	<b>QUALITY CLAUSES FOR PURCHASED MATERIALS</b>		
	<b>QMS-13-F65</b>		
<b>Issued by:</b> <b>Planning</b>	<b>Effective:</b> <b>05/18/23</b>	<b>Revision:</b> <b>U</b>	<b>AS9100:</b> <b>8.4.1 Control of Externally Provided Processes, Products, and Services</b>

## QUALITY CLAUSES FOR PURCHASED MATERIALS

The following Quality Assurance Provisions with their terms and conditions become an integral part of the Purchase Order to the extent specified in the Purchase Order. These provisions supplement, but do not supersede the presently existing terms and conditions of the Purchase Order. The Seller will include in each shipment, in addition to the Packing Sheet, objective evidence of quality demonstrating compliance with applicable specifications. Military Specification and standards listed herein shall be for reference only.

**1. QUALITY SYSTEM REQUIREMENTS**

The Seller shall maintain a quality system that is acceptable to the Buyer's Quality Department. The buyer reserves the right to audit the Seller's quality system. When specified, the latest revision of the following standards is hereby made a part of this order:

- (A) ISO9001
- (B) AS9100

**2. WORKMANSHIP STANDARD**

The material on this Purchase Order shall be uniform in quality and condition, sound and free from foreign materials and imperfections detrimental to the usage of the product. The product must be of an overall quality consistent with good industry practices and adhere to requested PO requirements without deviation.

**3. STATISTICAL TECHNIQUE FOR PRODUCT ACCEPTANCE**

When specified on the purchase order, all inspections used for final acceptance of product or services provided shall be conducted to a minimum sample acceptance level in accordance with ANSI/ASQ Z1.4 Sampling Table 1 for inspection activities. General inspection level (II). Lot acceptance shall be at zero, Reject at one.

**4. SPECIAL REQUIREMENTS**

In the event special requirements, critical items or key characteristics are included as part of the drawing and purchase order; the supplier is responsible for making sure that such requirements are properly controlled and documented information maintained.

As such it is the responsibility of the supplier to review the need for the use of the statistical techniques for product acceptance and related instructions for acceptance by the organization.

**5. SYMBOLIC DISPLAYS, INC. SOURCE INSPECTION**

When specified on the purchase order:

At the option of SDI, all items covered by this Purchase Order are subject to surveillance and inspection by an SDI Inspector at the point of manufacture. This will include surveillance of the products, and seller's systems, procedures and facilities. The Seller shall furnish at no cost, the necessary facilities and equipment, and perform tests as required by SDI Source Inspector, to demonstrate conformance to the Purchase Order and referenced documents. Final acceptance of Source inspected material will be at SDI. The Seller shall provide sufficient advance notice to SDI to permit scheduling of Source Inspection. Evidence of Source Inspection shall accompany each shipment.

**6. SYMBOLIC DISPLAYS, INC. IN-PROCESS INSPECTION**

When specified on the purchase order:

In addition to the requirements of SDI inspection, all items covered by this Purchase Order are subject to in-process inspection by a SDI Quality Assurance Representative. Prior to the application of epoxy materials, hermetic sealing, or any permanent closure, the Supplier will notify the cognizant Buyer within adequate time for In-process Source Inspection coverage. Evidence of in-process inspection will accompany each shipment.

**7. INSPECTION AND/OR PRODUCTION TOOLING**

When specified on the purchase order:

Seller is held responsible for the protection, calibration, and care, other than normal wear, of all production and inspection tooling and equipment furnished by SDI, for use in performance of Purchase Order requirements. All tooling shall be subject to SDI surveillance and/or inspection upon notice. Said tooling, or replacement tooling of equal quality, shall be returned in an acceptable condition upon demand or notice.

**8. FIRST ARTICLE INSPECTION**

When specified on the purchase order:

Inspection and acceptance by SDI, of a first article manufactured against the Purchase Order is required prior to the start of fabrication. This first article report shall, as a minimum, include the part nomenclature, Purchase Order and shipping document, number, drawing or specification dimension, (Electrical value, etc.) with tolerance and the actual measurement of demonstrate compliance with all specification requirements. First Articles must conform to AS9102 and all requirements of this Purchase Order and referenced documents, and shall be



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submitted for inspection and functional approval.

**9. GOVERNMENT SOURCE INSPECTION**

When specified on the purchase order:

- (A) On receipt of this order, promptly provide a copy to the Government Representative who normally services your plant, or, if none, to the nearest Army, Navy, Air Force, or Defense Supply Agency inspection office. In the event the representative or office cannot be located, notify our Purchasing Agent immediately.
- (B) During performance on this order, your quality control or inspection system and manufacturing processes are subject to review, verification, and analysis by authorized government representatives. Government inspection or release of product prior to shipment is not required unless you are otherwise notified. You shall provide a copy of this order to your Government representative upon his request.

**10. SPECIAL PROCESSING REPORT**

Reports of all special processes and inspection methods, such as welding, heat treating, brazing, plating, painting, x-ray, magnetic particle inspection, fluorescent penetrant inspection, etc. that demonstrate compliance with all applicable specifications as referenced by the SDI drawing and/or Purchase Order. This shall be accomplished by an approved source using approved equipment and personnel.

**11. CERTIFIED TEST DATA**

Certified test data on stationery of the organization performing the testing shall be supplied with each shipment. The test data shall be signed and dated.

**12. WELDER'S STAMP**

A Certified Welder's Stamp must appear on all items welded in accordance with Government Specifications MIL-W-8604, MIL-W-8611, and/or MIL-T-5021.

**13. PHYSICAL AND CHEMICAL ANALYSIS TEST REPORTS**

Mill or foundry physical and chemical test reports or stated, signed, and dated, "a true copy" thereof (photographic), which demonstrates conformance to all applicable specifications for all metals used in the fabrication of the ordered material, shall be supplied with each shipment. Suppliers providing test reports (Chemical, Physical or other) have been delegated authority over the content and validation of the test report data to the appropriate specifications.

Suppliers are responsible for the review, verification and validation of any test reports as provided to Symbolic Displays Inc; Suppliers ensure that the test reports meet the appropriate requirement for the product and process. Symbolic Displays Inc. has the authority to re-validate the test reports at any time for any reason.

**14. RECORD RETENTION**

Test reports, inspection records, and other verifiable documentation for quality and procurement, which indicate conformance to all applicable specifications, are maintained at the point of manufacture. These documents are available for review by the Buyer and/or the Government and, unless otherwise specified by purchase order or contract, documents shall be held for a minimum of ten (10) years after completion of order.

**15. NOTICE OF REJECTION**

Resubmittal of previously rejected parts or parts from a lot rejected on the basis of sampling inspection, shall be accompanied by the statement "Resubmittal lot" on the Supplier's Shipping Document.

**16. IDENTIFICATION**

The Seller shall be responsible for legibly and permanently identifying each part with the following information:

- (A) Rubber cure date (cure date required) --  
Seller's shipper and /or packing sheet must specify curing date. Packages and containers (and parts when required by SDI drawing call out) must be marked with curing date, as applicable. Cure date age at time of receipt by the Buyer shall not exceed four quarters. Rubber material or parts not having sufficient space for marking, will be identified by a tag, bearing the cure date and attached to the part or part container.
- (B) Materials with a limited shelf shall reflect the Manufacturing (Cure Date) and Expiration Date on the container (e.g. epoxies, paint, etc.). A minimum of nine (9) months product life shall remain on items delivered.
- (C) Purchase Order number, gage, cure date, Military Specification and where applicable, the SDI number.

**17. PACKAGING REQUIREMENTS**

The Seller shall assure that the materials, parts, assemblies, products and supplies on the Purchase Order are packaged as noted below:

- (A) In general, packing and packaging will conform to MIL-P-116D, Method III, "Packaged for Mechanical and Physical Protection only" and



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be subject to review by SDI or best commercial practices.

All items shall be free of dirt, fingerprints, loose particles, oil, moisture and other foreign materials. Items shall be enclosed with wrappings, bags, cartons, boxes, or other containers, as applicable, to the extent necessary to provide protection from hazards of contamination and physical damage encountered in general handling, shipping, and storage. Material in direct contact with metal surfaces will not cause or promote corrosion.

All packaging material used for packing and packaging items purchased by and shipped to SDI shall be new, in good condition, and of a grade, size and weight consistent with item(s) packaging needs. Packaging materials used shall be non-abrasive, chemically neutral (pH 6.5 to 7.5) and have a water-soluble acidity of not more than 0.02% equivalent sulfur trioxide.

- (B) Physical protection to items packaged shall be accomplished by the use of cushioning (dry and dust free), bracing or blocking, as applicable, in accordance with good commercial practices to prevent rupture of flexible barriers, free movement within rigid or semi-rigid containers, and physical damage due to shock and/or vibration.
- (C) Specified identification markings and/or bar coding shall be clear and legible, and applied on all outside containers as well as on all intermediate containers or wraps, as applicable, and indicate as a minimum: SDI part number, Purchase Order number, Fragile, any special handling, quantity shipped, etc.

**18. CERTIFICATE OF CONFORMANCE REQUIREMENT**

A Certificate of Conformance (C of C) shall accompany shipment from the supplier attesting that the item(s) shipped are in compliance with all purchase order and applicable specification(s) requirements therein/ thereof. The C of C shall state that all inspection and/or test results documenting the item(s) compliance to the purchase order are available for examination by the purchaser, government and /or Federal Aviation Administration representative(s) upon request. This shall include any sub-contractor(s) documentation. The C of C must be signed by the suppliers authorized representative. Direct reference to the buyer's purchase order, line item, part number and item revision level and the quality must be present on the C of C.

**19. CALIBRATION OF ACCEPTANCE EQUIPMENT**

The Supplier shall implement and maintain a system for the control and maintenance of measuring and test equipment that is in accordance with ANSI/NCCL Z540-1 or equivalent. The Calibration System shall be documented, accountable, traceable, and provide for initial and re-calibration during the life of the equipment. The equipment shall be calibrated to standards that are traceable the National Institute of Standards and Technology (NIST).

**20. MATERIAL REVIEW BOARD AUTHORITY**

Seller Material Review Board (MRB) authority is not authorized on this purchase order. Any non-conformance to the purchase order, drawing, specifications, or other applicable documents must be submitted to the buyer, through the buyer's quality organization, for the buyer's MRB approval prior to shipment. The supplier's request for MRB approval must identify the "root cause" of the nonconformance(s) and describe the implemented corrective action taken by the supplier. Parts scrapped at the supplier's facility which are identified with an SDI part number, cage code or other SDI trade marks/symbols are required to be mutilated beyond use prior to disposal.

**21. DELEGATED SOURCE**

When specified on the purchase order:

The suppliers SDI assigned "Certified Suppliers Representative" (CSR) shall stamp and include the applicable supplied SDI Operation Sheet with the shipment to SDI. The CSR certified by the application of the certified stamp to the Operation Sheet sequence applicable, the item(s) compliance to the purchase order is available for examination by SDI upon request. This shall include all supporting and subcontractor documentation. Supplier generated "stamp(s)" shall be first approved and recorded by SDI quality prior to their use.

**22. RIGHT OF ENTRY**

The Purchaser, the Customer, the Government and/or Regulatory Agencies (FAA, DCASPRO, NAVPRO, etc.) reserves the right of entry to the Seller's facility to review the Quality System, records, and to inspect all product defined in this purchasing document at all stages of production. The Purchaser's Procurement group shall in all cases, coordinate such auditing.

**23. SPECIALTY METALS (DFARS 252.225-7009)**

The supplier shall certify that items being delivered conform to DFARS Section 252.225.7009: Restriction on Acquisition of Certain Articles Containing Specialty Metals.

**24. RoHS COMPLIANCE**

When specified on the purchase order:

The supplier shall certify that items being delivered conform to the EU RoHS directive. The EU RoHS directive, also know as the "lead-free" directive, identifies six materials that must be virtually eliminated from a great deal of electronic equipment before it's shipped into the EU after 1 July 2006. These materials include Lead (Pb), Hexavalent Chromium (Chromium IV), Cadmium, Mercury, Polybrominated Biphenyls (PBBs), and Polybrominated Diphenyl Ethers (PBDEs).

**25. EXECUTIVE ORDER (EO) 13224**



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The supplier shall adhere to the directions provided in Executive Order 13224 on Terrorist Financing – blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism. Effective 09/24/2001 and any subsequent changes made to it. The supplier further agrees to include this requirement in lower-tier subcontracts.

**26. MATERIAL SHELF LIFE**

Materials with a limited shelf life shall be supplied with an accompanying effective date of manufacture and date of expiration. At the time of receipt at Symbolic Displays, the material shall have at least 75% of the shelf life remaining.

**27. VENDOR REQUIREMENTS REGARDING ITAR EXPORT CONTROLS**

Vendor shall ensure compliance with the requirements below:

- a. Vendor is incorporated in the United States.
- b. With respect to any data received from Symbolic Displays, Inc., Vendor will comply with all applicable U.S. Government rules and regulations relating to exports, including but not limited to, the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 – 130, and the Export Administration Regulation (EAR), 15 CFR Parts 730 et seq.
- c. Vendor will not export any article, material, software, technical data, or technology received from Symbolic Displays, Inc., without first obtaining any required export license or authorization from the Government and Symbolic Displays, Inc.'s written consent.
- d. Vendor will not transfer or disclose any controlled article, material, software, technical data or technology received from Symbolic Displays, Inc. to any individual (including without limitation Vendor's employees and agents) who is not a U.S. citizen or a lawful permanent resident of the United States, or to any foreign company or entity ("Foreign Person"), whether in the United States or abroad, without first obtaining any required export license or authorization from the Government and Symbolic Displays, Inc.'s written consent.
- e. Vendor and its employees shall maintain in strict confidence all information received from Symbolic Displays, Inc. including, but not limited to, proposals, specifications, business and marketing plans, test plans, protocols, test results, results of analyses, project notebooks, project documentation, notebooks and other technical, business, proprietary and trade secret information. Vendor agrees that all employees, contractors, consultants, or agents working shall comply with these obligations of confidentiality.

**28. Foreign Object Damage/ Debris (F.O.D.)**

The seller shall ascertain that any product sent to Symbolic Displays Inc. or, on behalf of Symbolic Displays Inc., shall be free of any F.O.D. The acronym F.O.D. is defined as a) Foreign Object Damage – Any damage attributed to a foreign object, expressed in physical or economic terms, which may or may not degrade the product's required safety and/ or performance characteristics; and b) Foreign Object Debris – An article or substance alien to the assembly that has been allowed to invade the product.

**29. Counterfeit Parts**

The supplier warrants the goods delivered pursuant to this Purchase Order, unless specifically stated otherwise in this Purchase Order, shall a) be new; b) be and only contain materials obtained from the Original Equipment Manufacturer (OEM) or an authorized OEM reseller or distributor; c) not be or contain Counterfeit Items; and d) contain only authentic, unaltered OEM labels and other markings. A Counterfeit Item is defined to include, but not limited to: a) an item that is an illegal or unauthorized copy or substitute of an OEM item; b) an item that does not contain the proper external or internal materials or components required by the OEM or that is not constructed in accordance with the OEM design; c) an item or component thereof that is used, refurbished or reclaimed but supplier represents as being a new item; d) an item that has not successfully passed all OEM required testing, verification, screening and quality control but the supplier represents as having met or passed such requirements; or e) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM item is a genuine OEM item when it is not.

**30. ESD Sensitive Products**


In regards to products that are considered to be susceptible to electrostatic discharge, (i.e. printed circuit boards, semi-conductors, transistors, etc.), the supplier is responsible for ensuring that the product is manufactured, tested, identified and handled in accordance with MIL-STD-1686, EIA JESD625-A, ESDS20.20 or equivalent. The Supplier shall maintain an ESDS program in accordance with MIL-STD-1686, MIL-HDBK-263, EIA -JESD-625-A, ESDS20.20 or equivalent and shall include procedures, personnel training records and calibration of ESDS testing equipment. The Supplier's ESDS program, including the procedures, is subject to Symbolic Display's review throughout the period of this Contract.

**31. Change In Process**

The supplier shall inform Symbolic Displays, Inc of any changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain Symbolic Displays, Inc's approval.

**32. Buy American Act (Optional)**

When the Purchase Order specifies this clause, compliance to DFARS Section 252.225-7001: Buy American Act and Balance of Payments

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Program unless an exception is granted by the Symbolic Displays, Inc.

**33. Conflict Minerals**

Supplier shall state compliance with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to the use of conflict minerals. Section 13(p) to the Securities and Exchange Act of 1934 requires use of those minerals to be disclosed annually, whether any of those minerals originated in the Democratic Republic of the Congo or an adjoining country.

**34. Combatting Human Trafficking and Slavery**

Suppliers of SDI shall adhere to FAR (48 CFR Chapter 1) 52.222.50

**35. Cyber Security**

SDI requires all suppliers to comply with DFARS 252.204-7012

**36. Flow Down to Sub-tier suppliers**

Suppliers shall flow down the requirements listed on the purchase orders including customer requirements to their supply chain.

**37. Supplier Performance**

Supplier performance is monitored based on Quality and Delivery - Goals have been established at 90% or higher; Suppliers shall be informed if they do not meet the goal for three consecutive months. SDI can determine to flow down a corrective action request any time the supplier is below the goal. Suppliers may be subject to removal from SDI's Approved Supplier List if the supplier does not respond to the corrective action request in a timely manner.

**38. Supplier Personnel's Awareness**

The seller shall ensure that all employees understand:

- Their contribution to the product/service conformity
- Their contribution to product safety
- The importance of ethical behavior

**39. Vendor-Supplied SDI Products to Customers**

Vendor has no authority to provide "SDI" products/services directly to a customer on behalf of Symbolic Displays Inc.



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**REVISION HISTORY**

Date	Rev. No.	Description
2/17/18	R	Added Clauses 35 as an update to suppliers.  <b>35. Supplier Personnel's Awareness</b> The seller shall ensure that all employees understand: 37. Their contribution to the product/service conformity 38. Their contribution to product safety 39. The importance of ethical behavior
6/3/19	S	Changed the control number to REF-PLA-001
4/10/20	T	Added clause number 36:  <b>36. Vendor-Supplied SDI Products to Customers</b> Vendor has no authority to provide "SDI" products/services directly to a customer on behalf of Symbolic Displays Inc.
05/18/23	U	Updated or added the following Clauses: <ul style="list-style-type: none"> <li>• Clause 3</li> <li>• Clause 4</li> <li>• Clause 13 (Modified)</li> <li>• Clause 36</li> <li>• Clause 37</li> </ul>