



SUPPLEMENTAL PURCHASE ORDER TERMS AND CONDITIONS

1. ACCEPTANCE OF PURCHASE ORDER

By the acceptance of this order the Seller certifies that materials and processes supplied under this purchase order shall be or have been controlled and inspected in accordance with the purchase order and that they meet the specified order requirements, applicable specification and drawings. The Seller agrees to retain for a period of seven (7) years, objective evidence, including records of inspection and tests performed in the course of providing materials and services against this purchase order. This objective evidence shall be on file subject to examination by the Buyer. Copies shall be furnished to the Buyer upon request.

2. STANDARD PROCUREMENT REQUIREMENTS

- * Any need for part substitutions or changes of part number, drawing specification, delivery, or price shall be agreed to in advance by S & K Electronics and confirmed by formal purchase order change. Failure to obtain S & K's approval shall nullify any charges against S & K Electronics for costs incurred by the Seller.
- * All written or verbal communications regarding this purchase order shall occur only through or with the involvement of the cognizant S & K Electronics Materials Department Buyer.
- * Unless otherwise approved in writing by the cognizant buyer, shipments that arrive on the dock of S & K Electronics, more than one calendar week ahead of required delivery date may be returned to Seller at Seller's expense.
- * No work shall be performed under this purchase order until quoted price and all other terms and conditions have been approved by the cognizant S & K Electronics Materials Department Buyer.
- * Any work performed and/or product supplied for this order shall be done so while adhering to the highest standards of conduct and ethical behavior.

3. DRAWING / SPECIFICATION REVISION

Unless otherwise stated on the face of this order, the current revision of the applicable drawing(s) and specification in effect as of the date of this purchase order (or purchase order release, in the case of a blanket purchase order) shall apply. Any discrepancies shall be brought to the attention of the cognizant S & K Electronics Materials Department Buyer.

4. S & K ELECTRONICS, INC. SUPPLIED DRAWINGS / SPECIFICATIONS

Any use of drawings or specifications supplied by S & K Electronics other than for manufacture of the ordered items is expressly prohibited.

5. GOVERNMENT QUALIFIED PRODUCTS LIST (QPL) SOURCE

The Seller shall insure that appropriate products purchased under the purchase order have been produced by a manufacturer currently listed on the Government Qualified Products List. If the Seller is not the product manufacturer, then the Seller shall furnish a certificate stating that the product supplied was purchased from a manufacturer who is on the QPL and providing the manufacturer's identity.

6. FOREIGN OBJECT DEBRIS (FOD) PREVENTION

The following requirement applies to materials, devices or assemblies that are manufactured for this order or services rendered to any material, device or assembly supplied by S & K Electronics.

*Seller must maintain a FOD prevention program designed to identify and prevent foreign objects from entrapment in production parts and eliminate paths through which foreign objects can migrate. Seller's FOD prevention program is subject to review and approval/disapproval at all times by S & K Electronics' Procurement/Quality Assurance.

7. PACKAGING

Unless otherwise specified by the item drawing, specification or purchase order, packaging shall meet the following requirements:

GENERAL: The Seller is responsible for assuring that all items are economically packaged for the method of transportation and type of handling involved. Unit and intermediate packaging shall be employed as necessary to prevent damage or deterioration.

IDENTIFICATION: Each shipping container and intermediate package shall be identified with:

- * Purchase Order number.
- * Part Number
- * Quantity
- * Manufacturer name (if known)
- * Serial number (when applicable)
- * Lot number (when applicable)
- * Cure date (when applicable)
- * Static sensitive warning (when applicable)



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* Cautionary Handling Instructions (as applicable)

8. STATIC SENSITIVE MATERIALS

The following requirements apply to materials, devices or assemblies capable of being degraded, damaged or destroyed by static electrical charges or discharges:

* All items shall be preserved, packaged and packed in such a manner as to preclude their exposure to the generation or discharge of static electric potential.

* Packaging (including unit, intermediate, and shipping containers) shall be clearly marked or labeled to indicate that the contents are subject to damage or degradation by static electricity.

* Tubes, bags or other containers made of "anti-static" materials satisfy the first requirement. Symbols or a caution note (i.e. "Caution -Electrostatic Discharge Sensitive: Special Handling Required") are examples of labeling which satisfies the second requirement.

9. CHANGES TO PRODUCT AND/OR PROCESSES AND NONCONFORMING PRODUCT

In all cases of custom and build-to-print parts, the Supplier shall not make changes to product and/or process without written approval of S & K Electronics. In addition, the Supplier shall notify S & K Electronics of any nonconforming product manufactured for this order and obtain the approval of S & K Electronics for nonconforming product disposition or submit a Request for Waiver for product consideration. Nonconforming product may not be shipped without the written approval of S & K Electronics.

10. SUBCONTRACTORS

If a portion of the work involved in the performance of this Purchase Order is subcontracted to another party, and before using such subcontractors in the performance of this Purchase Order, Seller shall obtain Buyer's written consent and incorporate all the same Terms and Conditions, Flow Down Clauses and Purchase Order requirements of this Purchase Order into the subject subcontracts.

11. FEDERAL ACQUISITION REGULATIONS AND FLOWDOWN CLAUSES

If applicable to this Purchase order, Federal Acquisition Regulation (FAR) Defense Federal Acquisition Regulations (DFAR) and Customer Flowdown clauses in effect on the date of this Purchase Order will be noted on the face of the order by FAR/DFAR number or document number and they are incorporated by this reference as if set out fully herein, except the word "Buyer" shall be substituted for the words "Contracting Officer" and the term "Seller" shall be substituted for "Contractor" wherever such words appear. For the full text of FAR clauses, go to: <https://www.acquisition.gov/far/index.html> For the full text of DFAR clauses, go to: <http://farsite.hill.af.mil/VDFDARA.HTM> For full Customer flowdown documents, go to: <http://www.skecorp.com/>

12. ACCOUNTING FOR AND RESUBMITTAL OF REJECTED ITEMS

All items rejected by S & K Electronics and subsequently resubmitted by Seller shall be segregated and clearly identified as resubmitted parts. The shipping document must reference the S & K Electronics rejection document number, Seller's RMA number and original Purchase Order number. A credit will be entered against the original Purchase Order, for all items rejected by S & K Electronics and returned to Seller. When/If the items are resubmitted by Seller, a debit will be entered to offset the credit.

13. CUSTOMER ACCESS RIGHTS

S & K Electronics reserves the right to require the Seller to allow and arrange for a facilities survey and to perform source inspection of the Seller's facility, by representatives of any customer of S & K Electronics using Seller's products. This would include all materials purchased/used for this purchase order.

14. LIMITED SHELF LIFE MATERIALS

The following applies to appropriate products supplied under this purchase order. The Seller shall affix shelf life information directly on the materials container or article. This identification shall indicate the date useful life was initiated and the date or cycle at which the useful life will be expended. When environment is a factor in determining useful life, the identification shall include the storage conditions (i.e. temperature, humidity, etc.) required to achieve the stated life. A minimum of 75% of the applicable material/article shelf life shall remain upon receipt of the material by S & K Electronics or the material is subject to rejection and return to Seller.

15. CERTIFICATE OF COMPLIANCE



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The Seller shall submit with each shipment a Certificate of Compliance, which certifies that the material or parts furnished have been manufactured in accordance with the requirements referenced or specified on the purchase order. The C of C shall include material and/or finish certs for any item manufactured specifically for this order. This shall include any part on this order noted as "RoHS". All parts ordered as such, shall comply with the European Unions Directive 2011/65/EU, dated 8, June 2011, Restriction of Hazardous Substances (RoHS). The certificate must specifically contain:

- * List of drawings, specifications, standards or special processes to which the article(s) were manufactured, inspected, and accepted.

- * Item identification as it appears on the purchase order or in a document and revision referenced on the purchase order.

- * "RoHS Compliant" or a similar declaration for any part ordered as a RoHS compliant part by description and/or part number.

- * S & K purchase order number and revision.

In addition the Seller must state in the certificate that objective evidence sufficient to substantiate the Certificate of Compliance and must be signed by a suitably responsible representative of the supplier. One (1) reproducible copy of the Certificate of Compliance shall be supplied to S & K concurrently with each delivery of article(s). Certificate of Compliance from distributors shall comply with all of the above requirements.

16. NOTIFICATION OF EXPORT CONTROLLED DATA

The technical data forwarded herewith is "Export Controlled". Export of this information in any form is restricted by the "Arms Export Control Act (Title 22, U.S.C., Sec. 2751 et seq.)" or the "Export Administration Act of 1979", as amended seq. Violations of these export laws are subject to severe criminal penalties.

Supplier shall not disclose this information or element thereof, in any form to a foreign person (including foreign person employees), entity, or export it from the United States without U.S. Government authority and the express written authorization of S&K Electronics.

Further, by acceptance of this data, supplier agrees to treat this information in confidence and will not use it, or disclose to others in whole or in part for any purpose except as authorized in writing by S & K Electronics. Supplier agrees to return all copies of the technical data provided by S & K Electronics (inclusive of all copies made by supplier), or certify in writing to S & K Electronics that the data has been destroyed.

If supplier determines that disclosure of this information to foreign persons, in whole or in part, is necessary in the performance of the work delineated herein, supplier shall ensure that such disclosure is in accordance with applicable "International Traffic in Arms Regulations" (ITAR). Additionally, supplier shall provide S & K Electronics advance notification of such disclosure that will include applicable information required for duty-free entry in accordance with the applicable FAR/DFAR clauses. Supplier shall flow the substance of this notice to all lower tier suppliers where technical data is provided.

17. FIRST ARTICLE INSPECTION & REPORT

a. SKE Required First Articles

1. Seller will make initial shipment of a separate lot of an agreed number of pieces designated as First Article for the approval of S & K Electronics. S & K Electronics reserves the right to refuse any parts delivered prior to approval of first article and to return to Seller at Seller's expense. Requirement for approval must not delay production to meet specified delivery schedule. Approval of sample part does not necessarily guarantee acceptance of subsequent parts.

b. AS9102

1. The supplier shall perform a First Article Inspection (FAI) that conforms to the requirements of Aerospace Standard AS9102. The revision of AS9102 in effect is the latest released revision at the time the purchase order was placed.

2. The supplier shall ensure the AS9102 requirements for First Article Inspection are flowed to their sub-tier suppliers and processors.

- i. The supplier shall ensure that their sub-tier suppliers first article documentation packages are in compliance with AS9102 requirements.



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3. The supplier shall provide justification for not performing a full partial FAI for any lapse in production of two years or more.
 - i. This justification shall be included with the shipment, if applicable.
 - ii.

18. OWNERSHIP OF TOOLING--SELLER

Tooling shall remain the property of the Seller, who shall be responsible for maintenance and service of this tooling. S & K Electronics will control the use of this tooling.

19. OWNERSHIP OF TOOLING- -S & K ELECTRONICS, INC.

Tooling shall remain the property of S & K Electronics. Seller shall identify, inspect, maintain, and service the tooling. It shall be Seller's responsibility to insure that required tolerances for the tooling are met and maintained.

20. GOVERNMENT SOURCE INSPECTION

Government source inspection is required prior to shipment from Seller's plant. Upon receipt of this order, the Government Representative who normally services Seller's plant shall be promptly notified so that appropriate planning for Government inspection can be accomplished. If so authorized by a Government Representative, copies of the purchase order shall be furnished directly by the Seller to the Government Representative at the Seller's facility. If the appropriate Government Representative is not known, Seller should immediately contact the nearest Army, Navy, Air Force, or Defense Supply Agency inspection office. In the event that an appropriate Government Representative cannot be located, S & K Electronics shall be notified immediately.

21. S & K ELECTRONICS, INC. SOURCE INSPECTIONS

S & K Electronics' Source Inspection of completed articles to be delivered under this sub-contract/purchase order is required prior to shipment from Seller's plant. The Seller shall notify the cognizant S & K Electronics Materials Department Buyer at least seventy-two (72) hours in advance of articles being ready for S & K Electronics Source Inspection. At the time of source inspection, the Seller shall furnish:

- * Copy of the latest revision of the purchase order.
- * Complete manufacturing inspection records for the article.
- * All applicable drawings, specifications and standards.
- * Necessary facilities, including equipment and personnel, which demonstrate conformance of the articles to all purchase order/detail specification requirements. At the option of S & K Electronics, source inspection may be waived at any time during the life of the order. In such case, written documentation from the cognizant S & K Electronics Materials Department Buyer indicating said waiver shall be obtained by the Seller and included with each shipment of covered articles.

22. QUALITY PROGRAM REQUIREMENTS

In all cases of build to print, custom parts, any service related to said parts and any other service performed to Customer requirements, the Seller shall maintain a quality management system in accordance with the requirements of ISO 9001:2008 or equivalent. As part of the Quality System, the Seller must ensure that their personnel are aware of their contribution to product conformity, product safety and the importance of ethical behavior. The Seller's Quality System is subject to review at all times by S & K Electronics Procurement/Quality Assurance.

23. CALIBRATION SYSTEM REQUIREMENTS

Seller shall provide and maintain a calibration system in full compliance with all requirements of ISO 10012-1 and ANZI/NCSL Z540-1 or comparable standards. Seller's calibration system is subject: to review at all times by S & K Electronics' Procurement/Quality Assurance.

24. MERCURY-FREE MATERIALS

Mercury found in any compound form is prohibited. Usage of equipment which might cause mercury contamination in the manufacturing, fabrication, assembly, or test of this material, is prohibited. This requirement must be passed on to all subcontractors. With each shipment, Seller shall furnish S & K Electronics, with certification that materials supplied are free of mercury contamination.

25. OEM Traceability

OEM/OCM traceability documentation that authenticates traceability of the components ordered herein to the applicable OEM/OCM is required with each shipment.