Argo EMS Supply Chain Standard Terms and Conditions

The following requirements apply to all suppliers of material purchased by ARGO EMS. Exceptions for a particular clause are identified within the clause

A. The products and/or services provided supplied shall conform to supplied drawings (current revision provided) and technical specifications referenced by the supplied drawings or purchase order provided.

B. The products, services, and the processes and equipment used to produce them are subject to review, inspection and approval by ARGO EMS. Incoming quality inspection and potential site visits are the primary method of approval and release to provide products and services.

C. Supplier personnel involved in producing products and services bought by ARGO EMS shall be trained and competent in their roles. Unless stated to the contrary in the PO or provided drawings, workmanship criteria for printed circuit assemblies and cable/harness assemblies shall be in accordance to IPC-A- 610, and IPC-WHMA-A-620, class 3, respectively. Printed Circuit Board workmanship shall be verified based on the criteria of IPC-A-600, class 3, current revision, unless indicated to the contrary on the customer documentation or ARGO EMS purchase order.

D. Suppliers shall interact with ARGO EMS procurement and quality personnel, as needed, via phone, e-mail, webex, or site visits as required to maintain consistent quality of products and services supplied, in order to meet the requirements of the Argo EMS QMS.

E. ARGO EMS shall monitor and control supplier performance through incoming inspection, site visits, and test results, as required.

F. Custom products suppliers may be subject to periodic site visits to ensure process and product capability. During these visits, ARGO EMS Quality Personnel may review equipment, processes and staff training records to ensure requirements are met.

G. Design and development control: Follow all design and control requirements communicated via Argo EMS purchase order.

H. Custom products may have specification callouts for special processing, critical tolerance elements or other key characteristics that will be referenced on either the drawing or purchase order. Supplier shall review all provided documentation and advise of areas of risk, prior to accepting ARGO EMS purchase orders.

I. The supplier shall perform an appropriate level of inspection and test. For custom product, a 100% outgoing inspection is preferred. In lieu of 100% inspection, the supplier may perform a C=0, 0.65 AQL, or tighter inspection. Unless defined to the contrary by PO, testing shall be performed only at a 100% level. Test sampling is ***NOT*** acceptable. This requirement does ***NOT*** pertain to COTS components which shall be inspected and tested in accordance with best commercial practices

J. Suppliers shall comply with all required process controls communicated via Argo EMS purchase order or other documentation.

K. Suppliers are expected to:

   i) The supplier shall maintain a Quality Management System (QMS). Preferred QMS systems include ISO-9001, ISO-13485, AS9100, or any other equivalent, industry recognized; QMS modeled after military, medical, commercial, and/or international specifications.

   ii) For special processes, use ARGO EMS approved external providers and process sources.

   iii) Since ARGO EMS does NOT grant MRB Authority for product REPAIR, the supplier shall notify ARGO EMS whenever parts are rejected AND are dispositioned for REPAIR. The supplier can perform REWORK at will without having to notify ARGO EMS for approval. ***REPAIR*** is defined as ***"The act of restoring the functional capability of a defective article in a manner that precludes compliance of the article with applicable drawings or specifications." REWORK*** is defined as ***"The act of reprocessing non-complying articles, through the use of original or alternate equivalent processing, in a manner that assures compliance of the article with applicable drawings or specifications."*** This requirement pertains to custom parts ONLY. COTS electronic components are exempt from this requirement

   iv) Suppliers of electronic components shall have a Counterfeit Electronic Component Detection and Avoidance system in place to prevent the introduction of counterfeit components into the supply chain.

vi) The supplier shall notify ARGO EMS of changes in product and/or process, change of critical supplier and any change of manufacturing facility location. ARGO EMS retains the right to approve or disapprove any and all changes. This requirement pertains to custom parts ONLY. Commercial off-the-shelf (COTS) electronic components are exempt.

vii) Suppliers who use sub-contractors to perform some/all aspects of the overall build of custom products are responsible for flowing down all ARGO EMS requirements to the sub-tier suppliers. The supplier ARGO EMS issued the PO to is ultimately responsible for the compliance of the finished part to all ARGO EMS requirements Suppliers of ***custom*** components shall provide ARGO EMS with a First Article Report (FAI) with the

viii) First shipment of a new part

ix) A revision change to an existing part, or

x) Whenever an existing part/revision has not been built in more than 2 years, the FAI shall be modeled after the AS9102 format although an FAI of the vendors choosing is acceptable provided that the PO does not specifically call out an AS9102 format. If the PO requires an AS9102 FAI, the ONLY acceptable format for the FAI shall be the AS9102 format. This requirement pertains to custom parts ONLY. COTS electronic components are generally exempt from this requirement unless the ARGO EMS PO specifically invokes it

xi) Custom product test specimens shall be provided for design approval, inspection/verification, investigation or auditing as called out by ARGO EMS purchase order.

xii) The supplier shall maintain test and inspection records for all delivered lots. The term of the record retention shall be specified in the ARGO EMS PO. If no term is specified, the vendor shall maintain ALL Quality records for a period of not less than ***one*** year.

L. The supplier shall grant Right of Access to ARGO EMS, our customers, and to any regulatory authority,to all applicable areas of all builds at any level of the supply chain involved in the order and to all applicable records

M. The supplier shall ensure that persons involved in the product build, or service supply of custom products and services to ARGO EMS are aware of their contribution to product or service conformity to requirements, their contribution to product safety and the importance of ethical behavior.