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[www.cdmelectronics.com](http://www.cdmelectronics.com)

## **Purchasing Information Supplier Requirements**

Seller and its lower-tier suppliers / subcontractors shall establish and maintain a quality management system and counterfeit parts program consistent with current industry standards (e.g. AS9100, ISO9100, AS9115, AS9120, AS5553, AS6495, AS6174, etc.). Seller shall flow this requirement down to its sub-tier supply chain as a condition of conducting business with CDM Electronics and our customers.

In keeping with the requirements of our customers, CDM Electronics Inc. is required to flow down certain requirements to suppliers. Please note that the requirements below are our minimum requirements. Additional customer required flow down requirements to our suppliers will be done through our Purchase Orders.

Please be advised that your organization is required to retain the following records for a minimum of 15 years:

1. Calibration Records.
2. Inspection Documentation:
  - a. Receiving inspection
  - b. First Article records
  - c. In Process Inspection records
  - d. Final inspection records
3. Certifications for purchased material as requested by our purchasing documents:
  - a. Certificate of Conformity
  - b. Certificates of Analysis
4. Retain quality management system documentation
  - a. Test Reports
  - b. Statistical Records

You are required to flow down requirements from CDM Electronics' Purchase Order and any additional customer requirements to your suppliers including any key characteristics. Documentation showing this must also be retained for a minimum of 15 years.

## **General Terms**

You are required to notify us of any changes in product and/or process, changes of suppliers, changes of manufacturing facility location, and where required contact us regarding obtaining approval of these changes.



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You are required to notify us in a timely manner of delivered nonconforming product. Notification shall include a description of the nonconformity, parts affected, and quantity and date(s) delivered. You will need to obtain approval from our organization for nonconforming product disposition.

Right of entry and audit by CDM Electronics Inc., our customers, and government/regulatory agencies to the applicable areas of all facilities, at any level of the supply chain, involved in the order. All applicable records will be granted on request.

Should our customer visit your premises, please be advised that this will not be used by the customer and/or CDM Electronics Inc. as evidence of acceptance of product. You are responsible for providing acceptable product that meets with all requirements.

To ensure compliance of U.S. export laws, CDM Electronics does not conduct business transactions with the Denied Persons List published by the U.S. Department of Commerce, Denied Parties List published by the Department of State and the Specially Designated Nationals List published by the Department of Treasury, Foreign Assets Control. CDM expects all suppliers to also comply with this law and to include this requirement in sub-tier purchase orders.

### **Products and Materials Purchased by the External Provider**

Seller shall ensure that its employees are aware of his/her contribution to compliance and safety of the provided product, as well as the importance of ethical behavior.

### **Warranties**

In addition to Seller's standard warranties, Seller warrants that all items delivered and all services rendered will conform to the requirements as specified by the manufacturer, drawings, etc. and will be free from defects. CDM Electronics may, at its option, return any defective items or nonconforming product to the Seller and/or require corrective action and/or replacement all at Seller's risk and expense.

### **Foreign Object Debris (FOD)**

You are required to ensure that Foreign Objects and subsequent Foreign Object Damage (FOD) are eliminated from all parts prior to shipment. All suppliers must maintain a FOD free environment during machining, manufacturing, assembly, maintenance, inspection, storage, packaging, and shipping in accordance with AS9146.



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Specific attention should be given, where applicable, to items such as:

- Housekeeping and cleanliness
- Food and beverage control
- Tool and small part accountability
- Loose objects
- Material handling and parts protection
- External cleaning following evidence of external contamination

Suppliers are responsible for flow down of these requirements to their sub-tier suppliers to ensure FOD free products.

### **Counterfeit Product Avoidance**

Only new and authentic materials are to be used in products delivered to CDM. Parts shall be procured from either the OEM directly or through the OEM's authorized distributor. Seller and its suppliers shall establish and maintain a counterfeit parts program consistent with current industry standards (e.g. AS5553, AS6496, AS6174, etc.). Documentation shall be available that authenticates traceability to the supply chain. This shall be evidenced by documentation such as packing slip, receiving documents and/or material certs, and be produced when requested. Independent distributors/brokers shall not be used without prior approval from the CDM buyer.

### **RoHS Compliance**

For product requiring RoHS compliance suppliers are required to ensure parts are in compliance to RoHS Directive 2011/65/EU as amended by (EU) 2015/863. Upon request a certification shall be provided within 5 business days. Acceptable C of C language is 2011/65EU or 2011/65/EU as amended by (EU) 2015/863. Certifications that only make reference to Directive 2011/65/EU will be interpreted as being compliant to (EU) 2015/863.

### **Conflict Minerals Policy**

CDM Electronics Inc. supports the position of the Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI) in avoiding any supplier using conflict minerals which directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo or adjoining countries. As a supplier to CDM Electronics and to ensure compliance that CDM Electronics will not receive product that contains conflict minerals that originate from mining or smelting operations in the DRC or adjoining areas, we require our suppliers to



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respond to information requests regarding the use and sources of conflict minerals in their products. Further CDM Electronics may be required, and may require our suppliers, to perform due diligence on the supply chain and source of its conflict minerals in accordance with the requirements of Section 1502 of the Dodd-Frank Reform Act. As part of our due diligence, you will periodically be requested to complete the EICC-GeSI Conflict Minerals reporting template and/or be surveyed to verify compliance with this policy. Also see CDM Electronics Inc. Conflict Minerals Policy Statement on our website.

### **Government Requirements**

Seller is responsible for compliance to the DFARS regulations related to safeguarding covered defense information and cyber incident reporting and FAR regulations related to covered telecommunications and video services or equipment. The seller shall conduct activities under these clauses in accordance with applicable laws and regulations on the access, monitoring, use, and disclosure of electronic communications and data. The safeguarding and cyber incident reporting required in no way nullifies the seller's responsibility of other safeguarding and cyber incident reporting pertaining to any unclassified systems required by other applicable clauses. The seller shall include these clauses in subcontracts as applicable should subcontract performance involve covered defense information and/or if seller intends to share controlled unclassified information with any lower-tier suppliers.

DFARs 252.204-7012 and 252.204-7020 Safeguarding Covered Defense Information and Cyber Incident Reporting <http://www.acq.osd.mil/dpap/dars/dfars/html/current/252204.htm>

FAR 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment  
[https://www.acq.osd.mil/dpap/dars/far/pdf/52\\_204\\_24.pdf](https://www.acq.osd.mil/dpap/dars/far/pdf/52_204_24.pdf)

FAR 52.204-26 Covered Telecommunications Equipment or Services Representation  
<https://www.acquisition.gov/far/52.204-26>

### **Additional DFARs clauses:**

DFARs 252.225-7014 Preference for Domestic Specialty Metals  
<https://www.govinfo.gov/content/pkg/CFR-2002-title48-vol3/pdf/CFR-2002-title48-vol3-sec252225-7014.pdf>

In adhering to these requirements we can continue to meet the needs of our customers and maintain meeting the requirements of industry standards.



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**Statement to Prevent Transactions with Denied Persons/Debarred/Debarred Parties/ SDN**

To ensure compliance of US export laws, CDM Electronics Inc., does not conduct business transactions with the “Denied Persons List” published by the US Department of Commerce, the “Denied Parties List” published by the Department of State and the “Specially Designated Nationals List” published by the Department of Treasury, Foreign Assets Control. CDM Electronics Inc. expects the Seller and its lower-tier suppliers / subcontractors to comply with these laws as well. Seller agrees to include this requirement in lower-tier purchase orders.



## **Supplier Quality Clauses**

Purchasing, in collaboration with Quality and Project Management, shall determine which supplier quality clauses are applicable to purchase orders. Suppliers shall review all identified quality clauses and ensure compliance to the specified requirements. Any conflicts shall be resolved prior to initiating work.

### **SQC 100 Series**

**SQC100 – Quality Management System (QMS):** The seller shall maintain a Quality Management System that complies with the requirements of ISO 9001 or a QMS approved by the Product Manager. Suppliers that are registered by an accredited RAB, ANAB registrar are preferred.

**SQC101 – Certificate of Conformance (C of C):** All parts supplied to this purchase order will be accompanied by a C of C. The C of C will be dated and signed by the responsible company representative certifying the supplied parts meet all purchase order, specification, and drawing requirements from the buyer. Certifications must include the following:

- (1) Date: Month-Day-Year;
- (2) Purchase Order Number, Line Number;
- (3) Quantity Shipped, Part Number, Revision, Lot Number and/or Date Code, and Serial Numbers (if applicable);
- (4) Name of approved lower-tier supplier and descriptions of service provided (if applicable), and;
- (5) Authorized signature and date.

**SQC102 – Identification, Preservation, Packaging, and Packing:** All shipments must be packaged to avoid damage and deterioration and must be shipped to the address specified on the PO unless otherwise noted. Packaging and packing shall be in accordance with good commercial practices unless otherwise specified on the PO. Parts shall not be intermingled unless otherwise specified. Each box or container shall be labeled and have as a minimum the following information:

- (1) Supplier's Address;
- (2) Ship to Address;
- (2) Part number;
- (3) PO number;
- (4) Quantity, and;
- (5) Manufacturer's identification.

**SQC103 - Source of Supply:** Suppliers are responsible to ensure compliance of materials used to manufacture parts provided. Suppliers will only purchase materials from Original Equipment Manufacturer (OEM), standard catalogues, or the OEM authorized distributors. Purchasing from independent brokers or other sources is not authorized unless approved in writing.



**SQC104 – Measuring & Test Equipment:** The supplier shall establish and maintain a documented calibration system to verify conformity of all measuring and test equipment (MT&E) such as gages, tools, jigs, fixtures and dies used to verify conformity to requirements. This system shall be compliant with ISO 9001:2008 (or latest version), AS9100 or TS16949.

Outside calibration and inspection/test services shall maintain a system in accordance with a recognized standard such as ISO 10012, ANSI/NCSL 540, or ISO 17025 and shall address the criteria described in the selected standard.

**SQC105 – Control of Quality Records:** All records related to the manufacturing, testing, and inspection of parts supplied against a purchase order will be maintained for a minimum of 7-years unless otherwise specified and available upon request by the buyer.

**SQC106 – Foreign Object Debris (FOD):** The Supplier shall assure that that devices, components and materials delivered under this contract are free of FOD. The Supplier shall employ general prevention practices to keep FOD, large or small, from the product and packaging. FOD contamination will be cause for rejection of material.

**SQC107 – Notification Responsibility:** The Supplier shall provide written notification immediately when there is a reason to suspect that products previously supplied may not be in accordance with drawing, specification or purchase order requirements. The supplier shall provide complete traceability information for all known or suspect non-conforming product shipped, including but not limited to identification of batch/lot numbers, purchase order numbers, part identification, quantities and dates of shipment.

The Supplier shall promptly inform CDM Electronics of any circumstance related to materials, manufacturing, processing methods, design, etc. which may make a product susceptible to premature failure or otherwise place the safe operation of that product at risk. The notification shall describe the nature of the discovered anomaly, its applicability to part number(s), quantities affected and the probable impact to the proper function/performance of the item supplied.

**SQC108 – Control of Lower-Tier Suppliers:** The Supplier is responsible to manage their Sub-tier suppliers and shall flow-down all applicable purchase order requirements, including, but not limited to Terms and Conditions and Quality Clauses to Sub-tiers performing work involving this purchase order, and provide Sub-tier documentation when requested.

**SQC109 – Supplier Corrective Action Request (SCAR):** A SCAR will be forwarded to a Supplier when corrective action is required. Upon notification of the nonconformance, the supplier shall take immediate containment action and complete a root cause analysis and proposed corrective action within 30 days or unless otherwise specified by CDM Electronics Quality Management. Failure to respond in a timely manner may result in a reduction in the suppliers rating and removal of Supplier from the Approved Suppliers Listing. Upon notification of the non-conformance shipments may be suspended until containment processes are enacted.



**SQC110 – Counterfeit (EEE) Parts; Avoidance:** Suppliers must comply with requirement of AS5553B, Counterfeit Electrical, Electronic, and Electromechanical (EEE) Parts; Avoidance, Detection, Mitigation, and Disposition, DFARS 252.246-7007, Contractor Counterfeit Electronic Part Detection and Avoidance Systems, and DFARS 252.246-7008, Sources of Electronic Parts. Suppliers shall disclose in writing when the source is not authorized for the EEE parts being supplied. This requirement shall also be flowed down to sub-tier suppliers.

**SQC111 – QPL/QPD Verification:** The Seller shall provide only products that are currently QPD listed components for components subject to the QPL unless exemption is granted in writing by CDM Electronics Quality and/or Engineering. Suppliers that provide components that are subject to the QPL but are not currently listed will have the shipments returned at their expense.

**SQC112 – FOB Destination:** The Supplier is responsible for the following:

- Pack and mark the shipment to comply with purchase order specifications; or
- In the absence of specifications, prepare the shipment in conformance with carrier requirements;
- Prepare and distribute manufacturer packing slips with Certificate of Conformance;
- Deliver the shipment in good order and condition to the point of delivery specified in the PO;
- Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the purchase order.

**SQC113 – Shelf Life:** Supplier shall not supply materials against a purchase order with less than 75% of the full shelf-life as determined by the original manufacturer, unless previously approved in writing by CDM Electronics. The expiration dates shall be clearly recorded on the packaging and shipping documents.

**SQC114 – Awareness:** The seller shall communicate and ensure employees are aware of their contribution to product or service conformity; their contribution to product safety and the importance of ethical behavior. This requirement shall also be flowed down to sub-tier suppliers.

**SQC115 – Right of Access:** Upon receipt of notification, Supplier will provide access to CDM Electronics, their customer and regulatory authorities to the applicable areas of all facilities at any level of the supply chain involved in the order and to all applicable records.





## **SQC 200 Series**

**SQC200 – Quality Management System:** The seller shall maintain a QMS that complies with the requirements of AS9100. Suppliers registered by an accredited RAB, ANAB registrar are preferred.

**SQC201 – First Article Inspection:** A first article inspection in accordance with AS9102 is required for this purchase order if one of the following apply:

- (1) First time submission (part or new supplier);
- (2) Break in production of 12 months or more;
- (3) Revision change affecting form, fit, or function (Delta partial FAI);
- (4) A process change used to manufacture the part (Delta partial FAI);
- (5) Change in manufacturing location facility, or;
- (6) As requested by CDM Electronics.

All first article inspections performed by the seller will be accompanied with a First Article Inspection Report (FAIR) showing conformance to all drawing or performance requirements.

All Conditionally Required (CR) fields on FAI Report Forms 2 and 3 shall be completed in accordance with the form instructions. In addition, any FAI report form generated shall not contain open fields. To ensure each field of the FAI has been reviewed, the supplier shall mark all open or unused fields "N/A".

**SQC202 – Source Inspection:** Parts and materials supplied to this purchase order require source inspection or government representative prior to shipment. The supplier will notify CDM Electronics (5) days in advance when parts and materials will be ready for source inspection. It is the supplier's responsibility to ensure part conformance to specified requirements prior to requesting source inspection.

**SQC203 – Electrostatic Discharge Control (ESD):** The seller shall maintain an ESD Management System that complies with ANSI/ESD S20.20, IPC-A-610 latest revision or equivalent. All electrostatic sensitive devices shall be packaged, marked and handled in compliance with ANSI/ESD S20.20, IPC-A-610 latest revision or equivalent. Any ESD violation to electrostatic sensitive devices will be cause for rejection.

**SQC204 – Printed Circuit Boards:** PCBs will comply with IPC-A-600 unless otherwise specified. Note: The supplier will default to Class 2 requirements if the class is not otherwise specified on the PO or other buyer supplied documents.

**SQC205 – Circuit Card Assemblies:** CCAs will comply with IPC-A-610, Acceptability of Electronic Assemblies, unless otherwise specified. Note: The supplier will default to Class 3 requirements if the class is not otherwise specified on the PO or other buyer supplied documents.



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**SQC206 – Wiring Harnesses:** Cables and Wiring Harnesses will comply with IPC/WHMAA-620 unless otherwise specified. Note: The supplier will default to Class 3 requirements if the class is not otherwise specified on the PO or other buyer supplied documents. When this clause is imposed, the supplier shall supply a copy of the IPC A-620 certification certificate of personnel who assembled and inspected the assemblies.

**SQC207 – MSDS:** As required under OSHA Hazard Communication Standard 29 CFR 1910.1200, a Material Safety Data Sheet (MSDS) must accompany the initial shipment of any hazardous material defined as such under the act. For items previously ordered, a MSDS must also be supplied if the MSDS has changed since the previous shipment.

**SQC208 – Temperature Sensitive Material:** The seller must identify each shipment of temperature sensitive material with the manufacture date, storage temperature and recommended shelf life, in addition to the normal identification requirements of Name, Type, Size, Lot code and Quantity. Identification and special handling conditions must be recorded on the shipping document.

**SQC209 – Moisture Sensitive Components:** All moisture sensitive components shall be protected, stored, handled, packaged, and shipped in a manner to prevent moisture or atmospheric humidity that could result in degradation, damage, or minimize shelf life to moisture sensitive components that are defined in the Purchase Order.

**SQC210– Certification of Special Processes:** Each shipment of specified product/material supplied must be accompanied by a Certification form identifying the Name and address of the company performing the process, date process was performed, process specification, and applicable certification of personnel performing the process. The certification must contain the signature and title of an authorized representative of the supplier performing any special process.

When parts are serialized, the serial numbers must appear on the certification. Special processes requiring certification are adhesive bonding, brazing, welding, conversion coating, painting, special finishes, heat treating, plating, potting. All special processes must be performed by a NADCAP approved source or by an end Customer approved processor. Requirement to use end customer approved processor will be identified on the purchase order.



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### **SQC 300 Series**

**SQC300 – Certificate of Test (C of T):** All parts supplied to this purchase order will be accompanied by a C of T. The C of T will be dated and signed by the responsible company representative certifying the supplied parts meet all purchase order, specification, and drawing requirements from the buyer. Certifications must include the following:

- (1) CCSI PO Number;
- (2) CCSI Part Number, Revision, Serial Numbers and Lot Clauses where applicable
- (3) Quantity Shipped;
- (4) Name of approved lower-tier supplier and descriptions of service provided (if applicable);
- (5) Authorized signature and date;
- (6) Test Results;
- (7) Name and Address of the tester or independent laboratory, and;
- (8) Date and run time if applicable.

**SQC301 – Unique Identification (UID) marking requirements:** Unique Identification (UID) marking on labels, decals or metal plates shall be per MIL-STD-130N and as specified on the purchase order.