

## **Section I: General Quality Assurance Requirements Applicable To All Purchase/Subcontract Orders;**

### **A. Quality System**

The Supplier's Quality System shall comply with ISO 9001:2008. All sample inspection must be done in accordance with ANSI/ASQ Z1.4, Level II inspection minimum with a=0, r=1 as the acceptance criteria.

### **B. Calibration – NIST**

During the performance of this order, the Seller must maintain a calibration system in accordance with BS/EN ISO/IEC 17025-2005 or ANSI Z540.1-1994 and records on inspection gauges and equipment used for product acceptance traceable to the National Institute of Standards and Technology (NIST).

### **C. Government/Customer Right of Access**

The Government and/or SV Microwave have the right to inspect any and/or all of the work included in this order at the Supplier's Plant. During performance of this order, your Quality Control or Inspection System and Manufacturing Processes are subject to review, verification and analysis by authorized Government/Customer Representatives. Government/Customer Inspection or release of product prior to shipment is not required unless you are notified.

### **D. Responsible for Conformance**

Seller is responsible for compliance to all the requirements of the Purchase Order including referenced Section II Quality Rider provisions listed herein. Performance of inspection and test by the Buyer's representative or the Buyer's Customer representatives at either the Buyer's or Seller's facility shall not relieve the Seller of responsibility to furnish items which conform to the requirements of the procurement document.

### **E. Certificate of Conformance**

Each shipment shall be accompanied by a legible and reproducible certificate of conformance to the procurement requirements, authenticated by the signature of an authorized representative, which shall include as a minimum;

**a. Seller's name and address**

**b. Manufacturer's name, if different from Seller's**

**c. Purchase Order Number**

**d. SV Part Number, Revision**

**e. Manufacturer's Part Number, Revision (if different than the SV Part Number) and Lot Number/Date Code**

### **F. Part Substitution Not Permissible**

Substitution of "equivalent" parts or materials is not permissible on this Purchase Order.

G. Traceability of Materials – General

The Supplier shall maintain traceability information to SV Microwave on all materials, parts and assemblies used in fabricating the product. Traceability shall be maintained to the Supplier's procurement documents, for a time period not less than 7 yrs, for materials used on this order. The supplier and his sub-tier suppliers shall retain all of their inspection, examination, test and certification records for a period of at least seven (7) years after the completion of this purchase order.

H. Lot Control

Lot control is required. Lot number/date code is to be identified on the outside of intermediate and or unit packages. When more than one lot/date code are shipped together, individual lot/date codes are to be segregated and identified on outside of intermediate packages. No shipments with Date Codes over 3 yrs old may be shipped without prior approval from SV Microwave.

I. Material Certificate Reports

Each shipment shall be accompanied by a legible and reproducible copy of actual test results of the material submitted, identified with specified test parameters defined. A parameter and test condition cross references must be supplied. These reports must be authenticated by the signature of an authorized representative of the agency performing the tests.

J. Material/Parts/Wire Identification

Materials, parts and spools of wire on this order must be legibly and permanently identified with:

- Purchase Order Number
- Gauge (Wire Only)
- Cure Date (as applicable)
- Military Specification Number (if applicable)
- Manufacturer
- Lot Number/Date Code
- Part Number
- RoHS Compliance/Non-Compliance statement

K. DFAR Material Compliance

DFARS 252.225-7008, Preference for Domestic Specialty Metals is applicable to all parts delivered on any PO to SV Microwave. Any specialty metals used in deliverable product must be melted in the United States or a qualifying country.

L. ITAR Notice

Documents included with this PO may be stamped "ITAR Notice" and contain technical data as defined in the U.S. International Traffic in Arms Regulations (ITAR) section 22 C.F.R 120.10. The technical data may not be exported, disclosed or transferred to any foreign person (including employees, consultants or agents) corporation or business associations, as defined in the ITAR section 22 C.F.R 120.16, whether in the United States or abroad without the prior written approval of the U.S. Department of State.

SV Microwave must immediately be notified if any Foreign Person has been employed, if any Foreign Subcontractor has been added or if the company has been purchased by a Foreign Person, Corporation or Country after being approved to supply product which may have been covered by Export Control restrictions.

#### M. Counterfeit Material Avoidance

Unless defined in a document with a higher order of precedence than this Quality Note, the following **definitions** shall apply herein:

- “Counterfeit Item” is defined to include, but is not limited to, (i) an item that is an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer (“OEM”) or Original Component Manufacturer (“OCM”) item; (ii) an item that does not contain the proper external or internal materials or components required by the OEM/OCM or that is not constructed in accordance with OEM/OCM design; (iii) an item or component thereof that is used, refurbished or reclaimed but the Seller represents as being a new item; (iv) an item that has not successfully passed all OEM/OCM required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements’ or (v) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM/OCM item is a genuine OEM/OCM item when it is not.
- “Independent Distributor” is defined as an individual or business that is not authorized or franchised by the Original Equipment Manufacturer/Original Component Manufacturer (“OEM/OCM”) to sell the OEM/OCM product. Independent Distributors may also be referred to as, non-franchised distributors, unauthorized distributors, brokers, or similar terms.

#### **Seller’s Risk Mitigation**

Seller shall maintain a Counterfeit Item risk mitigation process internally and with its suppliers in compliance with the requirements set forth herein and per SAE AS5553 and shall provide evidence of said process to Buyer upon request. To further mitigate the possibility of the inadvertent use of Fraudulent/Counterfeit Items, the Seller may only purchase directly from the Original Equipment Manufacture’s/Original Component Manufacturers, OEMs/OCMs through the OEM/OCM franchised distribution chain; or, through an Independent Distributor.

**All suppliers to SV Microwave are required to disclose the source of any parts delivered to SV Microwave should the parts become the subject of a legal or counterfeit issue.**

#### **Documentation Required**

Seller must deliver to Buyer, OEM/OCM documentation that authenticates supply chain traceability of the components to the applicable OEM/OCM. If the required items cannot be procured from these sources with the required traceability documentation, use of the items from these sources is not authorized unless first approved in writing by the Buyer. The Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts thus procured are not Counterfeit Items. Seller shall flow down, and ensure compliance with the requirements of this Q-Note to lower tier suppliers providing items for delivery to SV Microwave under this order.

#### **Labeling**

Seller shall identify and provide traceability to the source for all remarked or resurfaced material. Remarked/resurfaced items shall be approved in writing, by the Buyer, prior to use or delivery.

N. Nonconforming Material

Seller is not authorized to perform Material Review disposition of nonconforming material, with the intent of delivering such nonconforming materials without the expressed written authorization from the Buyer. Departures from drawings and specifications shall be approved by the Buyer's Material Review Board prior to shipment. Supplier to submit a Supplier Deviation Request form to the Buyer/Subcontract Administrator for Material Review Board processing at the Buyer's facility.

O. Re-submittal of Rejected Material

All material rejected by the Buyer and subsequently re-submitted by the Seller shall bear adequate identification of such re-submission either with the material or the Seller's shipping document. Reference shall be made to the Buyer's rejection document and evidence given at the time of shipment or at Final Source Inspection that the causes for rejection have been corrected. Government Source inspected material shall have evidence that the re-submission has also been inspected by the Government Representatives.

P. Change of Product or Process

The Seller/Manufacturer shall not implement any major changes in location, design, materials, processes or control without prior submission to the Buyer for review and approval. Major changes shall be defined as any change affecting performance, quality, reliability, ESD class or interchangeability, location of facility and/or ownership. The intent of this requirement is to ensure all material supplied under this order will be homogeneous and the performance, reliability and quality of the material is not degraded. Changed items shall be clearly identified and in a manner different from the original items.

Q. Drawing Revisions

Unless specifically noted, specifications and/or drawings referred to in the Purchase Order shall be the revision in affect as of the date of the Purchase Order.

R. Clean Air Act Compliance

The use of Ozone Depleting Chemicals (ODC's) in the processing of materials, or products delivered for this order is not allowed. If the product requires the use of ODC's, the SV buyer must be notified prior to the initiation of work on the order. If ODC's are used, SV requires that they must be used in compliance with existing laws, and delivered items must be labeled in accordance with those laws.

S. RoHS Compliance

Any product delivered under a Purchase Order, to an SV drawing, requiring product that must meet all requirements of RoHS "Restriction of Hazardous Substances" in accordance with the European Union's Directive 2002/95/ED must not contain any amount of the banned materials, in Article 5(1)(a) of the RoHS directive, above the defined "Maximum Concentration Values". You must flow down this requirement to all of your vendors supplying any articles used to manufacture articles delivered under this Purchase Order.

T. Conflict Minerals Reporting

- Supplier(s) must have an active, documented Conflict Minerals Reporting process with the intention of preventing introduction of any Conflict Minerals into any item delivered under this Purchase Order (PO).
- Supplier(s) must include a statement of compliance on all Certificates of Conformance and/or Certificates of Analysis delivered to SV Microwave.
- Supplier(s) must flow down this requirement to any sub-tier suppliers and must maintain any necessary documentation to support their statement(s) of compliance or non-compliance. SV Microwave reserves the right to request this documentation with reasonable notice in order to review the information on which the certification is based.

U. Best Commercial Packaging

Packaging and packing shall be in accordance with best commercial practices. Methods used shall be sufficient for protection against damage from normal handling, shipping, and storage conditions.

V. Bar Code Labels

All product delivered must include a bar code label in the format produced by the Excel workbook titled "SVBarcode.xls". The bar code can be printed on standard 8 ½ x 11 paper or on labels using any laser printer. Please see the file and instructions located on our website ( [www.svmicrowave.com](http://www.svmicrowave.com) )

W. Rejection of Parts

When parts are rejected, SV may at its own option:

- Return the parts to the supplier for correction or require that the parts be remade at no cost to SV.
- Return the parts to the supplier without payment, and cancel the contract.
- Rework the parts within the factory and deduct labor plus overhead costs from the supplier's billing. Parts to be reworked at SV will be discussed in detail with the supplier prior to starting the rework.
- SV can reject and return part to the supplier at any time during the SV assembly process (line rejects).

X. Short Shipments

The SV Microwave Buyer must be notified of all short shipments prior to shipping. SV will accept short shipments per Chart 1 below, with the resulting balances to be closed with confirmation by the SV Microwave Buyer. Any partial or open balance not specified on the PO may be closed short at the discretion of the SV Microwave Buyer.

**Chart 1**

Orders under 100 pcs, notify SV Microwave Buyer of any balances

Orders 100 pcs to 10k pcs, Ok to ship short 2%

Orders 10k to 50k pcs, Ok to ship short 1%

Orders over 50k, Ok to ship short 0.75%

Y. Prohibition of Pure Tin

Any product delivered under a Purchase order, to an SV drawing, requiring product that must contain NO LESS than 3 percent LEAD composition, requires that the use of Pure Tin Plated finishes are strictly PROHIBITED, unless specifically authorized in writing by SV Microwave. These restrictions apply for all types and levels of procurement. You must flow this requirement to all of your vendors supplying any articles used to manufacture articles delivered under this Purchase Order.

Z. Combating Trafficking in Persons (FAR 52.222-50)

Seller is responsible for full compliance to the FAR/DFAR regulations related to combating human trafficking. This regulation prohibits the Seller and all of the Seller's sub-tier suppliers, including indirect suppliers and agents, from engaging in prohibited trafficking activities such as using forced labor, denying access to identity records, using fraudulent recruiting practices, or failing to provide written employment contracts prior to hiring workers to work in another country. Seller must also conduct sufficient due diligence on agents and subcontractors to detect violations of this rule. Any violation of this law could lead to termination of your contract or order with SV MICROWAVE.

AA. Safeguarding Covered Defense Information and Cyber Incident Reporting (DFARS 252.204-7012)

Seller is responsible for full compliance to the DFAR regulations related to safeguarding covered defense information and cyber incident reporting. The seller shall conduct activities under this clause in accordance with applicable laws and regulations on the interception, monitoring, access, use and disclosure of electronic communications and data.

The safeguarding and cyber incident reporting required by this clause in no way abrogates the seller's responsibility for other safeguarding and cyber incident reporting pertaining to any unclassified systems required by other applicable clauses of this contract, or as a result of other applicable U.S. Government statutory or regulatory requirements.

The Contractor shall include this clause, including this paragraph, in subcontracts, or similar contractual instruments, for operationally critical support, or for which subcontract performance will involve covered defense information, including subcontracts for commercial items, without alteration, except to identify the parties. The Contractor shall determine if the information required for subcontractor performance retains its identify as covered defense information and will require protection under this clause, and, if necessary, consult with the Contracting Officer; and

Require subcontractors to –

- (i) Notify the prime Contractor (or next higher-tier subcontractor) when submitting a request to vary from a NIST SP 800-171 security requirement to the Contracting Officer, in accordance with paragraph (b)(2)(ii)(B) of this clause; and
- (ii) Provide the incident report number, automatically assigned by DoD, to the prime Contractor (or next higher-tier subcontractor) as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.

**BB. Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (FARS 52.204-23, Jul 2018)**

(a) Definitions. As used in this clause--

Covered article means any hardware, software, or service that--

- (1) Is developed or provided by a covered entity;
- (2) Includes any hardware, software, or service developed or provided in whole or in part by a covered entity; or
- (3) Contains components using any hardware or software developed in whole or in part by a covered entity.

Covered entity means--

- (1) Kaspersky Lab;
- (2) Any successor entity to Kaspersky Lab;
- (3) Any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or
- (4) Any entity of which Kaspersky Lab has a majority ownership.

(b) Prohibition. Section 1634 of Division A of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91) prohibits Government use of any covered article. The Contractor is prohibited from--

- (1) Providing any covered article that the Government will use on or after October 1, 2018; and
- (2) Using any covered article on or after October 1, 2018, in the development of data or deliverables first produced in the performance of the contract.

(c) Reporting requirement. (1) In the event the Contractor identifies a covered article provided to the Government during contract performance, or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer or, in the case of the Department of Defense, to the website at <https://dibnet.dod.mil/>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil/>.

(2) The Contractor shall report the following information pursuant to paragraph (c)(1) of this clause:

(i) Within 1 business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the report pursuant to paragraph (c)(1) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.

(d) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts, including subcontracts for the acquisition of commercial items.