. Upon review and acceptance of Buyer's requirements, Buyer requires that all orders are confirmed by Supplier. The confirmation is to be formal and contain:

1. Price
2. Quantity
3. Delivery date (at Buyer's location)
4. Anticipated form of shipment
5. Written exceptions or exclusions to our basic PO terms.

Conflict Material Avoidance (See QAR21). Supplier (Approved and Conditionally Approved) is required to review all materials and components which are necessary for the functionality or production of the goods being sold under this Order and determine if any of the "Conflict Minerals" are present, and if

so, to determine the country of origin (where the minerals were originally mined and processed) or whether the minerals originated from scrap or recycled sources. To the extent your firm does not purchase the Conflict Minerals directly, this information must be flowed down to the appropriate sub-tier suppliers. In any case at any given time, your firm may be required to prove out any conflict material by returning the certificate or completing and returning the most current version of form CSFI_CMRT found at WWW.conflictreesourcing.org . There are no exceptions for "insignificant" amounts of Conflict Minerals. So, for example, if you provide printed circuit boards which contain a small amount of gold, you use a small amount of tin in the production process of your goods or a contact contains gold plating, those minerals should also be included. This inquiry applies to any conflict minerals purchased after January 31, 2013.

Traceability (See QAR10). Each item / container supplied on this purchase order must be permanently marked with a minimum of one unique identified; Lot Number, Date Code or Serial Number which can consists of any combination of numbers and letters. Alpha and numeric letters must be clearly distinguishable. Unless agreed to in writing from Buyer, Supplier must ensure that Serial Numbers are not duplicated for previous or future shipments of the same part number. Any deviation from this QAR will require a waiver from Buyer's Quality Assurance.

* NOTE it is understood based on Supplier batch production that Lot Numbers and Date Codes may duplicated. This will be accepted by Buyer.

Counterfeit Parts Prevention. A Counterfeit part is defined below and is not limited to;

1. A purchased part that is an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer.
2. Any part that does not have the correct materials or parts required by the Original Equipment Manufacturer or that is not built like the Original Equipment Manufacturer design.
3. Any part that is used, refurbished or reclaimed but the seller represents as being a new part.
4. An item that has not successfully passed all Original Equipment Manufacturer required quality control but that Seller represents as having met or passed such requirements.
5. A part with markings intended to mislead a person into believing the part is not Original Equipment Manufacturer.

Supplier shall maintain a Counterfeit Item risk mitigation process internally and with its suppliers using SAE AS5553, AS6049 or AS6081 as a guide. Supplier shall participate in the GIDEP (<https://members.gidep.org/mgmt/mgmt.htm>) monitoring and acting on GIDEP reports which affect product delivered to Buyer. When suspect or confirmed counterfeit parts associated with this purchase order are discovered Supplier shall issue a GIDEP report and shall ensure suspect counterfeit items are not delivered to Buyer. Supplier shall immediately notify Buyer with all information that pertains to parts supplied to Buyer as soon as Supplier becomes aware in accordance with Buyer purchase order QAR's. When requested by Buyer, Supplier shall provide Original Equipment Manufacturer documentation that authenticates traceability of the affected items. Supplier shall provide evidence of the Sellers risk mitigation process to Buyer if request.

In addition to certifying product delivered complies with purchase orders or agreements, a Certificate of Conformance establishing traceability to the manufacturer and/or its authorized distributor shall accompany the shipment of electronic parts and assemblies with electronic parts to Buyer.

NOTE:

AS5553: Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition

AS6496: Fraudulent/Counterfeit Electronic Parts: Avoidance, Detection, Mitigation, and Disposition - Authorized/Franchised Distribution

AS6081: Fraudulent/Counterfeit Electronic Parts: Avoidance, Detection, Mitigation and Disposition

RoHS Compliance. RoHS requires product to be in compliance with Directive 2011/65/EC of the European Parliament unless otherwise specified in purchasing or requirements documentation. The maximum concentration values in weight percent are as follows:

0.1%	for Lead (Pb), Mercury (Hg), Hexavalent Chromium (Hex. Cr)
0.01%	for Cadmium (Cd)
0.1%	for Polybrominated Biphenyl and Polybrominated Biphenyl Ether (PBDE) flame retardants

Upon request, Supplier shall provide documentation that demonstrates that the product is in compliance.

Ozone Depleting Substances – Chlorofluorocarbon (CFC) & Hydrochlorofluorocarbon (HCFC)

No use of ozone depleting substances (CFCs or HCFCs) shall be used to manufacture product shipped to Buyer.

Records (see QAR16). Supplier shall have a process/system for establishing and maintaining control of documents/records and the supporting data that underlies any certification. Records shall have traceability to contract / purchased products, drawings, revision levels, and specification numbers (when required) that indicated acceptable product. Inspection records are to indicate (at a minimum)

- Acceptable requirements of the item
- The number of observations made
- Quantities approved and Rejected
- Disposition

Records are to be maintained for a minimum of 10 years. After 10 years, Supplier must give Buyer the option to maintain/retain these records. Buyer reserves the right to audit these records or any supporting documentation at any time.

DPAS & Rated Contracts. Buyer may be awarded contracts that are part of an authorized program under the Department of Defense's Defense Priorities and Allocations System (DPAS). If you are part of the supply chain to fulfill Buyer's rated contracts, there are special requirements with which you must comply. Purchase orders/scheduling agreements identify items that are rated and are indicated as such with the corresponding contract number. Requests for quotation concerning rated product are identify as such at time of solicitation.

All contracts, subcontracts or purchase orders in support of an authorized program are given a priority

rating by the US government – DX or DO. These ratings are defined as:

DX rating -- Those programs of the highest national priority; the President has to approve a DX rating for a program.

DO -- Programs that are vital to national defense; the Secretary of Defense has to approve a DO rating for a program.

A DX rating takes priority over a DO rated program which takes priority over an unrated/commercial program.

There are four basic provisions under DPAS:

- (1) **Mandatory Acceptance** A contractor, subcontractor, or supplier shall accept a rated order when: They make the item; Normal terms of sale apply; and they can meet delivery dates required the contract Exceptions are found in 15 CFR 700.13(b).
- (2) **Mandatory Extension** Contractors are responsible for extending the received rating to their suppliers to obtain items needed to fill rated orders or to obtain replacements of inventoried items.
- (3) **Priority Scheduling Operations**, including the acquisition of all needed production items, shall be scheduled to satisfy the delivery requirements of each rated order.
- (4) **Customer Notification Requirements** A rated order shall be accepted or rejected, in writing, within 15 working days for DO rated orders and 10 days for DX rated orders.

It is imperative that Supplier understand and prioritize these orders accordingly. All orders that are rated DX or DO are noted as such on your purchase order and/or vendor schedule. If you have any questions determining rated orders from Buyer, please contact Buyer's POC.

By acceptance of a PO from Buyer, Supplier has indicated acceptance of Supplier responsibility to fulfill the DPAS requirements.

Warranty. Supplier warrants parts shipped to Buyer to be free from defects in materials and workmanship for a minimum of one year, unless otherwise stated in the contract or PO, from the date of receipt by Buyer. The supplier shall replace or repair any part which has any defect, provided that the supplier receives notification of the defect during the period of warranty. Buyer will return the defective item freight-collect to Supplier.

Nonconforming Material. Buyer reserves the right to return to Supplier any defective product received by Buyer from Supplier, including product sent to a third-party at Buyer's discretion.

Buyer shall have the following options available regarding rejected procured items and "line down" situations resulting from those items failing to comply with Buyer specifications and/or requirements.

1. In the event of a line-down or stop production situation at Buyer's, it is expected that Supplier responds to Buyer with resources and actions to address the situation within 24 hours of notification.
2. Buyer may require Supplier to rework/sort rejected material on Supplier's premises or at Buyer's premises. Supplier shall complete this activity within a period agreed by Buyer and Supplier and scheduled such that Buyer's commitments to customers are not affected wherever possible.
3. Buyer may choose to sort, rework or repair rejected items itself in order to ensure uninterrupted manufacturing. However, Supplier is responsible for the cost of sort, repair and or rework of all Supplier induced defects, even if Buyer chooses to have this work done by a subcontractor. In cases where Buyer designates a subcontractor to do the work, the subcontractor will bill

Supplier directly.

4. Buyer may obtain a refund from Supplier on any price paid for the rejected items.
5. Supplier may choose to have the sort, rework or repair done by a third party. Buyer may initiate negotiations, but only Supplier shall negotiate directly with the third-party as to costs associated with the sort, repair or rework of the defective product. The third-party shall bill Supplier directly.

Supplier must notify Buyer of any quality or reliability problems identified prior to shipment to Buyer. Buyer must formally approve Supplier to ship non-conforming product prior to shipment. In the event Supplier identifies product to be non-conforming after shipping to Buyer, Supplier must notify Buyer's Quality immediately upon discovery. Supplier must ensure product meets form, fit and function as defined by Buyer.

Buyer Supplied Product. When Supplier uses any Buyer consigned parts, and those parts fail to meet Supplier's acceptable quality requirements, such parts must be rejected by the Supplier prior to production usage. Such rejection shall be accompanied by a written notice to Buyer.

Upon rejection by Supplier, Buyer shall have the option of directing Supplier to use the part "as is," or to sort, repair, replace, and/or return the rejected parts.

Buyer shall be liable:

- Only for those expenses such as transportation, sort, repair, rework, adjustment, and/or replacement work in the correction of parts.
- Only when notice has been provided as described in this section.
- Only to the extent that these expenses have been authorized in the Buyer PO or Contract.

Buyer will waive its right of rejection of assemblies, items, or parts if Buyer directs Supplier to use on an "as is" basis, and the sole cause of rejection is the nonconforming, Buyer consigned part.

RMA Process. Supplier shall be notified by Buyer of rejected items and agrees that within 24 hours of being notified Supplier shall provide an RMA to the responsible Buyer representative. If an RMA is not provided within a "reasonable" time period, the rejected items, together with the rejected shipment, will be returned to the Supplier without an RMA number.

Request for Deviation to Specified Requirements or Quality Assurance Code

In the event that Supplier has to request a deviation from Buyer specifications and requirement, the request must be documented and include the following data:

1. Part Number(s) affected
2. Purchase Orders (& line items) affected
3. Quantities and/or lot number(s) affected
4. Reason or justification for waiver

Only upon formal (written) approval by Buyer's Quality group, is Supplier authorized to ship non-conforming product. Supplier is not authorized to make changes to Buyer specified materials, processes, designs, prints, tooling, manufacturing locations, or selection of sub-tier suppliers of Special

Processes without formal (written) approval from Buyer's Quality. (Special processes are as defined by ISO9001 / AS9100 or ISO 13485)

Packaging and Shipping. Product shall be shipped to Buyer in a manner which minimizes shipping damage, streamlines the receiving process and maximizes cost benefits. It is the shipper's obligation to ensure that all packaging methods comply with all applicable laws and regulations. It is also the shipper's responsibility to ensure that product is economically packaged and palletized in a manner such that containers and their contents arrive at their final destination free from damage. If special shipping requirements are required, the purchase order will define requirements.

Supplier Performance Management. Buyer regularly monitors Supplier performance, including but not limited to, quality, delivery and cost. Where Supplier performance is unacceptable or degrading, Buyer along with Quality will notify Supplier and request an action plan for correction/improvement. Periodic report cards are processed by Buyer and are communicated to each Supplier.

Surveillance Assessments. Buyer reserves the right to visit Supplier and sub-tier supplier for the purpose of performing an on-site assessment. The purpose is to assess Supplier's ability to comply with Buyer specifications, and to audit production facilities for compliance to practices consistent with the requirements of AS9100 / ISO 9001, ISO13485 or other applicable National or International standards. Assessments may be conducted by Buyer or Buyer's Agents to verify that Supplier is maintaining a satisfactory quality system, process and/or product controls.

Supplier Corrective Action Process

Upon discovery of non-conforming product or a situation of risk to Buyer, Buyer will issue a request for Supplier corrective action (SCAR). Supplier must complete the following and provide written updates to Buyer until the situation is fully corrected and Buyer verifies effectiveness.

1. Containment actions.
2. Root cause analysis and identification.
3. Corrective action plan (with activities, due dates and owners) to prevent recurrence.
4. Preventive action plan (with activities, due dates and owners) to prevent recurrence with similar processes/products.
5. Verification of action effectiveness.

Supplier will have 10 working days to acknowledge the SCAR and up to 90 days to close, this does not include proving out the effectiveness of the SCAR.

Employee Awareness. Buyer requires Supplier to promote a culture of employee awareness of their contribution to product and service quality, the contribution to product safety, and the importance of ethical behavior.

Confidentiality. Supplier must maintain the confidentiality of information entrusted to them by Buyer except when disclosure is authorized by Buyer or required by applicable laws or regulations. Confidential information includes all non-public company information and customer information that might be of use to competitors or investors or harmful to Buyer or the person to whom it relates if disclosed. Proprietary information includes any information that is not known generally to the public or

would be helpful to competitors of Buyer. This includes intellectual property, business, marketing and service plans, designs, databases, and unpublished financial data and reports. Unauthorized use of this information could be illegal and result in civil or criminal penalties.

The obligation to preserve the confidentiality of proprietary information continues even after Supplier personnel cease to have a relationship with Buyer.

Gifts and entertainment. As long as a gift and entertainment are not intended to obtain favorable treatment for Supplier and does not create the appearance of a bribe, kickback, payoff or irregular type of payment, gifts and entertainment may be provide as long as they:

- Are \$50 or less in value.
- Public disclosure would not embarrass either company.
- Acceptance is consistent with each company's business practices.
- Acceptance of the gift or entertainment does not violate any applicable law.

i3 Assembly and i3 Microsystems Procurement Terms and Conditions

Acceptance of Order. This Order becomes a binding contract (1) when Buyer receives the Acknowledgment Copy of this Order signed by Seller, or (2) when shipment according to schedule of all or any portion of the goods covered by this Order shall be made, or (3) when Buyer gives Seller written approval of the price and delivery schedule of the goods as stated by Seller if Seller's written acknowledgment of this Order contains a different price or delivery schedule or a different type of item from Buyer's original Purchase Order, or (4) Seller acquiesces Buyer's Order in written communication with Buyer. Except as provided in the preceding sentence, it is a condition of this Order that any provisions printed or otherwise contained in any written document or acknowledgment hereof, inconsistent with or in addition to the terms and conditions herein stated, and any alteration in this Purchase Order, shall have no force or effect, and Seller agrees that any such provisions therein or any such alterations in this Order shall not constitute any part of this contract of purchase and sale. This Order shall constitute the entire agreement between the parties unless modified in writing and signed by Buyer provided, however that where express provisions on the front of this Purchase Order or in any other written correspondence between Buyer and Seller expressly referenced on the front of this Purchase Order are inconsistent with any terms in this Purchase Order, then said express provisions shall prevail.

Delivery. Delivery must be affected within the time stated on the face of this Purchase Order. Buyer's production schedules are based upon the agreement that the goods and/or services will be delivered to Buyer by the dates specified on the face of this Purchase Order. **TIME IS THEREFORE OF THE ESSENCE** and if goods or services are not delivered within the time specified hereon, Buyer may reject such goods, cancel this Order, or purchase elsewhere and hold the Seller liable for any loss or damage. Buyer may, from time to time, change delivery schedules or direct temporary suspensions of scheduled shipments by written supplements to this Order.

Delivery Terms. Unless otherwise stated on the face of this Order, all deliveries shall be FOB shipping point.

Title. Title to the goods shall pass to Buyer upon Buyer's receipt.

Anticipation of Delivery Schedule. Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Buyer's delivery schedule. It is Seller's responsibility to comply with this schedule, but not to anticipate Buyer's requirements. Goods shipped to Buyer ahead of schedule are subject to refusal and return at Seller's expense.

Quantities/Over Shipments. It is Seller's responsibility to furnish the proper quantity called for on this Purchase Order. The Buyer reserves the right to return excess shipments at Seller's expense.

Nonconforming Goods. All goods (i) not fully up to standard and not in compliance with the Buyer specification, (ii) shipped contrary to instructions (including but not limited to the requirements of Packing/Packaging below), (iii) in excess of the quantities herein provided, (iv) substituted for goods described, (v) not shipped in containers conforming to Buyer's specification (or, in the absence of such specifications, in recognized standard containers), or (vi) believed in good faith to violate any statute, ordinance, or administrative

Order, rule or regulation, may be rejected by Buyer and returned or held at Seller's expense and risk. Buyer may charge to Seller all expense of inspecting, unpacking, examining, repacking, storing, and reshipping any goods rejected in accordance with this provision. The remedies herein above afforded to Buyer shall not be exclusive, but Buyer may hold Seller liable for any and all damages arising from any breach or default herein above set forth. Seller cannot change any Form, Fit, or Function without notification to Buyer or without prior Buyer written approval.

Packing/Packaging. Each package shall be numbered and labeled with Buyer's Order number, part number, contents, country of origin, weight, quantity and shall contain an itemized packing slip, and shall be properly prepaid for shipment so as to secure lowest transportation and insurance rates and to meet carrier's requirements, unless otherwise specified. Packing slips shall contain Buyer's Order number, release number, Buyer part number, item description, quantity and country of origin. No charges will be allowed Seller for packing, breaking, freight, express, or cartage, unless stated herein. All Products shall be suitably packaged in accordance with standard commercial packing practices and the carrier's tariffs unless the parties have agreed on particular packaging requirements.

Changes. The Buyer shall have the right to make changes, from time to time, as to any one or more of the following: (1) Drawings, designs or specifications where the goods or services to be furnished under this Purchase Order are to be specifically provided to the Buyer in accordance therewith; (2) Method of shipping or packing; (3) Place of delivery; (4) Delivery schedules.

Inspection and Acceptance. All goods (including raw materials, work in process and end items) shall be subject to inspection and test by Buyer or its designee at all times prior to shipment by Seller. Final inspection and acceptance shall be at Buyer's premises by Buyer (or, if delivered to Buyer's customer, at ultimate destination). If any of the goods are found at any time to be defective in material or workmanship (including products damaged because of unsatisfactory packaging by Seller), or otherwise not in strict conformity with the requirements of this Purchase Order, including drawings, designs and specifications and approved samples, if any, Buyer, in addition to any other rights which it may have under warranties or otherwise, shall have the right to (1) reject and return such goods at Seller's expense and receive full credit for any such rejected goods; (2) upon written request, require correction or replacement of any such rejected goods without additional cost to Buyer; (3) retain and use the goods with an equitable reduction in purchase price; or (4) with prior authorization from Seller, rework parts to conforming and charge Seller agreed upon rates for performing rework. Rejected products returned to Seller shall not be reshipped to Buyer without prior written authorization. Seller shall bear all risks as to rejected goods after notice of rejection. Payment shall not be construed as constituting acceptance.

Buyer's Property. Unless otherwise agreed in writing, all tools, equipment or material of every description furnished to Seller by Buyer or specifically paid for by Buyer and any replacement thereof, or any material affixed or attached thereto shall be and remain the personal property of Buyer. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's Orders. Seller shall ensure that such property shall be kept separate from other materials or tools, shall be clearly identified as the property of the Buyer, and Seller agrees to supply detailed statements of inventory at regular intervals. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer and shall be subject to removal at Buyer's written request, in which event Seller shall prepare such property for shipment and shall redeliver to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted. Buyer reserves

the right to inventory or inspects such property upon reasonable notice to Seller at any time and to file any UCC statements it reasonably believes necessary to evidence its interest.

Buyer's Design and Drawings. All right, title and interest in and to drawings, prints and specifications shall remain with the Buyer, and Seller agrees that drawings and specifications shall only be used in connection with this Order, shall not be used for any other purposes, shall not be disclosed to any other person, firm or corporation, except to the extent required to have sub tier supplier work performed in fulfillment of this Order, shall be considered proprietary and shall be returned promptly to the Buyer (if so requested), shall be destroyed by Seller upon completion of Order. All specifications, drawings, and data submitted by Buyer or approved by Buyer that relate to the goods are incorporated by reference into this Agreement. Seller must obtain Buyer's consent prior to making changes to: i) Product specifications, ii) materials used in making the Products, or iii) processes or methods used in manufacturing the Products (including quality control processes).

Quality. Seller must conform to this document and other Buyer Documents referenced therein, a copy of which has been provided to Seller. Seller will inform Buyer of any recognized manufacturing quality standards to which it conforms, and upon request provide copies of any certifications or registrations that document compliance with such standards. Seller also will implement and maintain, without additional cost to Buyer, a system of inspecting the Products before shipment to Buyer to assure that the Products meet their respective specifications. The inspection system will be subject to Buyer's approval, which will not be unreasonably withheld. The inspection system will include preparing and maintaining written records of the results of all inspections of Products shipped pursuant to this Order, and Buyer will have reasonable access to such inspection records during the term of this Agreement.

Buyer may inspect all Work at reasonable times and places, including, when practical, during manufacture and before shipment. The Buyer shall perform such inspections / reviews in a manner that will not unduly delay the Work. The Buyer shall provide information, facilities, and assistance necessary for safe and convenient inspection without additional charge.

Right of Access. Upon reasonable notification, Buyer reserves the Right to Access by Buyer, Buyer's Customer, Buyer's Customer's designated representative and/or Regulatory authorities to all facilities, at any level of the supply chain involved in the order and to all applicable records.

Delivery. If Seller ships Product in excess of the quantity shown due on a particular date, or more than three (3) calendar days in advance of the scheduled delivery date(s) (Over shipments) at Seller's risk and expense, or to defer payment on advance over shipments until the delivery date scheduled for the relevant Products. Seller will notify Buyer immediately upon determining that it cannot meet a delivery date or that only a portion of Products will be available for shipping in time to fulfill a delivery date. Partial shipments are permitted only with Buyer's prior authorization. Buyer may, at its option, either approve a revised delivery schedule or require Seller to ship the Products when available by an expedited means of transport. Seller shall pay the increased cost of expedited shipping over standard shipping costs.

Subcontracting and/or Assignment by Seller. No contract shall be made by Seller with any other party for furnishing any of the completed or substantially completed goods, nor shall Seller sell and/or assign this Order or any part hereof or any monies due or to become due hereunder without the prior written approval of Buyer.

Advertising. Seller shall not, without first obtaining written approval of Buyer, in any manner advertise or

publish the fact that the Seller has furnished or contracted to furnish to Buyer the articles mentioned herein, nor shall Seller in any manner advertise or utilize for advertising purposes Buyer's part numbers or other identification data.

Pricing. Seller will provide the goods and/or services subject to this Purchase Order at the prices set forth on the face of this Order. Seller may not bill at prices higher than stated on the face of this Purchase Order without the written consent of Buyer. Seller agrees that any price reduction made on materials covered by this Order, which is instituted before delivery will be applicable to this Order. No variations in the delivery schedule, quantity, specifications, or other provisions of this Order will be effective unless agreed to in writing and signed by the Buyer.

Most Favored Nation. Seller warrants that the prices for the Products are not less favorable than those currently extended to any other customer for the Products in equal or less quantities. If Seller establishes or offers a lower price for the sale of the Products in such quantities during the term of this Order, either generally or for any one sale to any other customer, Seller agrees to reduce the prices of Products under this Order correspondingly

Taxes. Except as otherwise specifically agreed or required by law, Seller will pay or assume all taxes imposed upon or in connection with the sale or furnishing of the products including all federal, state or municipal excise and personal property taxes on any property in the possession of Seller until its delivery to Buyer, whether taxable to Buyer or Seller under applicable State or municipal law; provided, however, that each party shall be responsible for its own income taxes.

Export/Import Controls. a) If any of the goods are imported into any other country, Seller will be responsible for all legal, regulatory and administrative requirements associated with any importation and the payment of all associated duties, taxes and fees. (b) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services, the Seller hereby certifies that it has registered with the U.S. Department of State Directorate of defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR"). (c) Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Seller agrees that no technical data, information or other items provided by the Buyer in connection with this Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of the Buyer and the Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR-controlled technical data or items. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller. (d) Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended or revoked.

Invoices. All invoices must reference Buyer's purchase Order number. All invoices must be provided immediately upon shipment of goods. Buyer will not pay invoices received for processing after 30 days from the receipt of goods at Buyer's dock. Invoices received by Buyer which are either missing required information or discrepant to the Purchase Order issued by Buyer, will not be posted for payment until resolved by Buyer. Upon resolution, the invoice will be posted and paid according to regular terms, which shall commence on the day of

invoice resolution.

Terms of Payment. Unless this Purchase Order states otherwise, the terms of payment will be net sixty (60) days after Buyer receives Seller's valid invoice. In the event Seller has not received payment as agreed, Seller will notify Buyer and Buyer will make prompt payment.

Setoff and Counterclaim. Buyer shall have the right, in addition to any other action permitted by law, to offset the amount of any liability of Seller to Buyer, whether under this Order or otherwise, against the unpaid purchase price for the product otherwise due the Seller. The Buyer's right to set off against the unpaid purchase price shall not be deemed the Buyer's exclusive remedy for the Seller's breach of any representations, warranties, or agreements set forth in this Order.

Exchange of Information. Unless required otherwise by law, all information exchanged by the parties will be considered non-confidential. If the parties require exchange of confidential information, such exchange will be made under a confidentiality agreement. Notwithstanding anything herein to the contrary, Seller will not publicize the terms or conditions of this Agreement. Seller will use information regarding this Agreement only in the performance of this Agreement and will not disclose such information to any third parties without Buyer's written authorization.

Warranties. Seller warrants that: (1) it has the right to enter into this Agreement and its performance of this Agreement will not violate the terms of any contract, obligation, law, regulation or ordinance to which it is or becomes subject; (2) Seller owns the goods and raw materials free and clear and no claim, lien or action exists or is threatened against Seller that would interfere with Buyer's use or sale of the goods; (3) goods are free from defects in design, material, workmanship and will conform to the warranties, specification and requirements in this Agreement for a period of one (1) year from final acceptance; (4) none of the goods contain nor are any of the goods manufactured using ozone depleting substances known as halons, chlorofluorocarbons, methyl chloroform and carbon tetrachloride; (5) goods are new and do not contain used or reconditioned part; (6) if a part or assembly is to be used in a final assembly that must be U.L. compliant, a Certificate of Conformance to the appropriate U.L. Standard will be included in the shipment, unless a blanket "C of C" for the current year is on file; (7) if a good is built to Buyer or Buyer's custom required workmanship standard, a Certificate of Conformance to the applicable standard must be included in each shipment, unless a blanket "C of C" for the current year is on file with the Buyer; (8) goods and services do not infringe any intellectual property right of any third party. In the event Seller breaches any warranty, Buyer at its option may either require Seller to promptly repair or replace the defective materials at no cost to Buyer or may avail itself cumulatively of all other remedies in law or in equity. The foregoing warranty shall run to Buyer (its successors, assignees, subsidiaries and affiliates) and to Buyer's customers in the event of resale or incorporation into Buyer's products.

Work on Buyer's or Its Customer's Premises. If Seller's work under this Order involves operations by Seller on the premises of Buyer or one of its customer's Seller shall take all necessary precaution to prevent the occurrence of any injury to persons or property during the progress of such work, and except to the extent that any such injury is due solely and directly to Buyer's or its customer's negligence, as the case may be, shall indemnify Buyer against all loss which may result, in any way, from any act or mission of Seller, its agents, employees, or subcontractors, and Seller shall maintain and furnish Buyer with copies of such public liability, property damage and employer's liability compensation insurance as will protect Buyer from said risks and from any claims under any applicable Worker's Compensation and Occupational Safety Act. Buyer shall be notified

within thirty (30) days of any cancellation or changes to Seller's coverage.

Termination. Buyer reserves the right at any time and from time to time, without Cause and upon ten (10) days written notice, to cancel all or any part of the undelivered portion of this Order. Upon such termination, Seller will immediately: (1) cease work; (2) prepare and submit to Buyer an itemization at cost of all completed and partially completed goods and/or services; and (3) deliver to Buyer goods satisfactorily completed up to the date of termination at the agreed upon prices in this Purchase Order. Buyer shall not be liable to Seller for loss of anticipatory profits. Buyer will compensate Seller for the actual and reasonable expenses incurred by Seller for work in progress up to and including the date of termination, provided such expenses do not exceed the agreed upon prices. Seller will take all reasonable steps to mitigate Buyer's exposure under this provision.

Patent and Other Rights. If this Order is in whole or in part for the development of a product and/or process or for any item as to which Buyer furnishes the specifications, Seller hereby conveys to Buyer (i) all right, title and interest in and to any inventions, data and know-how (whether covering processes, formulae, designs, techniques, assembly, manufacture or otherwise and whether patentable or unpatentable) conceived or first reduced to practice in connection with work called for under this Order, and (ii) a perpetual royalty-free right and license (with right to sublicense) to utilize any patents, inventions, data and know-how of Seller, or any of its subcontractors hereunder, which are incorporated in or utilized in connection with the product and/or process delivered hereunder. Seller agrees to keep and preserve proper engineering and of the records and to make such records available to Buyer upon request. Seller agrees to execute and deliver all and other records and to make such records available to Buyer upon request. Seller agrees to execute and deliver all such documents and instruments as Buyer may, from time to time hereafter, reasonably require to give effect hereto or to enable Buyer to more fully or conveniently enjoy the rights purchased hereunder. Seller and its employees shall, upon request, execute all papers necessary to assign such discoveries, invention and designs to Buyer and to cause at request, execute all papers necessary to assign such discoveries, inventions and designs to Buyer and to cause at Buyer's expense patent application to be filed thereon in favor of Buyer. The decision as to whether to file patent applications and to prosecute same shall be made solely by Buyer. Seller will promptly disclose to Buyer in writing any rights acquired under sub-clause (i) hereof and will notify Buyer in writing prior to incorporating in the product and /or process called for hereunder anything covered by an existing or pending patent of Seller or any of its subcontractors.

Reproduction Rights. Seller grants to Buyer the right to reproduce, use and disclose to third parties in connection with the use, re-procurement, maintenance, and service of the goods supplied hereunder, all reports, drawings and reproductions of the data and technical information delivered to Buyer.

Governing Law. This Purchase Order, the acceptance of it and the performance by the parties hereunder shall be construed in accordance with the internal laws (excluding the laws relating to conflicts) of the State of New York. The United Nations Convention for the International Sale of Goods does not apply. The captions used herein are for the convenience for the parties only and shall not affect the construction or interpretation hereof.

Construction. As used in this Order, neutral pronouns and any variations thereof will be deemed to include the feminine and masculine, and all terms used in the singular will be deemed the plural, and vice versa, as the context may require. The words "hereof," "herein," and "hereunder" and other words of similar import refer to this Order as a whole, as the same may from time to time be amended or supplemented, and not to any subdivision contained in it. Forms of the word "including," when used herein, mean inclusion without limitation. This Order will be interpreted in accordance with its terms and without regard to the manner of its negotiation or

drafting.

Severability. If any provision of this Order, or part thereof, is held to be invalid, void or illegal, it shall be severed from this Order and shall not affect, impair, or invalidate any other provision, or part thereof, and it shall be replaced by a provision which comes closest to such severed provision, or part thereof, in language and intent, without being invalid, void or illegal.

Compliance with Cybersecurity Regulations NIST 800-171. All contractors that provide goods and/or services in connection with the U.S. Department of Defense (DoD) programs are required by law to comply with DFARS 252.204-7012, which mandates the protection of Controlled Unclassified Information (CUI)/Controlled Technical Information (CTI) that are collected, developed, received, transmitted, used or stored by or on behalf of the contractor in support of the performance of a DoD contract. This obligation is required to be flowed down to all subcontractors (including commercial items suppliers) of every tier. This DFARS clause specifically mandates that companies meet the 110 IT security standards detailed in the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171. This DFARS clause also imposes a reporting obligation of “within 72 hours of detection” of a cyber incident involving CUI/CTI to the DoD at <https://dibnet.dod.mil/portal/intranet>.

Compliance with Law. (a) Seller warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, Orders, rules, ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Seller certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12 and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and Orders of the United States Department of Labor under section 14 thereof, if applicable. (b) Seller warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements. (c) Seller warrants that in the performance of this Purchase Order, it will comply with all applicable U. S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state or local statutes, laws, rules or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty or expense whatsoever that Buyer may suffer as a result of Seller’s failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order. (d) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller. (e) For Orders placed in support of and charged to a U. S. Government Prime Contract or subcontract there under procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated herein by reference. In all clauses listed herein the terms “Government” and “Contractor” shall be revised to identify properly the contracting parties under this Purchase Order. The Seller shall include the terms of this Article, including this Section (e) in all purchase Order or subcontracts awarded under this Purchase Order.

1. Utilization of Small Business Concerns 52.219-8
2. Equal Opportunity 52.222-26
3. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans

52.222-35

4. Affirmative Action for Workers with Disabilities 52.222-36
5. Subcontracts for Commercial Items 52.244-6
6. Preference for Privately Owned U.S.-Flag Commercial Vessels 52.247-64
7. Preference for Domestic Specialty Metals-Alternate 1 (DoD Contracts) 252.244-7000
8. Transportation of Supplies by Sea (DoD Contracts) 252.247-7023
9. Notification of Transportation of Supplies by Sea (DoD Contracts) 252.247-7024
10. Audit and Records—Negotiation 52.215-2
11. Prohibition of Segregated Facilities 52.222-21
12. Buy American Act—Supplies 52.225-1
13. Buy American Act— Certificate 52.225-3
14. Rights in Data—General 52.227-14
15. Excusable Delays 52.249-14
16. Termination for Convenience of the Government 52.249-2

Equal Employment Opportunity. When awarded, this Order is subject to provisions of Title 7 of the Civil Rights Act of 1964 and parts II, III, and IV of the Executive Order 11246, dated September 4, 1965. In connection with the execution of the contract, Seller shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment, without regard to their race, religion, color, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training including apprenticeship.

Affirmative Action Clause Concerning Employment for the Disabled: By accepting this Order (if it exceeds \$2500) the Supplier agrees that he/she will not discriminate against any employee or applicant for employment because of disabilities with regard to any position for which the employee or applicant is qualified. The Supplier agrees that he/she will take affirmative action to employ and advance in employment qualified individuals with disabilities. Rehab. Act., 29 U.S.C. Section 793 and the American with Disabilities Act (ADA), 42 U.S.C. Sections 1201 et seq.

Indemnity. Seller will defend, hold harmless and indemnify, including attorney's fees, Buyer and Buyer's personnel against any and all claims that arise or are alleged to have arisen as a result of defects in or defective performance of the product and for breach of any representation and/or warranty in this Order.

Intellectual Property/Indemnification. Seller warrants that the product furnished hereunder will not infringe any valid patent, trademark, copyright, trade secret or other third party right and that Seller will at its own expense defend, any and all actions, suits or claims charging Buyer or Buyer's customers with such infringement and will indemnify and hold harmless Buyer and its customer from such infringement both as to damages and costs.

Independent Contractor Relationship. Buyer and Seller are independent contractors under this Order. Nothing contained in this Order is intended to be construed so as to constitute Buyer and Seller as partners, agents or joint ventures with respect to this Order. Neither party shall have an express or implied right or authority to assume or create any obligations on behalf or in the name of the other party or to bind the other party to any contract, agreement or undertaking with any third party.

Safety Data Sheets (SDS). Seller's shipping to Orders for "Hazardous Materials" must have an SDS for every shipment made to Buyer and Seller must notify Buyer prior to shipment.

ESD Sensitive Material. ESD Sensitive Material shipping to this Order must be appropriately packaged and marked in accordance with i3A-541 and i3A-471. Seller must call or write if any materials on this Order were manufactured using Class 1 Ozone Depleting Substances.

ITAR Policy

The export of products, technical data and services of Buyer, including Buyer's subsidiaries and divisions are controlled by various United States export laws and regulations in the interest of national security and foreign policy considerations. This includes the export requirements of various government agencies including Department of State, Department of Commerce, Office of Foreign Assets Control, and others as applicable.

Buyer is a manufacturer, exporter, and service provider of defense articles, commercial and dual-use items as defined under the International Traffic in Arms Regulations (ITAR) 22 CFR 120-130 and the Export Administration Regulations (EAR) 15 CFR 730-744 which also includes Antiboycott compliance provisions under Part 760 of the EAR; and it is Buyer's policy to comply with these laws and regulations.

As such, Buyer holds accountable its vendors, suppliers, and subcontractors for which it does business with; on-site, off-site, or remotely accountable for compliance with U.S. Export Laws and Regulations in the United States and abroad.

An "export" is defined as:

- Sending or taking a controlled item out of the United States in any manner; or
- Disclosing (including oral or visual disclosure) or transferring in the United States any controlled item to an embassy, any agency or subdivision of a foreign government (e.g., diplomatic missions); or
- Disclosing (including oral or visual disclosure) or transferring controlled technical data to a foreign person, whether in the United States or abroad; or
- Performing a defense service on behalf of, or for the benefit of, a foreign person, whether in the United States or abroad.
- This includes any wholly-owned U.S. subsidiary in a foreign country.
- May, at times apply to any sale, transfer or proposal to sell or transfer controlled items or services.
- Applies to the ability to access controlled technology regardless of whether the technology was, or will be accessed.

Exports can also occur via telephone conversations, meetings, emails, etc.

Requirements. Buyer requires that its vendors, suppliers, and subcontractors provide export compliance certifications to Buyer that affirms the vendor, supplier, or subcontractor's understanding and commitment to compliance with export laws and regulations. This will be requisite before commencement of performance and at any time thereafter.

Suppliers, vendors, and subcontractors performing services for Buyer, where access to Buyer controlled technology will or could occur, are required to certify to the following:

- Any employee having access to hardware or information that is export controlled is a citizen or national of the United States, or permanent resident of the United States under the * Immigration and Nationality Act (8 USC Section 1101(a)(20)), or otherwise authorized for access in

accordance the applicable U.S. export control regulations;

- Supplier understands that the dissemination of export-controlled items, including technical data, is controlled under the Export Administration Act and/or the Arms Export Control Act;
- Supplier shall not disclose or transfer to any other person or organization any export-controlled hardware, including technical data, that may be disclosed, transferred, or accessible to the Supplier and its representatives by Buyer without the required U.S. government authorizations;
- Supplier has advised its employees who have access to Buyer hardware or information that is export controlled of their obligations regarding compliance to the above referenced regulations;
- Supplier shall be responsible for ensuring that the requirements of this certification are conveyed to all sub-tier suppliers, used by the Supplier, that may receive, or have access to any Buyer export-controlled hardware or information, including technical data;
- Supplier shall immediately notify Buyer Procurement Representative if it is, or becomes listed in any Denied Parties List or if its export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. Government entity or agency.
- Supplier agrees to indemnify Buyer for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Supplier of its officers, employees, agents, suppliers, or subcontractors at any tier, regarding the validity of these certifications.

Furthermore, U.S. incorporated vendors, suppliers, and subcontractors who are in the business of manufacturing or exporting defense articles or furnishing defense services are required to register with the Directorate of Defense Trade Controls, in accordance with 22 CFR 122.1.

Engaging in the business of manufacturing or exporting defense articles or furnishing defense services requires only one occasion of such activity. Manufacturers who do not “export” must nevertheless register.

For information on U.S. Export Controls and Exporter responsibilities refer to the appropriate U.S. Government agency.

Agency	Regulation	Description	Link
Department of Commerce: Bureau of Industry and Security (BIS)	Export Administration Regulations (EAR)	Regulates the exports of dual-use and commercial items,	http://www.bis.doc.gov/
Department of State: Directorate of Defense Trade Controls (DDTC)	International Traffic in Arms Regulations (ITAR)	Regulates the exports of military, intelligence, space and satellite items,	http://www.pmddtc.state.gov/

Visitors and Contractors - Access to Buyer Facilities

1. All visitors and contractors (suppliers, vendors, and subcontractors) must be scheduled for entry on the premises.
2. Visitors and contractors are required to inform the Buyer host of the citizenship status of each visitor.
3. Visitors and contractors are required to bring government issued photo ID for proof of person and citizenship status.
4. Visitors and contractors may not bring recording media (cameras, camera phones, and video) on the premises without authorization.
5. Visitors and contractors are limited to where they may go on the premises to that where they have official business to conduct.
 - a. Visitors must be escorted at all times.
6. All visitors and contractors will be issued badges that must be visibly worn on the person at all times.
 - a. Contractors who are foreign persons will be issued visitor badges and require an escort while at Buyer facilities at all times.
7. Foreign person visitors and contractors who will be on-site require additional protocol. This protocol further delineates the controls established by Buyer to prevent the transfer of controlled technical information to unauthorized persons.
 - a. The foreign person visitor is required to provide Buyer with the following information at least two days prior to the visit:
 1. Copy of current valid passport
 2. Full Name
 3. Citizenship Status, Birth Date, and Place of Birth
 4. Address
 5. Passport Number
 6. Employer Name
 7. Job Title
 8. Email Address, Telephone Number
 - b. Each foreign person visitor will be briefed by the Buyer supervising host on Buyer's Technology Control Plan, and required to sign a Non-Access Agreement at the beginning of each visit.
8. Violations are subject to security escort of visitor(s) or contractor(s) off the premises and possible debarment from future visits.

Documented Revision Information:

Initial Release Revision 1 4/25/2018 (Nate Toner)

12/13/2018 – Updated to include requirements to AS 6496 and AS 6081