



SPECIAL QUALITY TERMS AND CONDITIONS

CLAUSE S-1 QUALITY PROGRAM REQUIREMENT

Seller's Quality Management System shall be in compliance with the current revision of ISO 9001 and/or AS9100.

CALIBRATION SYSTEM REQUIREMENTS

Suppliers performing measurements for the acceptance of production material for delivery to Telemus Inc shall be using a calibration system meeting the requirements of ISO 10012, MIL-C-45662 or equivalent.

DEVIATION REQUEST – NON-CONFORMANCES

An RMCS (Request for Material / Component Substitution) form shall be submitted to Telemus Inc' SMQA representative for review and approval prior to shipment in any of the situations below:

- i) Non-conformances;
- ii) Request for deviation;
- iii) Component procurement outside the approved vendor list; or
- iv) Component procurement from suppliers and/or distributors not recognized by the manufacturer as a authorized reseller

BUYER INSPECTION

Telemus Inc, along with representatives of its customers if applicable, shall have the right to inspect any and all work included in this order at the seller's plant in fulfillment of an Telemus Inc contract. This requirement shall be flowed down to the appropriate manufacturing and assembly level of the item(s) being procured under the Order.

CLAUSE S-2 TEST AND INSPECTION DATA

Test and inspection data required by the applicable specification must be maintained on file for a minimum period of five (5) years following completion of the Order. All data shall be traceable to specific items or lots. The data shall indicate approval by an authorized representative of the Seller's Quality Assurance organization. Test and inspection data sheets in conformance with the provisions of the applicable specification shall include:

- i) Order Number;
- ii) Part number and revision level of the part, serial number (if applicable); and
- iii) Specification number and revision level which specifies test requirements.

(a) A hard copy of the required data should be submitted with each shipment and meet all the requirements stated above.

(b) Shall meet the requirements stated above; no data is submitted with each shipment.

(c) For each shipment, the required data should be uploaded electronically through the secured Telemus Inc Supplier Web Portal and meet all the requirements stated above.

(d) A hard copy of the required data should be boxed individually with each part (or group of parts in case there are more than one part per container) and meet the requirements stated above.

CLAUSE S-3 FIRST ARTICLE INSPECTION (FAI) / SOURCE INSPECTION



Telemus Inc, third-party source representatives, or customers (when authorized by Telemus Inc) reserve the right to inspect, re-inspect, test or retest, or witness any inspection or test at the Supplier's facility at any level of manufacture and software development, up to and including completed items, using the Supplier's equipment. All such visits will be coordinated in advance. These visits will be with Supplier's escort and with prior approval.

When FAI or Source Inspection are contractually imposed, unless otherwise mutually agreed, Telemus Inc must be advised a minimum of ten (10) working days in advance of the requirement. Prior to the visit, the Supplier will perform inspections or tests as deemed necessary to ensure conformance of the product to requirements. All documented evidence or assurance, traceable to the item(s) or product(s) inspected or tested must be made available for review to the Telemus Inc source inspector. The documentation of the results must include:

- i) The purchase order number;
- ii) Telemus Inc part number, nomenclature and revision level of the item, serial number (if applicable);
- iii) Specification number and revision level of the test document;
- iv) Compliance with drawings, specification and other approved documentation;
- v) Objective evidence of Inspection and Acceptance of Tooling and Test Equipment used;
- vi) Objective evidence of Seller's Inspection and Acceptance of the FAI at each of the inspection points designated in the Quality plan;
- vii) Any other evidence of conformance as required by this Order;

The Supplier shall retain for a minimum of five (5) years following the associated delivery(ies) the documented evidence specified herein.

FAI or Source Inspection in no way relieves the Supplier of the responsibility for supplying a product that fully complies with the contract.

Telemus Inc reserves the right to assign Quality Assurance personnel to the Supplier's facility. The Supplier will be required to support such assigned personnel from Telemus Inc with adequate facilities and equipment and must designate one or more responsible individuals with whom the Telemus Inc representative may discuss any questions concerning manufacture, software development, inspection, or test of the product on order.

In the event that Telemus Inc may rather choose to perform the FAI in its facility, the documented evidence or assurance, traceable to the item(s) or product(s) inspected or tested must be included with the shipment.

CLAUSE S-4 SAMPLES FOR APPROVAL

Seller shall await Buyer's written approval of sample(s) before proceeding with any production quantities. Samples must be properly identified when shipped to Buyer and copies of actual test and inspection results, along with any other applicable document(s), shall accompany the shipment. Telemus Inc shall not be liable for any costs or required to accept deliveries of associated production quantities, whether stipulated on an Order or not, until it issues written approval of the sample(s).



CLAUSE S-5 CHANGE CONTROL SYSTEM

(a) Seller shall develop and maintain a written Change Control System that will ensure the following:

- i) Changes are properly evaluated, classified, documented and submitted for Buyer's approval;
- ii) Changes are recorded and incorporated at the specified effectivity point; and
- iii) Control of the physical and functional interfaces of support equipment and supporting documentation.

(b) The Seller's Change Control System shall be submitted to Buyer for approval within thirty (30) days after receipt of Order.

(c) The Seller's shall notify the Buyer of any proposed changes including changes in design, materials, parts, fabrication methods, processes, manufacturing location or any other change that may affect the quality of the delivered product. The Buyer shall approve any changes prior to incorporation.

CLAUSE S-6 CERTIFICATE OF COMPLIANCE

Shipments made against this Order must contain a Certificate of Compliance (C of C) signed by Seller's Quality Assurance authorized representative attesting that all specifications, drawings and Order requirements have been met. Seller shall maintain Quality records applicable to the Certificate for a minimum period of five (5) years. In the event the Seller is a reseller and not the manufacturer of the end item(s), it shall maintain the manufacturer's original C of C in its files for a period of five (5) years following delivery of said item(s). Telemus Inc shall, upon request, be provided full access to such documentation.

The Certificate of Compliance must contain as a minimum, Order number, part number, nomenclature, original manufacturer name and coordinates, serial number or date code (if applicable), drawing and drawing revision level of the Goods and quantity shipped.

In the event that Test and Inspection data are required and shall be uploaded electronically through the secured Telemus Inc Supplier Portal (Ref S-2c); the Certificate of Compliance should also be transferred electronically using the same medium.

CLAUSE S-7 SHELF- LIFE INFORMATION

Each shipment made against this Order shall be accompanied by full details relative to the shelf- life limitations, date of manufacture, expiry date and recommended storage conditions for the Goods. Goods, which have less than 80% of their shelf life left upon delivery to Buyer, will be subject to rejection.

CLAUSE S-8 CUSTOMS DUTY – DEFENCE - CERTIFICATION

Buyer certifies that the Goods purchased under this Order are defense supplies; as such, customs duties on importation to Canada may be remitted under the tariff item number 9982.00.00 of the Schedule to Customs Tariff.

CLAUSE S-9 GOODS AND DUTY

Seller shall supply Buyer with three (3) copies of K32A certificate and supporting B1 entry for Duty drawback purposes. Payment of Duty is contingent upon receipt of K32A form. In the absence of completed K32A and B1 entry forms at the time of delivery, separate invoices for Goods and Duty are required to ensure prompt payment for the Goods.



CLAUSE S-10 CERTIFICATION OF SOURCE

Seller shall include with each shipment, a certification statement that the Goods ordered were produced by a currently approved manufacturer listed on the Qualified Product List (QPL). The certificate should indicate the name of the manufacturer, the current QPL number where applicable, order number, part number and quantity. Seller shall maintain on file for a minimum of five (5) years, a Certificate of Conformance from its supplier for the Goods on this Order.

CLAUSE S-11 SERIALIZATION AND LOT / BATCH CONTROL

(a) The Goods shall be identified with a serial number, traceable to its production lot records and shown on packing slip(s).

(b) All Goods shall be marked with a manufacturer's date code or lot code, traceable to its production lot records. In the event that a drawing does not call for date code or lot code identification, the Seller must contact Telemus Inc to confirm appropriate marking and location requirements. If it is not practical to mark the Goods, the lowest order of packaging shall be marked with the date code or lot code, as agreed between Seller and Buyer.

CLAUSE S-12 PRIORITY ASSISTANCE (FOR CANADIAN SUPPLIERS)

This is an urgent defence requirement. If the Seller is importing any material/service from the U. S. A. for the fulfillment of this Contract, contact the Central Allocations and Defence Priorities Officer, Department of Public Works and Government Services, Ottawa, Ontario K1A 0S5, to request a U. S. Priority Rating.

CLAUSE S-13 DEFENCE PRIORITY AND ALLOCATION REQUIREMENTS (FOR U.S. SUPPLIERS)

This is a rated Order certified for National Defence use and the supplier shall follow all the requirements of the Defence Priorities and Allocations System regulation (15CFR 700). Rating: DO-D1.

CLAUSE S-14 GUARANTEE OF SUPPLY

Seller guarantees that it will make available to Buyer a supply of spares to support the Goods for a period of twenty (20) years from the date of delivery of the Goods. In the event that the Seller or its successors or its assigns are unable to supply hardware and/or software to support the Goods, Seller or its successors or its assigns will enter into a know-how transfer agreement which will allow Buyer the right to reproduce, use and disclose proprietary information used by Seller to build, maintain or service the Goods.

CLAUSE S-15 CERTIFICATION AND APPROVAL

By accepting this Order, Seller certifies that the Goods meet all requirements and are certified to the standards below:

- a) CSA
- b) UL
- c) CE
- d) VDE



CLAUSE S-16 DELEGATED SOURCE INSPECTION

Upon mutual agreement between Seller and Buyer, a Delegated Source Inspector (DSI) assigned within the Seller's QA Organization and certified by Telemus Inc' SMQA Team will perform quality activities at Supplier's site on behalf of Telemus Inc.

Delegated Source Inspection to be performed prior to shipment as per document **7810-1009** and quality requirements document shall be used as stipulated under clause S-19 called in the Purchase Order (PO).

CLAUSE S-17 COMPLIANCE WITH REQUIREMENTS

By acceptance of this Order, Seller accepts responsibility for full compliance with all applicable requirements. Seller will maintain on file chemical and physical test reports, inspection and test reports, and/or any other suitable verifiable objective evidence of quality. Seller further declares that each shipment against this Order is a certification of all applicable requirements.

CLAUSE S-18 GOVERNMENT QUALITY ASSURANCE

Government Quality Assurance at source is required. Upon receipt of this Purchase Order, promptly notify the Government Representative who normally services your plant so that appropriate planning for Government Quality Assurance can be conducted.

In the Event that the Government Representative or delegated agency cannot be located, Buyer shall be notified immediately.

CLAUSE S-19 QUALITY REQUIREMENTS, CRITERIA AND CHECKLIST

The Seller shall follow the Quality Requirements, criteria and checklist document. The document shall be requested from Telemus Inc if not part of the Technical Data Package (TDP).

- (a) Part Number specific Quality Requirements, Doc no. : PN + suffix 'QA' – XXX-XXXXXX-XXX QA
- (b) Cables Quality Requirements, Doc no.: 217-GENERIC QA
- (c) Housing Quality Requirements, Doc no.: 600-GENERIC QA
- (d) Fiber Optic Quality Requirements, Doc no.: 217-FIBEROPTIC QA

CLAUSE S-20 EQUIPMENT CALIBRATION CERTIFICATION

Equipment to be supplied with a calibration certificate traceable to national standards IAW ISO 10012.

CLAUSE S-21 OFFSET CREDIT

The value of this Purchase Order, and the associated work performed by the Seller, shall be part of the Offset Credit program stipulated on Telemus Inc' Purchase Order. Any and all associated Offset Credits shall vest strictly with Telemus Inc.

CLAUSE S-22 CHEMICAL FILM

Seller shall include with each shipment; a certification statement that the Goods ordered were processed in compliance with MIL-DTL-5541, Chemical Film, TYPE II, Class 3. In addition, the certificate should indicate the name of the processing source, the current P.O. number, Telemus Inc part number and quantity. The Seller shall maintain on file for a minimum of five (5) years, a Certificate of Conformance for the subcontracted process.



CLAUSE S-23 CABLE AND WIRE HARNESS ASSEMBLIES REQUIREMENTS

Cables and wire harness assemblies shall meet the requirements of IPC/WHMA-A-620:

- a) Class 3
- b) Class 2

CLAUSE S-24 RAYTHEON REQUIREMENTS (CHEMICAL FILM)

The Seller's surface finish supplier/sub-contractor must comply with one of the following conditions and provide written confirmation at time of order for Telemus Inc' QA approval. This information must also be specified on Certificate of Conformance document provided with each shipment:

- 1) NADCAP approved processor (National Aerospace and Defense Contractors Accreditation Program).
- 2) Approved processor for Raytheon Controlled Process.
- 3) Raytheon approved manufacturer within-house plating capability.

CLAUSE S-25 ESD

Electrostatic sensitive devices must be processed, protected and identified in accordance with the latest revision of MIL-STD-1686 and/or ANSI/ESD S20.20.

CLAUSE S-26 SOLDERING REQUIREMENTS

Soldered electrical and electronics assemblies shall meet the requirements of IPC-A-610/J-STD-001:

- a) Class 3
- b) Class 2

CLAUSE S-27 WAFER REQUIREMENTS

Wafer used for the assembly of the required Goods shall come from a wafer approved by the Buyer based on the requirements available in the source control drawing or agreed between the Seller and the Buyer.

The Seller shall notify the Buyer a minimum of ten (10) weeks prior to depletion of all qualified wafers. The Seller should provide data on available wafers to Telemus Inc for selection. The Seller will then provide samples in sufficient quantity to Telemus Inc for qualification and wafer approval.

Upon qualification of the selected wafer, Telemus Inc will update the list of approved wafers and notify the buyer. The wafer will then be considered exclusive to Telemus Inc and marked accordingly in the Seller's system.



CLAUSE S-28 PLATING AND PAINTING REQUIREMENT

Seller, using one or more approved plating and painting sources for the same Telemus Inc part, shall identify all parts to be traceable to the production batch of each plating and or painting shop used. Appropriate marking and location on parts must be confirmed by Telemus Inc prior to plating and painting finish.

Mark all characters legibly with a permanent material, in white with black lettering

Each part is to be identified with the Plater and or Painter's supplier identification Number, Lot Number or Batch Number and date of manufacture in the format:

XXXXXXXXXX, Plating and or Painting (identification Number to be provided by Telemus)
XXXXXXXXXX, Lot or Batch Number
XX/XX/XXX, Day, Month, Year

CLAUSE S-29 PRINTED CIRCUIT BOARDS

The PCB shall meet the requirements of IPC-A-600 and IPC-6012 class 3. Seller shall include the following with each shipment:

- Inspection report
- Cross section and report
- Test coupons
- IST coupons (if required on the drawing)
- Electrical test report
- Cleanliness report
- Bow and twist measurement report
- Card (1) non-functional
- Solderability report
- Impedance report (if required on the drawing)
- Trace width measurement (if required on the drawing)
- Thickness measurement of dielectric (if required on the drawing)

The PCB shall be baked (except PCB with silver finish) and vacuum sealed.

CLAUSE S-30 GOVERNMENT AND CUSTOMER ACCESS

Whenever requested by the Buyer, Telemus Inc commercial 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.

CLAUSE S-31 COUNTERFEIT MATERIAL

The Seller shall meet the requirements and maintain a risk management plan

- a) AS5553 for electronics items
- b) AS6174 for non-electronics items.

The Seller shall report counterfeits and suspected counterfeits to the buyer.



CLAUSE S-32 IUID MARKING REPORT

IUID marking shall meet the requirement of MIL-STD-130.

CLAUSE S-33 QUALITY CONTROL ASSURANCE AND INSPECTION

The sampling method shall be in accordance with MIL-STD-1916 or ANSI/ASQ Z1.4. Acceptance would be zero non-conformances in the sample lot.