



PURCHASE ORDER TERMS & QUALITY CLAUSE REQUIREMENTS
F-840-001-D

QC01: TERMS – Applicable to all Purchase Orders

A. Seller shall keep confidential all technical and proprietary information furnished to Seller by Buyer in connection with this order, including blueprints, data, designs, drawings, engineering data for production, product know-how, and any other information furnished to Seller by Buyer in connection with this contract. Seller shall not use such items or information in the design, manufacture, or production of any goods, or for any other purchase or for the manufacture of production of larger quantities than those specified, except with the express consent in writing from the Buyer. Seller, including its agents, employees, and representatives will exercise extreme caution to prevent disclosure of such information to third parties. The obligations of this provision shall survive the completion of performance and expiration or termination of this contract.

B. **RIGHT OF ENTRY:** Buyer and authorized representatives of Buyer's Customers and or Regulatory Authorities shall have direct access to all applicable areas of all Seller's and Seller's Subcontractor's Plants (at any level of the supply chain) where work under this P.O. is being performed, to review progress, records and witness testing of the items related to this P.O. Seller shall include this clause in all of Seller's Subcontracted Purchase Orders.

C. **CONTROL OF NONCONFORMING MATERIAL:** Nonconforming goods and or services which deviate from the requirements as specified on the purchase order, relevant drawings and specifications must be documented by the Seller and submitted to B&G Electronic Assembly, Inc.-Buyer prior to or post-delivery; It is the Seller's responsibility to go through the deviation process and obtain approval for the non-conforming product.

D. **CHANGE CONTROL:** Supplier shall notify B&G Electronic Assembly, Inc. of changes in product and or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval.

E. **TRACEABILITY/RECORD RETENTION REQUIREMENTS:** All suppliers must maintain conformance and traceability records regarding the product or service provided to B&G Electronic Assembly, Inc. for a period of 12 years or as otherwise stated in the PO contract.

F. **SUB-TIER FLOW DOWN:** Supplier shall flow down to the supply chain the applicable requirements including customer requirements

G. **QUANTITY:** Variances and or partial shipments are not permitted unless prior written authorization is received from the buyer

H. **PACKAGING:** All goods supplied shall be suitably packaged to protect, marked, and shipped in accordance with buyer instructions. In the absence of instruction, Supplier shall contact the Buyer. All supplied goods will be returned to the Supplier for inspection if parts are received damaged.

I. **ACCELERATED DELIVERY:** Not permitted unless noted in P.O or with prior arrangements and approval of buyer

J. **QUALITY SYSTEM:** The Supplier shall maintain a Quality System that complies with the current revision of AS9100, ISO 9001, or specification MIL-I-45208 or equivalent. Third party registration by an accredited registrar will be accepted. Suppliers declaring compliance to AS9100 or ISO 9001 with no



PURCHASE ORDER TERMS & QUALITY CLAUSE REQUIREMENTS
F-840-001-D

formal accredited registration may require review. All Suppliers declaring MIL-I-45208 or equivalent system will be subject to further review to assure the QMS system meets the intent of ISO 9001. Notwithstanding the provisions of this clause, the Supplier is in no way relieved of the final responsibility to furnish the supplies or services specified herein. The Supplier's system will be subject to review and approval at all times by B&G Electronic Assembly, Inc.

- K. Employee Awareness: Seller shall ensure that persons doing work under the organization's control are aware of:
 - a) their contribution to product or service conformity;
 - b) their contribution to product safety;
 - c) the importance of ethical behavior.
- L. Unless otherwise specified, use latest revisions of specifications and standards.
- M. Product Acceptance must be based on statically proven methodologies.
- N. Due diligence to comply with Conflict Minerals Report imposed by the Dodd-Frank Act, Section 1505. Suppliers shall disclose if any conflict minerals are used in the products delivered to the buyer. Conflict minerals are defined as tantalum, tin, gold, tungsten or originating in the Democratic Republic of the Congo (DRC).
- O. BILLING: Invoices can be mailed to B&G Electronic Assembly, Inc. Attn: Accounts Payable, 10350 Regis Court, Rancho Cucamonga, CA 91730-3055, E-Mail (e.g. .pdf, text) acctdept01@bgelectronic.com, or fax (909)608-2076.

QC02: CERTIFICATE OF CONFORMANCE

Seller Certification of Conformance is required with this order. A legible and reproducible Certificate of Conformance or Seller's statement of quality will accompany each shipment. Certifications must show the part number, quantity, specification, and revision number, and have a legible printed and signed with title of responsible person releasing the certification. This certifies the material/services provided by the Seller meet all drawing and/or specifications requirements. Records supporting this certification shall be on file and shall be provided to Buyer upon request at no cost to Buyer.

QC03: PROCESS CERTIFICATIONS

Suppliers and/or their sub-contractors performing any special process to product listed on the purchase order must provide a certification for each process. The certification shall include the following as a minimum:

1. Supplier's name, address and phone number
2. B&G's P.O. Number
3. Part Number, including dash and rev. and B&G Job Number
4. Quantity
5. Lot number, batch numbers or serial numbers where applicable
6. Process name, specification, type, class, method etc. as applicable

QC04: MATERIAL CERTIFICATIONS



PURCHASE ORDER TERMS & QUALITY CLAUSE REQUIREMENTS
F-840-001-D

Each shipment shall be accompanied by one legible copy of an approved Certificate of Conformance, which certifies that the purchase order items were produced from material for which the supplier has specific data or other objective evidence to the effect that the material conforms to drawings and/or specifications. D-FARS 252.225-7014 REQUIREMENTS: DFAR Compliance - All specialty metals and hardware items shall be provided to B&G Electronic Assembly, Inc. in compliance with DFARS 252.225-7000-7014 unless specifically authorized in writing to provide materials from alternate sources. Authorization must be approved and in writing by B&G- Quality Assurance and provided before delivery of product to our facility. The certificate shall list the following as a minimum:

1. Supplier's name, address and phone number
2. B&G's P.O. Number
3. Material type and specification number
4. Size and Quantity
5. Lot Number (manufacturer/heat/batch number)
6. Country of material melt

QC05: TEST REPORT

Each shipment shall be accompanied by a legible and reproducible test report. Each test report shall show evidence of compliance with the applicable drawing, specification and/or purchase order requirements and shall include the revision of the drawing and/or specification. The reports shall bear the signature and title of the responsible agent of the seller. When serialization of items has been imposed by the purchase order, such serialization shall be part of the test report.

A: CHEMICAL TEST REPORT

B: PHYSICAL TEST REPORT

C: FUNCTIONAL TEST REPORT (defined as operative inspection, e.g. mechanical, electronic, hydraulic, etc.) – Destructive or Nondestructive.

QC06: INSPECTION RECORDS

Inspection records shall be available upon request for each product shipment received. These records shall include the nature and number of observations and traceable by part number to the material / or services being provided by the Seller.

QC07: CALIBRATION

Supplier shall meet and maintain a calibration system in conformance with ISO 10012-1, ISO 17025 or ANSI Z540-1 and must be traceable to NIST (National Institute of Standards Technology). Buyer's P.O. # must appear on all certifications. Actual calibration results shall appear on the certificates.

Frequency of calibration is 12 months unless otherwise specified.

QC08: U.S GOVERNMENT SOURCE INSPECTION (US GSI)



PURCHASE ORDER TERMS & QUALITY CLAUSE REQUIREMENTS
F-840-001-D

Government Source Inspection, if required, will be performed at Seller's facility prior to shipment. As directed by Buyer, any in-process inspection is also mandated by this clause. A minimum of 48-hours' notice to Buyer, prior to inspection, is required when this clause is invoked. Seller shall provide evidence of Government Source Inspection with each shipment.

QC09: SOURCE INSPECTION

Items procured under this purchase order are subject to source inspection by Buyer at Seller's facility, prior to shipment. The Seller shall furnish acceptable facilities and equipment necessary to perform the required inspection at no cost to Buyer. Please advise the Buyer, within three working days in advance, of the subject material being available for source inspection.

QC10: FIRST ARTICLE INSPECTION

Items procured to a Buyer's specification or drawing under this purchase order are subject to First Article.

Inspection per AS9102.

QC11: QUALITY MANAGEMENT SYSTEM REQUIREMENTS

Seller must hold an active 3rd party certification to: (note seller shall be responsible for notifying B&G if certification becomes expired or is suspended for any reason)

- A. ISO 9001
- B. AS 9100
- C. NADCAP
- D. OTHER - noted on the body of the P.O.

QC12: COUNTERFEIT PARTS PREVENTION

Suppliers of raw materials, components, hardware, and other items used for, or incorporated into products that B&G Electronic Assembly, Inc. may deliver to customers including OEMs shall certify such items are not counterfeit parts. Certification may also include or require the submission of original certificate of analysis or conformance, original test reports, or other data traceable to approved labs or other entities to ensure an item is exact as claimed.

The following paragraphs are incorporated into these Terms & Conditions as applicable to the product purchased and delivered to B&G Electronic Assembly, Inc. a) For purpose of this clause, Product or Material consists of parts delivered; until this contract is complete; the Product or Materials are the lowest level of separately identified items (e.g. components, goods, and assemblies). "Counterfeit Product and or Material" means Product and or Material that is or contains items misrepresented as having been designed and/or produced under and approved system or other acceptable method. The term also includes approved Material that has reached a design life limit or has been damaged beyond repair, but is altered and misrepresented as acceptable. b) SUPPLIER agrees and shall ensure that Counterfeit Product and or Material/s is/are not delivered to B&G Electronic Assembly, Inc., and



PURCHASE ORDER TERMS & QUALITY CLAUSE REQUIREMENTS
F-840-001-D

subsequently our Customers. c) SUPPLIER shall only purchase material to be delivered or incorporated as Product to B&G Electronic Assembly, Inc. Industries directly from the OEM authorized distributor chain. Material and or Product shall not be acquired from independent distributors or brokers unless approved in advance in writing by B&G Electronic Assembly, Inc., and or our Customer. d) SUPPLIER shall immediately notify B&G Electronic Assembly, Inc. with the pertinent facts if SUPPLIER becomes aware of suspects that it has furnished Counterfeit Product and or Material. When requested by B&G Electronic Assembly, Inc., SUPPLIER shall provide OEM documentation that authenticates traceability of the affected items to the applicable OEM, as per AS6174 3.1 thru 3.7.

QC13: HAZARDOUS/DANGEROUS GOODS/SHELF-LIFE MATERIALS:

For any goods or materials furnished in accordance with this purchase order which are defined as hazardous or dangerous under applicable law.

- A. Seller must provide B&G Electronic Assembly, Inc. with hazardous warning and safe handling information in the form of a material safety data sheet (MSDS) and appropriate SDS Safety data sheets must accompany all Product/s.
- B. RoHS Compliance: The supplier shall ensure that goods and/or special processes provided under this purchase order are RoHS compliant.
- C. Shelf Life: No materials with a limited shelf-life shall be shipped with a minimum of 80% of the full shelf-life as determined by the original manufacturer, or unless previously approved in writing by B&G Electronic Assembly, Inc., buyer, and or Quality Control. The expiration dates shall be clearly recorded on the packaging and in the Shipping/Certification documents.

QC14: ITAR

This is an ITAR regulated order and is subject to all ITAR controls, requirements and restrictions.