

The word "shall" invokes a binding requirement for the supplier to meet.

1.0 M-CC (Certificate of Conformance)

- 1.1 The supplier shall include a Certificate of Conformance with each shipment against this purchase order.
- 1.2 A Certificate of Conformance certifies that the manufacturer and supplier have performed all required inspections and tests and that the delivered item meets all requirements identified on the SDI Purchase Order and all associated reference documents.
- 1.3 SDI uses Revision "-" to denote a drawing's first release. If the "-" is included as the drawing revision on the purchase order, the supplier shall record it as such and include this information in the Certificate of Conformance.
- 1.4 The supplier shall ensure the person issuing the Certificate of Conformance has been authorized by the supplier to do so.
- 1.5 The exact format of the Certificate of Conformance may vary. Requirements can be identified within the Certificate of Conformance, Packing Slip, and/or material packing but shall contain the following minimum information:
 - Statement affirming that the delivered item meets all requirements identified on the SDI Purchase Order and all associated reference documents.
 - Supplier's name.
 - Manufacturer's name (when different from the supplier)
 - SDI part number as specified on the purchase order.
 - When an SDI part number is not specified on the purchase order, the supplier's part number shall be used.
 - When a supplier's part number is not specified on the purchase order, the material's descriptor shall be used.
 - SDI's drawing number and revision as specified on the purchase order.
 - Change notices shall be included if they are not part of the revision level.
 - When an SDI drawing revision is not specified on the purchase order, no drawing revision is required.
 - Serial Number (as applicable).
 - Date code (as applicable).
 - Lot/batch/heat number (as applicable).

2.0 M-CM (Counterfeit Mitigation)

- 2.1 Seller shall maintain a Counterfeit Item risk mitigation process internally and with its suppliers using SAE AS5553 as a guide.
- 2.2 The Seller shall participate in the Government Industry Data Exchange Program (GIDEP) monitoring and acting on GIDEP reports which affect product delivery to the buyer. When suspect or confirmed counterfeit item(s) associated with this purchase order are

discovered, the Seller shall issue a GIDEP report and shall ensure suspect counterfeit items are not delivered to SDI.

- 2.3 Seller shall immediately notify SDI with the pertinent facts if Seller becomes aware or suspects that items delivered in accordance with the SDI purchase order contain suspected or confirmed counterfeit items. When requested by SDI, Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- 2.4 Seller shall provide evidence of the Sellers risk mitigation process to the SDI Buyer upon request.
- 2.5 Seller shall purchase material directly from OCMs or OEMs or from Authorized Distributors of OCMs or OEMs and shall obtain approval from the SDI Buyer if items required to satisfy this order cannot be procured from these sources.
- 2.6 Seller shall present complete and compelling support for any request to procure from sources other than OCMs or OEMs or their Authorized Distributors and include in the request all actions completed to ensure the parts thus procured are not Counterfeit Items. The Seller's supporting documentation shall also include:
 - 2.7 Results of authentication test and analysis conducted (using AS5553 as a guide).
 - 2.8 Traceability with identification of all supply chain intermediaries wherever such traceability exists.
 - 2.9 Identification of and traceability to the source for any remarked or resurfaced material.
 - 2.10 Seller is not authorized to deliver any item procured from sources other than OCMs or OEMs, or their Authorized Distributors without prior written authorization from the SDI Buyer.
 - 2.11 The seller shall segregate and provide traceability identifiers (i.e. Date Code / Lot Code., Serial Number) for all items delivered to SDI which contain an item procured from sources other than OCMs or OEMs, or their Authorized Distributors.
 - 2.12 Seller shall flow down to and ensure compliance with the requirements of this Q-Note by lower tier suppliers providing items for delivery to SDI under this order.

3.0 M-DR (Documentation Revision and Configuration Control)

- 3.1 Supplier shall ensure they have the SDI drawing that matches the revision noted on the Purchase Order.
- 3.2 Supplier shall ensure they have the drawings that match the specific revisions for any SDI drawings listed on the Purchase Order.
 - 3.2.1 Supplier shall contact the SDI Procurement Agent on the Purchase Order for the drawing revision level listing of any subsidiary drawings listed on the SDI Source Control Drawing.

- 3.3 Supplier shall not accept changes via verbal direction. Changes must be in writing, electronic or otherwise.
- 3.4 If an item on the Purchase Order invokes a military specification, military standard, or other revision-controlled requirement document by reference, the revision in effect is as of the date of the Purchase Order.

4.0 M-ED (Electrostatic Sensitive Devices)

- 4.1 Supplier shall comply to the following if an item on this Purchase Order contains electrical or electronic parts, assemblies, or equipment, susceptible to damage from Electrostatic Discharge (ESD).
- 4.2 The supplier shall establish and implement an ESD Control Program that is compliant with the latest revision of MIL-STD-1686 and/or JESD625 for electrical and electronic parts, assemblies, and equipment, susceptible to damage from Electrostatic Discharge (ESD).
- 4.3 The supplier shall take the necessary precautions to ensure that static susceptible devices are adequately protected from ESD damage during manufacturing, test, inspection, packaging and shipping.
- 4.4 The supplier shall mark packaging for electrical and electronic parts, assemblies, and equipment, susceptible to damage from Electrostatic Discharge with an ESD cautionary note or symbol.
- 4.5 The supplier shall ensure that Anti-Static and Static Dissipative packing material (pink-poly formulations) comply with the Contact Corrosivity Testing in accordance with MIL-STD-3010 Method 3005.
- 4.6 Anti-static and static dissipative packing material (pink-poly formulations) shall not be used in direct contact with Optics and Polycarbonates.
- 4.7 The supplier shall cease all work on ESD items when the relative humidity drops below the permitted lower limit of 30% until either of the conditions below are met:
 - The relative humidity increases to at least the lower limit or,
 - Ionization equipment utilized at the ESD workstation is turned on and properly positioned with respect to the product and operated in accordance with the manufacturer's operating instructions.

5.0 M-FD (Quality Flow Down to Sub-Tier Suppliers)

- 5.1 Supplier's Quality Management System shall ensure all relevant Purchase Order requirements are flowed down to their sub-tier suppliers.
- 5.2 Supplier's sub-tier suppliers shall be responsible for compliance to the same Quality Notes, specifications and requirements specified on the Purchase Order.

6.0 M-FOD (Foreign Object Elimination)

- 6.1 The material supplied on the purchase order shall be free of foreign objects and manufactured in an environment that is free of foreign objects.
- 6.2 Supplier shall establish and maintain an effective Foreign Object Damage (FOD) Prevention Program, using NAS412 as a guideline.
- 6.3 Supplier's FOD Prevention Program shall account for the sensitivity of the design of the product(s) to FOD, as well as the FOD generating potential of the manufacturing methods.
- 6.4 Supplier's FOD Prevention Program shall include FOD preventive practices for packaging.
- 6.5 Supplier shall ensure that there are no foreign objects received in packaging and packaging containers. Note: Foreign objects include staples, foam peanuts, and Styrofoam which may be used in packaging.
- 6.6 Supplier shall not use packaging material that may leave a residue from the packaging material on the parts as a result of packing or unpacking the product.
- 6.7 Supplier's FOD Prevention Program shall be available for review and audit upon request by the SDI Procurement Agent and/or government representative.

7.0 M-MPN (Manufacturer's Part Numbers)

- 7.1 Supplier shall ensure product meets all drawing and Purchase Order requirements.
- 7.2 If an item on this Purchase Order is controlled by a drawing that references a "Suggested Source of Supply" and/or "Manufacturer Part Number", Supplier shall verify that the suggested source and/or manufacturer's part number meet the requirements of the drawing and/or Purchase Order.

8.0 M-NC (No Changes Without Approval)

- 8.1 All communication, technical guidance and instructions having contractual impact shall be accomplished directly between the buyer and the supplier's authorized representative. No contract or specification deviations shall be made without the written authorization of SDI.
- 8.2 No changes in materials, processes, procedures, design interfaces or software which affects the form, fit, function, safety, weight, maintainability, service life, reliability, replaceability, or interchangeability of the items to be delivered to SDI shall be made without prior written approval/acknowledgement from the SDI Buyer. Prior to implementing such a change, the supplier shall submit a Supplier Change Request (SCR) form (0-000-00190) notifying SDI of the impending change.

8.3 Listed below are examples (not all inclusive) of events which the supplier shall evaluate for product impacts as defined above:

- Plant Relocation
- New Equipment
- Material Change
- Name/Cage Code Change
- Equipment Relocation
- Process Change
- Design Change
- Drawing conflict
- Sub-Tier Supplier Change

8.4 It is the supplier's responsibility to fully comply with all the instructions listed on the SDI Purchase Order. Lack of written approval shall not relieve the supplier of the responsibility to fully comply with all the requirements of the purchase order. The supplier shall not receive compensation in any form from SDI for unauthorized activity.

9.0 M-NM (Nonconforming Material)

9.1 Supplier shall not ship nonconforming material without prior written approval from SDI.

9.2 Supplier shall provide SDI at least 5 business days to process requests for approval to ship nonconforming material.

9.3 Notification shall include, but not be limited to: the Purchase Orders' part number(s), nonconformance details, the quantity of affected parts, date of shipment and the packing list number.

9.4 Supplier shall respond to SDI's request for root cause and corrective action if nonconforming material is rejected by SDI and determined to be Seller responsibility. Note: Failure to respond within the time frame requested could affect future procurement and/or status as an approved Seller.

10.0 M-QS (Quality Management System)

10.1 Sellers

10.1.1 Sellers shall have a quality management system in compliance with the current revision of AS9100 or ISO 9001 or have an SDI approved quality management system.

10.1.2 Sellers certified to AS9100 or ISO 9001 shall provide evidence of a third-party certification upon request by SDI.

10.1.2.1 Supplier's AS9100 or ISO9001 certification shall be from an accreditation body that is a member of the International Aerospace Quality Group (IAQG), International Accreditation Forum (IAF) or ANSI-ASQ National Accreditation Board (ANAB), respectively.

10.1.3 Sellers not certified to AS9100 or ISO 9001 shall pass an SDI Quality Management System audit if required by SDI.

10.1.4 Sellers shall provide evidence of compliance to AS9100 or ISO 9001 by a third-party auditor or have been reaudited by SDI within the last three (3) years to remain an approved Seller.

10.2 Distributors

10.2.1 Distributors shall have a quality management system in compliance with the current revision of AS9120 or ISO 9001 or have an SDI approved quality management system.

10.2.2 Distributors certified to AS9120 or ISO 9001 shall provide evidence of a third-party certification upon request by SDI.

10.2.3 Distributors not certified to AS9120 or ISO 9001 shall pass an SDI Quality Management System audit if required by SDI.

10.2.4 Distributors shall provide evidence of compliance to AS9100 or ISO 9001 by a third-party auditor or have been reaudited by SDI within the last three (3) years to remain an approved Distributor.

11.0 M-RA (Right of Access)

11.1 SDI customers, Federal Government Contractors and/or regulatory authority representatives shall have right of access to quality management system documentation, all applicable records and all facilities involved in the execution of the Purchase Order.

12.0 M-RR (Product, Process Control and Quality Record Retention)

12.1 Supplier's Product, Process Control and Quality Records shall be retained at Supplier's location for a minimum of ten years, unless a longer retention period is specified in the Purchase Order or Drawing.

12.2 Supplier's Product, Process Control and Quality Records shall be adequate to ascertain the quality level of production processes. This includes chemical and physical test results of Raw Material used in the manufacture of the item on the Purchase Order or Drawing.

12.3 Supplier shall provide Product, Process Control and Quality records upon request from the SDI Procurement Agent.

12.4 Supplier shall keep Product, Process Control and Quality Records of any sampling plan requirements called out in the Drawing. These records shall include lot quantity, sample size, sampling size requirement, and test values for each sample required by the Drawing.

13.0 M-SC (Quality Score)

13.1 All purchase orders will be subject to SDI’s Vendor Scoring System and the Q-note shall be included on all Purchase Orders.

13.2 Quality Scores shall be determined by:

- On-Time Delivery
- Compliance with Purchase Order Requirements
- Quality of received products and services

13.3 On-Time Delivery

13.3.1 On time delivery is a key component in scoring the status of a vendor. All purchase orders are expected to have an expected delivery date connected to them.

13.3.2 Multiple line items may have different dates. Large quantity items may have staggered delivery schedules. These should be clearly communicated from the vendor at the time of purchase.

13.3.3 On Time Delivery is based on a graduated scale and is scored as follows:

Days late	Score
< 3	100%
4-6	75%
7-9	50%
10-12	25%
>12	0%

13.4 Compliance

13.4.1 Compliance to purchase order requirements are an important factor in determining a vendor overall Quality Score.

13.4.2 Compliance is based on the following three criteria, which are averaged to obtain a compliance score:

- Receipt of a Certificate of Conformance (C of C) (if requested).
- Accuracy of the C of C vs. Purchase Order Requirements.
- Compliance with Q-Notes listed on the Purchase Order.

13.4.3 Compliance is also scored on a graduated scale as follows:

Compliance	Score
Pass	100%
Borderline	50%
Fail	0%

13.5 Quality

- 13.5.1 The overall quality of products and services received is vital to SDI and its end-use customers. For this reason, the quality of products and services received are inspected closely.
- 13.5.2 Each product will naturally have different criteria for quality, ranging from simply quantity received to more detailed physical and/or electrical analysis.
- 13.5.3 AQL Sampling is utilized for large quantity orders. If a single failure in the sample fails any the criteria established for the product or service, the entire lot may be rejected and returned to the vendor for rework. Additionally, the percentage of accepted vs rejected parts are averaged with the AQL Sampling results to obtain a Quality score.

13.6 Overall Quality Score

- 13.6.1 On-Time Delivery, Compliance, and Quality Scores from each Purchase Order are averaged together to create the Overall Quality Score. These scores are averaged with all other Overall Quality Scores from Purchase Orders received from the previous 24 months to obtain a Vendor Quality Score.
- 13.6.2 Vendors may request their Overall Quality Score by contacting: quality@silicondesigns.com.

14.0 M-SP (Special Processes)

- 14.1 A special process is any process where the resulting output cannot be verified by subsequent monitoring and measurement and deficiencies become apparent only after the product is in use or the service has been delivered.
- 14.2 Suppliers must have specific, documented, and controlled procedures for each special process performed.
- 14.3 Only qualified/certified personnel shall be assigned to perform a special process.
- 14.4 The supplier must develop a specific training plan and check the performance of the individual associate on a regular basis.
- 14.5 SDI reserves the right to request, review, and approve all special process procedures, training documents, and certification records.
 - 14.5.1 Special processes include, but are not limited to:
 - Coating (Conformal, Diffusion, Painting)
 - Electroplating
 - Heat Treatment
 - Laser Drilling, Cutting and Marking
 - Non-Destructive Testing (NDT)
 - PCBA (Printed Circuit Board) assembly and manufacturing
 - Soldering
 - Seam Sealing