

Ultra Quality Clauses

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Ultra Intelligence & Communications

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Revision History

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10/2014	1.0	Adam Landrum	Initial Release
11/2020	2.0	Abe Mahdavi	Added UQC 400 (Legal & Ethics) and updated with SBU name
9/2021	2.1	Daniel Eastvedt	Updated logo and header

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1.0 PURPOSE

The purpose of this document is to identify and define quality clauses referenced on purchase orders by Ultra. It is intended to establish common language for supplier quality requirements related to Ultra generated purchase orders.

2.0 SCOPE

This document applies to Ultra generated purchase orders for the procurement of system components used on deliverable (product with electronic components destined for Government or military use) product at Ultra.

3.0 DEFINITIONS

- A. Buyer: Ultra Procurement entity.
- B. Seller (AKA Supplier, Subcontractor): the legal entity that is the contracting party with the Buyer with respect to the procurement document.
- C. Procurement Document: purchase order between the parties.
- D. Item: the product contracted for by the procurement document.
- E. Rework: previously documented and approved process that brings the product into conformance with defined requirements.
- F. Repair: a condition where the product cannot conform to engineering standards; however, a subsequent operation can be performed to return the product to a condition that **shall** meet fit, form, and function.

4.0 ACRONYMS

P.O. – Purchase Order	ESD – Electrostatic Discharge
CCA – Circuit Card Assembly	UID – Unique Identification
QMS – Quality Management System	C of C – Certificate of Conformance
MRB – Material Review Board	C of T – Certificate of Test
PCB – Printed Circuit Board	

5.0 RESPONSIBILITIES

- 5.1 Purchasing, in collaboration with Quality and Project Management, shall determine which clauses are applicable to purchase orders.
- 5.2 Ultra Quality Assurance department is responsible for coordinating the review and approval of this document.
- 5.3 Ultra Quality Assurance department is responsible for coordinating periodic updates to this document.
- 5.4 Supplier shall review all identified quality clauses and ensure compliance to the specified requirements. When there is any confusion or conflicts between identified clauses or other Ultra documentation, the supplier is responsible for contacting the Ultra buyer to resolve conflicts prior to initiating work.

6.0 STAKEHOLDERS

The stakeholders are the Quality and Supply Chain personnel who use these clauses.

7.0 PROCEDURE

- 7.1 The Quality Clauses are categorized into 100, 200, 300 and 400 series.
 - 7.1.1 The 100-series clauses are standard requirements for Ultra and shall be identified on all material purchase orders
 - 7.1.2 The 200-series clauses are commodity specific.
 - 7.1.3 The 300-series clauses are used to specify additional requirements.
 - 7.1.4 The 400-series clauses are used to specify legal and ethical requirements.
 - 7.1.5 When there is a conflict between quality clauses on a purchase order, then the higher number clause will take precedence (e.g. UQC200-series clause takes precedence over a UQC100-series clause).

8.0 ULTRA QUALITY CLAUSES (UQC)

8.1 UQC 100 Series

UQC100 – 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 Ultra Quality Manager. Suppliers that are registered by an accredited registrar are preferred.

UQC101 – Identification, Preservation, Packaging, and Packing: All shipments to Ultra 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 ASTM D3951-10 Standard Practice for Commercial Packaging or applicable MIL-STD 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) Manufacturer's Address (2) Ship to Address, (2) Part number, (3) PO number, (4) Quantity and (5) Manufacturer's identification.

UQC102 - Source of Supply: Suppliers are responsible to ensure compliance of materials used to manufacture parts supplied to Ultra. 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 by Ultra.

UQC103 – Measuring & Test Equipment: It is the seller's responsibility to ensure all equipment used to test and inspect products delivered to Ultra shall be traceable to the National Institute of Standards and Technology (NIST) requirements. A calibration system in accordance with ANSI/NCSS Z540-1 or equivalent will be used by the supplier.

UQC104 – Control of Quality Records: All records related to the manufacturing, testing, and inspection of parts supplied to an Ultra purchase order will be maintained for a minimum of 7-years and available upon request by the buyer.

UQC105 – Shelf Life: No materials with less than 75% of the full shelf-life will be shipped to an Ultra purchase order as determined by the original manufacturer, unless previously

approved in writing by Ultra. The expiration dates shall be clearly recorded on the packaging and shipping documents.

UQC106 – 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 Clause and Quantity. Identification and special handling conditions must be recorded on the shipping document.

UQC107 – 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.

UQC108 – Certification of Special Processes: If drawings and/or specifications listed in this purchase order require special processes at the seller or the seller's sub-tier, these processes shall be documented, and managed in accordance with ISO 9001:2000 series section 7.5.2 validation of processes for production and service provision.

These processes include, but not limited to, the following: conformal coating, contamination control, painting, soldering, welding, or any other process defined in the purchase order.

UQC109 – Notification Responsibility: The Supplier shall inform Ultra immediately where there is a reason to suspect that products previously supplied to Ultra may not be in accordance with the Ultra drawing, specification or purchase order requirements. The Supplier shall promptly inform Ultra 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 Ultra part number(s), quantities affected and the probable impact to the proper function/performance of the item supplied.

UQC110 – Control of Lower-Tier Suppliers: The Supplier shall flow-down all applicable Ultra purchase order requirements, including, but not limited to Terms and Conditions and Quality Clauses to Sub-Tiers performing work involving this purchase order.

UQC111 – Supplier Corrective Action Request (SCAR): A SCAR will be forwarded by Ultra to a Supplier when corrective action is required. Upon notification of the non-conformance, 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 Ultra's Quality Assurance Manager. Failure to respond in a timely manner may result in a decrease 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.

UQC112 – Counterfeit Prevention: The Supplier shall maintain a Material Authenticity program that aligns and is consistent with the intent of SAE AS5553, Counterfeit Electronic Parts; Avoidance, Detection, Mitigation and Disposition.

UQC113 – 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. See C of C template example in section 10.0. Certifications must include the following:

- (1) To: Customer Contact
- (2) Date: Month-Date-Year
- (3) Attention: Point of Contact
- (4) Reference
- (5) Purchase Order Number
- (6) Quantity Shipped, Part Number, and Serial Numbers (if applicable).
- (7) Name of approved lower-tier supplier and descriptions of service provided (if applicable)
- (8) Authorized signature and date.

UQC114 - Conflict Minerals - Dodd-Frank Act, Section 1502

Definition of Conflict Minerals:

Ores mined for the production of Tantalum, Tungsten, Tin, and Gold (or 3TG as they are known) originating from the Democratic Republic of the Congo (DRC) or adjoining countries.

Regulation:

On August 22, 2012, the SEC adopted the final rule implementing Section 1502 of the Dodd-Frank Act, the Conflict Minerals Rule, aimed at reducing a significant source of funding for armed groups that are committing human rights abuses and contributing to the conflict in the Democratic Republic of the Congo. Under the final rule, SEC reporting companies that manufacture or contract to manufacture products that contain conflict minerals must conduct a Reasonable Country of Origin Inquiry (RCOI) on the source and chain of custody of the applicable conflict minerals).

8.2 UQC 200 Series

UQC200 – Quality Management System: The seller shall maintain a QMS that complies with the requirements of AS9100. Suppliers registered by an accredited registrar are preferred.

UQC201 – First Article Inspection: A first article inspection in accordance with AS9102 or equivalent is required for this purchase order if one of the following apply:

- (1) First time submission (part or new supplier)
- (2) Revision change affecting form, fit, or function
- (3) A process change used to manufacture the part
- (4) Change in manufacturing location (facility)
- (5) As requested by Ultra

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 specified by Ultra.

UQC202 – Source Inspection: Parts and materials supplied to this purchase order require source inspection by Ultra or government representative prior to shipment. The supplier will

notify Ultra 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.

UQC203 – 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.

UQC204 – Foreign Object Debris (FOD): The Supplier shall assure that that devises, 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.

UQC205 – 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.

UQC206 – Circuit Card Assemblies: CCAs will comply with IPC-A-610, Acceptability of Electronic Assemblies, 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.

UQC207 – Wiring Harnesses: Cables and Wiring Harnesses will comply with IPC/WHMA-A-620 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.

UQC208 – Rework Authorization of Circuit Card Assemblies: the seller shall rework CCA's supplied to this purchase order in accordance with IPC-J-STD-001.

8.3 UQC 300 Series

UQC300 – 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) Ultra PO Number
- (2) Ultra 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

(8) Date and run time if applicable

UQC301 – Unique Identification (UID) marking requirements: Unique Identification (UID) marking on labels, decals or metal plates shall be per MIL-STD130N.

8.4 UQC 400 Series

UQC400 – Legal & Ethics

A. Compliance with Laws

Service and material providers will maintain full compliance with all laws and regulations applicable to their business and comply with local laws and regulations.

B. Records Retention

Service and material providers will maintain accurate records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, records must be retained based on the applicable retention requirements.

C. Human Rights

Service and material providers will treat people with respect and dignity and provide equal opportunity for all and foster an inclusive and ethical culture.

D. Child Labor

We expect our service and material providers to ensure that illegal child labor is not used in the performance of work. The term “child” refers to any person under the minimum legal age for employment where the work is performed.

E. Human Trafficking

Service and material providers must adhere to regulations prohibiting human trafficking and comply with all applicable local laws in the country or countries in which they operate. Service and material providers must refrain from violating the rights of others and address any adverse human rights impacts of their operations. Specifically, service and material providers will be prohibited from the following in all contracts:

- Destroying, concealing, or confiscating identity or immigration documents;
- Using misleading or fraudulent tactics in recruiting;
- Charging employee recruitment fees or providing inadequate housing based on local standards, laws and directives;
- Failing to provide employment contracts and other documentation in the employee’s native language;
- Failing to interview and protect employees suspected of being trafficking victims.

F. Conflict of Interest

We expect our service and material providers to avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest in their dealings with our company. We expect our service and material providers to provide notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between the interests of our company and personal interests or those of close relatives, friends or associates.

G. Information Protection

We expect our service and material providers to properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purpose (e.g., advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorization from the owner of the information.

H. Intellectual Property

We expect our service and material providers to respect and comply with all the laws governing intellectual property rights assertions, including protection against disclosure, patents, copyrights, and trademarks.

I. Information Security

Service and material providers will protect the confidential and proprietary information of others, including personal information, from unauthorized access, destruction, use, modification and disclosure, through appropriate physical and electronic security procedures. Service and material providers must comply with all applicable data privacy laws. Service and material providers shall assure extension of this requirement to all sub-tier sources they employ.

J. Environment, Health, and Safety

We expect our service and material providers to operate in a manner that actively manages risk, conserves natural resources, and protects the environment. We expect our service and material providers to apply environmental management system principles in order to establish a systematic approach to the management of risks/hazards and opportunities associated with the environment, including potential risk from regulatory non-compliance, reputational loss, and opportunities for business growth through operational and product stewardship. We expect our service and material providers to comply with all applicable environmental, health and safety laws, regulations, and directives. Service and material providers should protect the health, safety, and welfare of their people, visitors, and others who may be affected by their activities.

9.0 REFERENCE DOCUMENTS

N/A

10.0 APPENDICES

10.1 Certificate of Conformance Template

CERTIFICATE OF CONFORMANCE

TO: *Customer Contact*

DATE: *Month-Date-Year*

ATTENTION: *RECEIVING INSPECTION*

REFERENCE: *Internal Identifier*

CUSTOMER'S PURCHASE ORDER #: *XXXXXX*

ITEMS SHIPPED:

*_*qty. Description (Part Number: *XXXXX*) Serial Numbers: *XXXXXX*

The materials, parts and processes furnished against the above referenced Purchase Order (except when furnished by the buyer) and shipment were produced in conformance with all contractually applicable drawings and specifications, Government or customer, as referenced in, or furnished with the above noted Purchase Order.

The materials and items furnished under the above referenced Purchase Order were produced from materials for which Ultra Electronics, Advanced Tactical Systems, Inc. (Ultra) has on file and available for examination, physical, chemical and functional or other appropriate evidence of conformance to applicable specifications.

Materials traceability is managed via Purchase Orders and serial numbers of components affecting form, fit, or function of the system. This traceability process shall allow Ultra to easily identify sub-tier suppliers for each component of the system.

All processes required by Purchase Order and/or applicable specifications were performed by approved processing sources and/or certified personnel. Ultra maintains objective evidence of this fact, available for customer examination. Test data proving compliance to applicable specification is on file with Ultra and will be sent on request.

Authorized Signature

Name, Title