

RAVIN Electronics AS6081 Supplier Contract Requirements Flowdown

1 CONTRACT/PURCHASE ORDER CONTRACT CLAUSES

The clauses provided in 1.1.1 below may be included in all contracts/purchase orders for electronic parts entered into by the Ravin Electronics. They are intended to supplement, not duplicate or replace, requirements contained in other quality standards invoked upon the Supplier (e.g., ISO 9001, AS9120) or purchase contracts with the Ravin Electronics. When specific clauses in whole or part are invoked they will be specified on contract/purchase order.

1.1.1 Guarantee of Product Source(s)

- a. "<SUPPLIER> shall ensure that only new and authentic products are delivered to RAVIN ELECTRONICS. <SUPPLIER> shall endeavor to first purchase parts directly from Original Component Manufacturers (OCMs), OCM Authorized (Franchised) Distributors, or authorized Aftermarket Manufacturers or from Suppliers who obtain such parts exclusively from the OCM or their Authorized Suppliers with OCM traceability. Supply of product that was not provided by these sources is not authorized unless first approved in writing by Ravin Electronics
- b. "Authorized (Franchised) Distributor <SUPPLIER> covenants, warrants, and represents that it has effective contractual agreements in place with each manufacturer whose product(s) it is procuring to sell to Ravin Electronics
- Authorized (Franchised) Distributor <SUPPLIER> shall:
1. Only ship products to Ravin Electronics that have been procured directly from the manufacturer.
 2. Not ship products to Ravin Electronics that has been procured from any other source without prior written consent from Ravin Electronics
 3. Be considered an unapproved Independent Distributor for Products procured from other sources. Failure to obtain Ravin Electronics' prior written approval constitutes a material breach under the terms of this agreement.

Authorized (Franchised) Distributor <SUPPLIER> will fully indemnify Ravin Electronics from any and all claims, losses, and damages that result from said breach. Ravin Electronics reserves the right to reject any and all requests for approval, and require additional verification and testing of products."

1.1.2 Supply Chain Traceability

<SUPPLIER> shall maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and Electromechanical (EEE) parts being delivered per this order. This traceability method shall clearly identify the name and location of all supply chain intermediaries from the manufacturer to the direct source of the product for Ravin Electronics and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications. This traceability requirement applies to new purchases of material, material in inventory and material transferred from <SUPPLIER'S> other business units. If this traceability is unavailable or cannot be provided, Ravin Electronics shall approve this exception in writing at the time of purchase order."

1.1.3 Test and Inspection Requirements

<SUPPLIER> shall establish and implement test and inspection activities necessary to assure the verification of purchased product. See section 4.2.6 of the AS6081 Standard.

<SUPPLIER> shall document and provide upon request all available tests and inspections results which were performed to assess and mitigate the risk of distributing fraudulent/counterfeit parts. Accept/reject criteria and sampling criteria shall be clearly defined or approved by Ravin Electronics. Tests and inspections shall be performed by persons that have been trained in the product verification techniques that they perform and are formally trained based on demonstrated

competency. <SUPPLIER> shall maintain records of training and methods used to demonstrate competency. Ravin Electronics shall inquire as to <SUPPLIER'S> inspection qualifications prior to placing an order."

1.1.4 Certificate of Conformance (CoC)

<SUPPLIER> shall approve, retain, and provide copies of Electrical, Electronic, and Electromechanical (EEE) Manufacturer Certificates of Conformance (CoC) when available. In no case shall the manufacturer's certificate be altered or show signs of alteration. Manufacturer CoCs shall, at a minimum, include the following:

- a. Manufacturer name and address
- b. Manufacturer and/or Customer's part number and dash number
- c. Batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications
- d. Signature or stamp with title of <SUPPLIER'S> authorized personnel signing the certificate

Where manufacturer CoCs are not available, Ravin Electronics shall require <SUPPLIER> to provide the following signed and dated CoC:

'<SUPPLIER> hereby attests that the parts provided under this purchase order are unused, unaltered and authentic and have not been salvaged, reclaimed, otherwise used, or previously rejected for any reason. This statement is based on rigorous supplier selection practices, supplier assurance practices, and tests and inspections of the specific parts supplied that are designed to prevent the supply of fraudulent/counterfeit parts.'

<SUPPLIER'S> certificates shall state that the products have been handled in accordance with the requirements of this document and include as a minimum the following:

- a. Manufacturer's name
- b. Part number and product assurance level
- c. <RAVIN ELECTRONICS'S> name and address
- d. Name and address of the Customer
- e. Quantity of the parts in the shipment
- f. Lot date code, as applicable
- g. Latest re-inspection date, if applicable
- h. Certification that the shipment is part of the shipment covered by the Manufacturer's documentation
- i. Signature and date of transaction. An authorized signatory assigned by a corporate officer with responsibility for the product quality and reliability or their documented designee.'

<SUPPLIER> shall maintain copies of certificates with lot records until the lot is completely shipped. <SUPPLIER> shall maintain the product and shipment traceability for a minimum of five (5) years after the date of the last shipment from each lot."

1.1.5 Quality Management System

"<SUPPLIER> shall maintain a quality management system that complies with SAE International, AS9120 Quality Management Systems - Requirements for Aviation, Space and Defense Distributors, or ISO 9001, Quality Management System Requirements. Independent certification/registration is required unless specified by the Customer. Suppliers that obtain certification/registration and subsequently change certification bodies (CBs), lose registration status, or are put on notice of losing registration status, shall notify Ravin Electronics within three (3) days of receiving such notice from its CB."

1.1.6 Product Impoundment and Financial Responsibility

a. Fraudulent/counterfeit parts have no value. For example, any Limitation of Warranties provision contained in the Supplier's Terms and Conditions will be declared null and void if it is later determined that fraudulent/counterfeit parts or suspect fraudulent/counterfeit parts were received by the Ravin Electronics from the Supplier. "<SUPPLIER> and

Ravin Electronics hereby agree that fraudulent/counterfeit parts have no value and any contract documents establishing a transaction involving fraudulent/counterfeit parts shall be declared null and void."

b. Supplier has the right to agree with or verify the Ravin Electronics' findings. <SUPPLIER> and Ravin Electronics hereby agree that if the OCM determines the suspect parts are authentic, then the decision is "final" and <SUPPLIER> and Ravin Electronics hereby agree that if Ravin Electronics or a testing laboratory chosen by Ravin Electronics determines that the electronic parts supplied are suspect/fraudulent/counterfeit, then <SUPPLIER> has the right to: (1) Agree with <RAVIN ELECTRONICS'S> findings and the transaction will be voided; or (2) Verify <RAVIN ELECTRONICS'S> findings by contracting with an Ravin Electronics approved and <SUPPLIER> recognized test laboratory (hereafter referred to as "lab") for further verification."

c. Ravin Electronics' burden of proof.

Since any dispute between Ravin Electronics and <SUPPLIER> may be resolved in a civil proceeding whether in a court of law or in an arbitration, the appropriate burden of proof required for Ravin Electronics to establish that the suspect parts are fraudulent/counterfeit shall be preponderance of the evidence, which means that Ravin Electronics must establish that it is more likely than not that the suspect parts are fraudulent/counterfeit unless Ravin Electronics is trying to establish fraud, which would then raise <RAVIN ELECTRONICS'S> burden of proof to a clear and convincing evidence standard. However, if for whatever reason, the issue of the authenticity of the suspect parts is raised during a criminal proceeding, then the burden of proof that the suspect parts are fraudulent/counterfeit shall be that the suspect parts are fraudulent/counterfeit beyond a reasonable doubt."

d. Product confiscation/destruction.

"If <SUPPLIER> accepts <RAVIN ELECTRONICS'S> findings and chooses to immediately void the transaction, the suspect electronic parts will not be returned to <SUPPLIER> unless and/or until an independent lab agreed to by both <SUPPLIER> and Ravin Electronics determines that the electronic parts are not suspect fraudulent/counterfeit or fraudulent/counterfeit. Under these circumstances, Ravin Electronics shall retain possession of the suspect electronic parts for a time period at least as long as the applicable statute of limitations under the appropriate Authority(ies) Having Jurisdiction following the date upon which <SUPPLIER> received notification from Ravin Electronics that it was choosing to immediately void the transaction between them. Once this period has expired, then Ravin Electronics shall have the absolute right to destroy the suspect electronic parts. If <SUPPLIER> exercises its right to have an independent lab determine whether the suspect electronic parts are fraudulent/counterfeit and the lab verifies the findings that the subject electronic parts are either suspect fraudulent/counterfeit or fraudulent/counterfeit, then <SUPPLIER> must issue an immediate refund of all monies paid by Ravin Electronics. If the suspect parts are determined to be suspect counterfeit, fraudulent or counterfeit by the independent test lab, then the <Supplier> of those parts shall be required to pay for all charges issued by the testing lab. If, however, the suspect parts are determined not to be suspect counterfeit, fraudulent or counterfeit then the <Ravin Electronics> of those parts shall be required to pay all of the charges issued by the testing lab. Ravin Electronics and <SUPPLIER> agree that whether or not <SUPPLIER> refunds all monies paid by Ravin Electronics, Ravin Electronics shall have the absolute right to reacquire possession of the subject electronic parts from the lab in order to prevent the subject electronic parts from being offered for sale through any channels of distribution. In the event that <SUPPLIER> pursues its Supplier, either in civil or criminal proceedings, <SUPPLIER> shall have the right upon request to receive and use a mutually agreeable sample quantity of the parts sold for the purpose of pursuing its remedies. Upon completion of testing, samples will be returned to <SUPPLIER> who will then return them to Ravin Electronics. Ravin Electronics and <SUPPLIER> agree that Ravin Electronics shall have the right to destroy the suspect electronic parts after expiration of the applicable statute of limitations under the appropriate Authorities Having Jurisdiction. Notwithstanding the above, if Ravin Electronics and <SUPPLIER> agree in writing that the parts can be immediately destroyed, the parts will be destroyed per their agreement so long as all civil or criminal actions, in which the suspect electronic parts are the subject of the action, have been completed."

PERSONNEL TRAINING PROGRAMS

Supplier personnel with responsibility for the detection of suspect/fraudulent/counterfeit indicators through use of specialized technologies and methods such as Acoustic Microscopy, shall be trained to ensure competence in their use, e.g., training by equipment manufacturer, or by technology specialists in the specific equipment and test method, or equivalent. Personnel with responsibility for the detection of suspect/fraudulent/counterfeit indicators through use of Radiographic Inspection (e.g., X-ray and XRF) shall be trained and certified to NAS-410 National Aerospace Standard, NAS Certification Qualification of Nondestructive Test Personnel or equivalent.

When Ravin Electronics utilizes an outside agency they are responsible for assuring that the appropriate requirements of training and certification are met. Supplier shall provide objective evidence to Ravin with the initial delivery and/or upon request.

Examples of training and certification programs and standards are included below:

- a. Defense Acquisition University - Course CLL 032 (<http://www.dau.mil/default.aspx>)
- b. IDEA - IDEA-TRN-1000 Avoidance and Visual Indicators of Counterfeit Parts for Management (<http://www.idofea.org/>)
- c. IDEA - IDEA-TRN-2000 Inspection for Visual Indicators of Counterfeit Parts (<http://www.idofea.org/>)
- d. SAE International -Implementation of AS6081 – Fraudulent/Counterfeit Electronic Parts: Avoidance, Detection, Mitigation, and Disposition – Distributors (<http://www.sae.org/pdevent/C1135>)
- e. NAS-410 - National Aerospace Standard, NAS Certification Qualification of Nondestructive Test Personnel
- f. ASNT SNT-TC-1A - American Society for Nondestructive Testing - Recommended Practice for Personnel Qualification and Certification of Nondestructive Testing
- g. EN 473 - European Standard - Qualification and Certification of NDT Personnel - General Principles
- h. ASD-STAN EN 4179 - Aerospace and Defense Industries Association of Europe - Qualification and approval of personnel for non-destructive testing
- i. ISO 9712 - Non-destructive testing - Qualification and certification of personnel
- j. ASNT CP-189 - American Society for Nondestructive Testing Standard for Qualification and Certification of Nondestructive Testing Personnel (2006)