

Q1—Quality System Requirements

The supplier shall implement and maintain a quality management system that complies with ISO 9000 or AS9100 equivalent system. It must provide adequate inspection to verify that the product supplied is in full compliance with the purchase order requirements and all applicable specifications. Compliance with these requirements is subject to audit by 2nd Source Wire & Cable, Inc. Supplier and sub-tier suppliers are aware of: their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior. The supplier shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

Q2—Right of Entry

2nd Source Wire & Cable, Inc. reserves the right to review control methods and inspect material included in this order at the supplier's plant and at any sub-tier plant. Access rights shall be extended to our customers and government or regulatory agency representatives.

Q3—Raw Material Traceability

Material suppliers must furnish material certifications to the purchase order requirements, and shall not supply material for which they are not certificated or approved. All certification test reports must contain traceability codes that are marked on the material and identified on the test reports. This includes serial numbers, if applicable. All certifications must include a full chain of custody from the mill to the supplier. The deletions of names and address' are prohibited. Unauthorized material substitutions are not permitted without Buyer's approval in writing. This includes thickness, width, or length changes. Terms and definitions for metallic materials and processing herein are clarified in ARP1917. All material furnished, unless otherwise specified on the purchase order, must be DFARS 252.225-7014 (a) (2) compliant (as amended by the Berry Amendment). Identification of raw materials used shall include, as applicable, but not limited to the following types of information: lot number, material type, specification, heat number, the applicable physical, chemical, and other technical requirements, etc. Laboratory testing should be employed as necessary. In any case, supplier shall record sufficient identification information to adequately identify all material in such a manner that full traceability of raw materials used is included.

Q4—Material Review Board (MRB) Authority

The supplier shall notify 2nd Source Wire & Cable, Inc's quality assurance of any "use as is" or "repair" non-conformances to the requirements of this order. "Use as is" and "repair" dispositions shall be submitted to 2nd Source Wire & Cable, Inc. prior to implementation. Suggested dispositions, identification of the cause of nonconformance, and the corrective actions taken shall be submitted in writing. Further work shall not be performed until directed by 2nd Source Wire & Cable, Inc. in writing.

Q5—Certification of Compliance

Certification documents are required from supplier and sub-tier supplier, and shall be identified with, and include the following:

1. The 2nd Source Wire & Cable, Inc's purchase order number and item number.
2. Quantity, lot, and or serial number.
3. Manufacture's name, address, and cage code.
4. Date of manufacture (DOM), date of expiration (DOE) if applicable. Part number and revision as specified on purchase order.
5. Signature, title, and date by an authorized representative of the issuing organization

Q6—Manufacture Certification

Each shipment must be accompanied by one (1) legible and reproducible copy of the manufacture certification. The certification shall include the following information:

1. Name and address of manufacturer.
2. Statement attesting that goods and services conform to all contract and associated drawing requirements.
3. Part number and dash number (as applicable), lot number, date of manufacture, date of expiration, if applicable.
4. Drawing number and revision level (as applicable) to which the goods were manufactured.
5. If goods are buyer furnished, so indicate.

The certification of conformance will afford traceability to the manufacturer.

- Seller shall reference buyer's contract number on manufacturer's certification of conformance. Or
- Seller shall include with each shipment a copy of seller's certificate of conformance that will include reference to buyer's contract number and a reference to the required manufacture's certificate of conformance.

Q7—Configuration Management

Supplier shall notify the buyer immediately of any changes to the characteristics or configuration of the product and/or processes used to manufacture the product. When required, supplier shall obtain written approval of changes from 2nd Source Wire & Cable, Inc. Unauthorized material substitutions are not permitted without buyers written consent.

Q8—Packaging/Handling

Product intended for delivery to 2nd Source Wire & Cable, Inc. shall be handled and packaged in a manner as necessary to prevent damage during handling and transit or as per the specification, drawing or purchase order requirements. Etched materials packaging shall be performed in such a manner as to ensure that etched product is adequately protected from degradation. Packaging of un-insulated silver and silver plated products shall be performed in such a manner as to ensure that oxidation is prevented. Hazardous materials, as defined by the EPA, shall be packaged and clearly identified in such a manner as to include any and all special handling, packaging storage, environmental, or other requirements imposed by statute or regulation. Electrostatic sensitive product shall be pack in an ESD protective bag. In addition, when materials delivered are lot-controlled and multiple material lots are shipped, each lot shall be separately packaged and identified.

Q9—Limited Shelf Life Material

The seller shall identify each item, package, or container of limited-calendar-life material with the cure or manufacture date, storage temperature, special handling conditions and requirements, in addition to the normal identification requirement of name, part number, specification number, type, size, quantity and manufacturing recommended shelf life. This identification, including special handling conditions and requirements, shall be recorded on certifications and shipping documents for the material. Shelf-Life controlled materials must have at least 80% of the shelf-life remaining at the time of shipment.

Q10—First Article Inspection

A first article inspection report shall be required when the first production units are manufactured. The report shall include all drawing characteristics, notes, required tolerance range, actual measurement results and the results of physical testing when required.

Q11—Source Inspection

2nd Source Wire & Cable, Inc. and or 2nd Source Wire & Cable, Inc's customer quality representative will inspect the material submitted on this purchase order at the supplier's facility. Source inspection approval or acceptance by the 2nd Source Wire & Cable, Inc's customer quality representative shall not constitute final approval or acceptance by 2nd Source Wire & Cable, Inc. for the items covered by this purchase order, nor shall it relieve the seller of their responsibility to furnish acceptable product.

Q12—Government Inspection

Government inspection is required prior to shipment from your plant. Upon receipt of this order, promptly notify the government representative who normally serves your plant.

Q13—Test Reports

Each shipment must be accompanied by one (1) legible and reproducible copy of actual test results identifiable with test parameters, lot number, date of manufacture, date of expiration and product submitted. These reports must contain the test/inspection stamp of the individual performing the task, or the signature and the title of the authorized representative of the agency performing the test. All certifications must include a full chain of custody. The deletions of names and address' are prohibited. Unauthorized material substitutions are not permitted without Buyer's approval in writing.

Q14—Special Process Certification

A certification shall be issued with each shipment and must state that special process demonstrate compliance with the drawing requirements, specifications or purchase order, and is performed by a 2nd Source Wire & Cable, Inc, design authority, and/or government approved source. The certificate shall contain the signature of an authorized representative of the supplier.

Q15—Quality Records Retention (Applies to all purchase orders)

All quality records are to be legible, reproducible, and identifiable to the purchase order. Quality records are to be stored and maintained in such a way that they are readily retrievable in facilities that provide a suitable environment to minimize deterioration or damage and to prevent loss. This applies to our suppliers and any lower-tier suppliers. Retention period for quality records is 10 years unless otherwise specified. 2nd Source Wire & Cable, Inc, our customers, government, or regulatory agency representatives shall have access to review quality records as they pertain to this order.

Q16—Material Safety Data Sheet (MSDS)

Each shipment must be accompanied by one (1) legible and reproducible copy of actual material safety data sheet for each item on 2nd Source Wire & Cable, Inc's purchase order.

Q17—Data Sheet

Each shipment must be accompanied by one (1) legible and reproducible copy of actual data sheet for each item on 2nd Source Wire & Cable, Inc's purchase order. The data sheet should state in detail the specifications and/or information describing each item being purchased.

Q18—Tolerances

Unless otherwise noted per the purchase order, all tolerances +/-10% for wire and cable products will be acceptable. All splices and connectors purchased by a unit of measure (each, piece), has a +/-0% tolerance.

Q19—ITAR Compliant

Export Controls

Seller agrees to comply with the U.S. Department of Commerce's Export Administration Regulations (EAR), the Department of State's International Traffic in Arms Regulations (ITAR), the Treasury Department's Foreign Assets Control Regulations (FACR) and Arms Export Control Act (AECA). The Seller shall have established and implemented the export controls required by the Department of State. It is the intent of the Seller to comply with both the letter and the spirit of the laws and regulations restricting the transfer, export, sale or disposal of commodities and technical data from the U.S. The various sections of the United States Code (U.S.C.) that constitute the AECA can be accessed via this web site: <http://uscode.house.gov/search/criteria.shtml>.

WARNING: This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C. Sec 2751, et seq.) or the Export Administration Regulations (EAR) (15 CFR chapter VII, subchapter C). Violators of these export laws are subject to severe criminal penalties.

This information in document form (or any other medium), including any attachments and exhibits hereto, may not be exported, released or disclosed to foreign persons whether here in the United States or abroad without first obtaining the proper export authority. Recipient shall include this notice with any reproduced portion of this document.

DPAS

Requirements for the supplier to comply with Executive Order E13224. Supplier shall not engage in any transaction of any type with persons or businesses or organizations who commit, threaten to commit or support terrorism. Supplier must comply with Defense Priorities and Allocation System (DPAS) when a priority rating is listed on the purchase order.

Q20---Early Clause

Accelerated delivery to the earliest date possible in advance of the required date is preferred. Any accelerated delivery will be at no additional cost to 2nd Source or its customers.

Q21--- Counterfeit Material/Parts

The supplier shall have processes in place that complies with the requirements of the appropriate SAE Industrial Fraudulent/Counterfeit supply avoidance standard or equivalent. i.e. AS5553, AS6174, ASXXXX. Written procedures are recommended for full compliance to these requirements.

- A.** Acceptance of financial responsibility - The seller may be liable for remedial costs should any counterfeit material be provided. 2nd Source Wire & Cable is not under obligation to return suspect or confirmed counterfeit material and 2nd Source Wire & Cable may elect to scrap any known counterfeit material. 2nd Source Wire & Cable may request proof of financial responsibility, such as a product liability/completed operations insurance certificate of

insurance (e.g., ACORD Certificate of Liability Insurance) issued from the seller's insurance agent or broker. Limits of at least \$1,000,000 per occurrence and \$1,000,000 annual aggregate

are common. 2nd Source Wire & Cable may also request similar evidence of professional liability and/or product recall insurance with similar limits from the seller if the cost is commercially feasible for the seller.

- B. Length of Obligation** – The seller retains responsibility on the material/parts equal to the warranty period or one year, whichever is longer, to allow for a sufficient period of time for the buyer to detect, quarantine, and confirm counterfeit or substandard product. This time allotment may be invoked by the ultimate customer. In the event fraud and falsification is suspected, the seller will be notified of potential legal penalties.

Q22--- Nonconformance

If Seller fails to deliver or delivers defective or nonconforming Products, Buyer may:

- A. Accept all or part of the defective or non-conforming Products at an equitable price reduction; or
- B. Reject all or any part of a delivery of defective or non-conforming Products, and demand delivery of conforming Products. All rejected Products shall be shipped to Seller at Seller's expense; or
- C. Make, or have a third party make, all repairs, modifications, or replacements necessary to enable such Product to comply in all respects with Order requirements and charge the expense incurred to Seller; or
- D. Terminate this Order for default in whole or in part.

When 2nd Source Wire & Cable elects to perform inspection at a supplier's plant, such inspection should not be used by contractors as evidence of effective control of quality by such suppliers. It does not relieve the contractor of their responsibility for furnishing supplies that meet all specification requirements or for the performance of specified inspections and tests for such material. Acceptance of this Purchase Order obligates the Seller to perform, upon request, a corrective action investigation when discrepant material is received by Buyer, a written report shall be furnished, which is specific and conclusive to prevent a reoccurrence of the discrepancy. Supplier shall, on request, provide statements of corrective action on nonconformities or failures of Supplier's goods or services.

Letter of Disclosure --- When a nonconformance is determined to exist or is suspected to exist on goods and/or services provided to Buyer under this Contract, Supplier shall provide written Post Delivery Notification Letter or Letter of Disclosure

Q23 --- Warranties and Inspection

Seller expressly warrants that all materials and articles furnished hereunder (hereinafter called "goods") will conform to applicable specification, drawings and samples, that they will be free from defects in material and workmanship, however shall not be deemed to limit any warranties or representations of additional scope given to Buyer by Seller or any warranties implied by law. The period fixed by law or agreement during which Buyer may assert any claim pursuant to applicable warranties shall commence with the date on which the goods are delivered. Unless otherwise specified, acceptance of any items by Buyer shall not be deemed to alter the obligations of Seller to the rights of Buyer and its customer(s) under this clause or any other provision of this purchase order. Buyer may at his option hold rejected goods for seller's instruction and at seller's risk, or return them to Seller at Seller's expense, and Seller shall promptly reimburse Buyer for any and all damages, sustained by Buyer as a result of Seller's breach of warranty. No replacement of rejected goods may be made by Seller without written authorization from Buyer.

Q24 --- Conflict Minerals Contract Provision

All suppliers shall disclose any “conflict minerals” (as such term is defined below) used in the production of any product subject to this agreement, and, in the event such materials are used, shall submit, as applicable, either (i) its report filed with the Security and Exchange Commission under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection act, or (ii) contact 2nd Source Wire & Cable for a Conflict Materials Reporting Template (CMRT) to provide appropriate sourcing and chain of custody of such materials. As used above, the term “conflict minerals” shall have the meaning ascribed to it under Dodd-Frank and shall include, Gold, Tantalum, Tin & Tungsten or their derivatives, or any other mineral or its derivatives determined by the US Secretary of State to be financing conflict in the Democratic Republic of the Congo.

Q25 --- Confidential Information

All disclosures, drawings, specification, patterns or technical information furnished to Seller by Buyer are the sole property of Buyer and are submitted in confidence upon the understanding and agreement by Seller that they shall not be disclosed or furnished to any third party, shall not be used by seller in whole or in part for any purpose not designated by Buyer, and shall be returned to Buyer immediately upon Buyer’s request. Furthermore, Seller shall make no announcement concerning the fact that Seller has contracted to supply any materials or services for Buyer without the prior written permission of Buyer.

Q26 --- Foreign Object Debris/Damage

Supplier is required to establish and maintain a Foreign Object Debris/Damage (FOD) prevention program that employs appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, during operations and normal daily tasks