

# Purchase Order Requirements, Provisions and Clauses

Survival Innovations, LLC issues purchase orders as a quality measure to ensure procurement accuracy and conformity. The fulfillment of which must conform with the requirements, the provisions, and the clauses that have been referenced therein, the purchase order. Purchase order requirements are numbered one thru 13 and are fully integrated as part of the Survival Innovations (SII) purchase order. Unless otherwise specified, the requirements apply to the purchase order in its entirety. Additionally, quality provisions, denoted as A thru G, may be imposed to any purchase order if referenced. As such, if quality provisions are referenced, fulfillment conformity is defined by those quality provisions. Furthermore, clauses F1 through F6 are imposed if this purchase order (PO) is issued under a United States Government, Department of Defense (DoD) contract, whereby Survival Innovations is either a prime contractor or subcontractor. Conformity to referenced clauses is absolute.

Should any Supplier/vendor need clarification or has any question or concern regarding any requirement, provision, or clause, the Supplier must contact the SII Buyer prior to the acceptance of the PO. Acceptance of the PO indicates that the Supplier has read and understands all the requirements, provisions, or clauses referenced. As such, acceptance of the purchase order becomes an agreement between parties. All necessary documentation, as stipulated within the purchase order, shall accompany each shipment against the fulfillment of the purchase order and/or shall be maintained on file at the Supplier place of business, as required.

Deliveries which fail to meet any of these agreed-upon purchase order requirements, provisions, and/or clauses shall be deemed as nonconforming. As such, and even as Survival Innovations may take physical possession, these nonconforming goods may or may not be accepted by Survival Innovations, as defined by the purchase order requirements, provisions, and clauses. Survival Innovations retains the right for remediation.

## **Purchase Order Requirements**

### **1. Flow Down Requirements**

All applicable requirements that are invoked or applied to the purchasing document, including this requirement, shall flow down to the Supplier's sub-tier Suppliers.

### **2. Supplier Quality System Approval**

All Suppliers of product(s) or material(s) to Survival Innovations are preferred to be third-party registered / certified by an RAB-approved party to the current ISO 9001 or AS9100 specification or otherwise approved by SII. At a minimum, there shall be adequate process controls to ensure the Supplier can meet Survival Innovations' purchase order requirements. The Supplier is responsible to provide an updated or revised registration certificate when issued.

When noted on the purchase order, other approvals may be required based upon contract, component, or process being purchased. Some SII Customer contracts require that those additional approvals, registrations, or certifications flow down to SII Suppliers. Survival Innovations' Customers and regulatory authorities must be allowed the right of access to the applicable areas of Supplier facilities and to the applicable

documented information at any level of the supply chain. The Supplier will be notified if surveillance/inspection is to be conducted.

The Supplier must ensure that their employees are aware of their contribution to product or service conformity, product safety and must be aware of the importance of ethical behavior.

### **3. Supplier's Quality Assurance Requirements**

The Supplier shall perform, or have performed, all inspections (examinations and tests) that substantiate full compliance with all the technical requirements of the part number(s) ordered. Such technical requirements may be found in the product data package (PDP), which may include engineering drawing(s), referenced specifications, cited standards, regulatory requirements, and other similar documents.

The Supplier shall inspect fully, one hundred percent of all critical characteristics and/or parts indicated on the drawing, in referenced specifications, or within the purchase order unless a control/inspection plan describing any alternative inspection process has been submitted to and approved by SII in advance.

The visual appearance of parts is paramount to SII and our Customers. Parts may be rejected by Survival Innovations or by any Customer of Survival Innovations for surface defects, dents, scratches, poor stitching, stains, or other cosmetic irregularities and should be inspected by the Supplier to ensure compliance. The right of remedy exists for visually defective parts.

The Supplier shall maintain a calibration system consistent with ANSI/NCSL Z540 / ISO 10012-1.

### **4. Inspection, Acceptance, and Rejection**

All goods delivered by the Supplier shall be subject to final inspection, testing, and acceptance by SII quality assurance at destination, notwithstanding any payment or inspection at source. SII shall accept or give notice of rejection of goods delivered within a reasonable time after receipt of such goods. Failure to give notice of rejection shall constitute acceptance, but acceptance by any manner shall not waive any warranty obligations of the Supplier(s).

Any tender of goods (including raw materials, components, intermediate assemblies, end products, and services) which is nonconforming as to the quality or quantity of the delivery schedule shall constitute a breach of this contract and SII shall have the absolute right to reject such goods, in whole or in part, and notify the Supplier thereof. In the event of such a tender, SII shall be entitled to all remedies as provided by law, and in addition thereto shall have the right to do any or all of the following: (i) to hold such nonconforming goods for a reasonable period at Supplier's risk and expense pending a determination to accept or reject any or all thereof, (ii) to return same to Supplier at Supplier's risk and expense for replacement or correction, (iii) to accept the goods subject to an equitable price reduction, (iv) to replace or correct the goods and charge to Supplier the cost occasioned thereby, (v) to recover by offset or otherwise any and all expenses, costs, price reductions, and damages paid, incurred, or suffered as a result of such holding, return, replacement, correction, reduction, or rejections, of nonconforming goods.

### **5. Packaging to Prevent Damage**

Unless otherwise specified, all products must be delivered in packaging that prevents damage, including scratches, nicks, soiling, or other damage that renders the product functionally or aesthetically unacceptable.

This includes damage which may occur due to interaction of parts within a container. Damaged product(s) will be considered as nonconforming product(s). In addition, packaging materials must not generate foreign object debris (FOD). As defined by AS9100, "FOD (Foreign Object Debris) is any substance, debris, or article alien to the component, assembly, system or vehicle that could cause damage." Foreign Object Damage (also FOD) is "any damage or incident attributed to a foreign object that can be expressed in physical or economic terms that may or may not degrade the product's required safety and/or performance characteristics." Examples can include tools, staples, and metal chips not cleaned up in the workplace, packaging with staples, food, or hand lotions.

## **6. Configuration Management**

Products manufactured or supplied for any purchase order may become part of an assembly that has a design approval based on qualification testing. Any changes, even improvements, could result in unapproved parts that prevent the sale or use of the part, component, and/or the higher assembly.

The Supplier shall maintain engineering, manufacturing, and quality controls such that the configuration of any item scheduled for delivery under this purchase order conforms to the performance specifications defining the item, and the configuration management requirements.

The Supplier shall at any time after the purchase order award, provide SII with 90-days written notice prior to making any change(s) to the product design, quality system, or manufacturing location.

## **7. Traceability and Identification of Provided Product**

The Supplier shall retain evidence that items furnished under this contract conform to contract requirements. Evidence will generally include information tracing the items back to the manufacturing source or its authorized distributor. At a minimum, evidence shall be sufficient to establish the identity of the item, its manufacturing source, and conformance to the item description. The Supplier shall provide documentation of traceability upon request by SII or our Customer. Paragraph 11 on record retention applies. Examples of traceability documentation include, but are not limited to, the following:

- Purchase order(s) between manufacturer(s)/distributor(s), identifying part number.
- Source's packing list, identifying part number, revision level, and quantities.
- Source's certification, identifying part number, revision level, and quantities.
- Acceptance test reports and inspection acceptance documentation.
- Special process certifications validating that product was processed per requirements.

## **8. Disposition of Nonconforming Material / Material Review Board (MRB)**

Supplier may disposition nonconforming material as "Scrap" or "Rework to Print" without SII approval. Any nonconformance that cannot be eliminated and brought back into conformance to the design or contract requirements shall be presented to SII for approval (i.e., "use as is" or "repair") prior to shipment. Approval by the SII Customer or the U.S. Government may be required.

If the product is dispositioned as "Scrap" by SII or by its Customer(s); but the material is shipped back to the Supplier for analysis, the Supplier shall control the product until physically rendered unusable (i.e., the product is not allowed to be reworked and sent back to SII as production units).

Scrap dispositions apply only to Supplier-provided material. When replacement of product is necessary to fulfill the deliverable quantity on lot-controlled items, such replacements shall be from the same material lot, batch, or heat lot, as applicable. In the event that the scrap disposition renders the deliverable quantity short, notify the SII Buyer immediately.

#### **9. Notification of Nonconforming Material**

The Supplier shall notify SII within twenty-four (24) hours of any nonconformity affecting product already delivered. Notification shall include a clear description of the discrepancy, parts affected (Serial Number, Lot Number, or Date of Manufacture, as applicable), quantity, and delivery date(s). Supplier shall support SII with additional data and parts, if necessary, to resolve Customer concerns.

#### **10. Fraudulent/Counterfeit Parts**

Supplier shall ensure that counterfeit work is not delivered to SII. Supplier shall immediately notify SII with the pertinent facts if Supplier becomes aware or suspects that it has furnished counterfeit work. When requested by SII or its Customers, Supplier shall provide documentation that authenticates traceability of affected items to the applicable original manufacturer.

If suspect/counterfeit parts are furnished under this agreement and are found by SII or its Customers, such parts shall be impounded. The Supplier shall promptly replace such items with items acceptable to SII and/or its Customer. The Supplier shall be liable for all costs relating to impoundment, removal, and replacement. SII may turn such items over to the U.S. Office of Inspector general, F.B.I., etc. for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation.

#### **11. Record Retention**

Unless otherwise specified, Supplier and/or Supplier's subcontractor will retain all inspection records, actual chemical/physical process certification, and/or mechanical test data, as applicable, for a minimum of 10-years after the final payment under the contract. Supplier shall not destroy the records without first providing SII the opportunity to retain the records or obtaining SII written permission for destruction.

#### **12. Age Control**

Materials or articles having definite age-degradation characteristics (shelf life) shall be identified with manufacturing date and/or cure date, shelf life, expiration date, storage condition requirements, and any other data pertinent to the supplied materials or articles.

#### **13. Foreign Object Debris (FOD)**

The Supplier shall develop and maintain a Foreign Object Debris/Damage ("FOD") Prevention Program in accordance with National Aerospace Standard NAS-412, NAS-412 Foreign Object Damage/Foreign Object Debris (FOD) Prevention including the processes and controls at manufacturing areas to prevent introduction of foreign objects into any item delivered under this purchase order.

Whenever or wherever FOD entrapment or foreign objects can migrate, Supplier shall ensure that a FOD prevention program is flowed down to sub-contractors at every tier.

Prior to closing inaccessible or obscured areas and/or compartments during assembly, the Supplier shall inspect for foreign objects/materials and ensure no FOD barriers remain embedded (e.g., protective plugs). The Supplier shall ensure that tools, jigs, fixtures, and test or handling equipment are maintained in a state of cleanliness and repair to prevent FOD.

## Quality Provisions\*

\*apply if specifically referenced in the purchase order.

### A. Supplier Inspection Data

The Supplier shall provide their inspection data with each delivery.

### B. First Article Inspection

First Article Inspection (FAI) shall be performed, submitted, and maintained by the Supplier in accordance with AS9102. Production and delivery shall not continue until the FAI is reviewed by SII quality assurance, approved by SII, and a signed copy of the FAI Form 1 is delivered to the Supplier.

### C. Critical/Key Dimensions Inspection

The Supplier shall provide critical/ key dimensions inspection results with each shipment. Critical/key dimensions are identified either on the drawing or as part of the purchase order notes. Data shall be supplied on one hundred percent of the identified dimensions, to a one percent AQL of the production lot.

### D. Inspection and Test Plan

The Supplier shall submit an inspection and test plan to Survival Innovations. Changes are not allowed to the inspection and test plan without approval from Survival Innovations. The inspection and test plan should include the following:

- A flow chart that includes a brief word description of the type of operation, inspection or test performed at the steps provided in the chart.
- An identification of the applicable test procedure numbers, process specifications, or other documents utilized in the performance of operations listed.

### E. Government Source Inspection (GSI)

U.S. Government Source Inspection (GSI) is required prior to delivery to Survival Innovations. Upon receipt of this purchase order, promptly notify the U.S. Government representative who normally services the Supplier's place of business, in order that the U.S. Government representative can accomplish appropriate planning for conducting Government Source Inspection at the Supplier's facilities. If the Supplier cannot locate the U.S. Government representative to arrange for the required source inspection, the Supplier shall notify Survival Innovations immediately. Upon request, the Supplier shall make available to the U.S. Government representative any measuring and test equipment, facilities, records and personnel to facilitate the U.S. Government Source Inspection.

## F. Certificate of Conformance

A Certificate of Conformance (CoC), signed by the Supplier's authorized representative, shall accompany all materials shipped against this purchase order. At a minimum, the CoC shall include the following:

- The SII Purchase Order number
- Line-Item Number
- Part Number
- Revision Level
- Nomenclature or Name of Item
- Quantity Delivered
- Unit of Measure
- Serial Number (when applicable)
- Date of Manufacture and/ or Lot Number, when applicable
- Origin of Manufacture
- Shelf Life (if applicable)
- REACh declaration (if applicable)
- A statement that certifies compliance to the listed drawing/specification
- A statement that certifies the product to be free of Foreign Object Debris/ Damage
- Signature, title, and date of the Supplier's responsible representative

Additional statements may also be required, when applicable to this contract, such as:

- A statement that the chemical, physical, and/or mechanical test data is on file and available for review by SII or its Customer(s).
- When SII has provided some or all of the materials, an acknowledgement is required stating, "We certify that the material(s) furnished by Survival Innovations was(were) used to fabricate these parts."

## G. Special Processes

Articles on this purchase order require special processes such as, but not limited to, soldering, painting, welding, heat-treating, electroplating, anodizing, chemical films, or nondestructive testing. All special process Suppliers shall be NADCAP accredited for such processes.

# Clauses\*

\*these clauses apply if this order is issued under a United States Government Department of Defense (DoD) prime contract or subcontract.

## F1 FAR/ DFARS Flow Down

This order is issued under a United States Government Department of Defense (DoD) prime contract or subcontract. These regulations are identified as clauses set forth in the Federal Acquisition Regulations (FAR) or DoD FAR Supplement (DFAR) in effect on the date of this order are incorporated herein by reference. It being understood, that as used, the terms "Government" and "Contracting Officer" shall be deemed to mean Buyer, "Contractor" means seller, and "Contract" means this Purchase Order or subcontract. The identified clauses also apply to the Supplier's sub-tier Suppliers and sub-contractors.

**F2 Specialty Metals – DFARS 252.225-7009**

The Contractor/Supplier shall include (flow down) to all their Suppliers of specialty metals, stipulations as defined by DFARS 252.225-7009. DoDs interpretation of this specialty metals clause is that it prohibits the contractor (including its Suppliers at every tier) from incorporating into military parts, components, and/or end item deliverables, “specialty metals”, which have been melted outside the United States, its possessions, or Puerto Rico, unless certain and limited exceptions set forth in the clause or DFARS Subpart 252.225-7009 apply. One such exception is for specialty metals melted in a qualifying country or incorporated into an article manufactured in a qualifying country. Those countries are listed therein, DFARS 225.003. All Suppliers and their respective, sub-tier Suppliers of “specialty metals” must maintain raw material certifications and proof of compliance on file and provide them upon request within five business days.

**F3 Buy American Act – FAR 25.102**

- (a) The Buy American Act requires that only domestic end products be acquired for public use, except articles, material, and supplies –
- a. For use outside United States;
    - i. For which the cost would be unreasonable, as determined in accordance with 25.105;
    - ii. For which the agency head determines that domestic preference would be inconsistent with the public interest;
    - iii. That are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities, of satisfactory quality (see 25.103); or purchased specifically for commissary resale.
  - (b) Unless agency regulation prescribes otherwise –
    - a. The contracting officer may make a non-availability determination under 25.103 for an acquisition if –
      - i. The acquisition was conducted by full and open competition
      - ii. The acquisition was synopsisized under 5.201; and,
      - iii. No offer for a domestic end product was received.

**F4 Export Control Compliance**

The information contained may be subject to International Traffic Arms Regulations (ITAR) or Export Administration Regulations (EAR) Controls and may not be disclosed to any foreign person(s) or firm, including persons employed by or associated with your firm, without first complying with all requirements of ITAR, 22 CFRE 120-130 and EAR, 15 CFR 730-774.

- Survival Innovations’ Suppliers are also, herein, notified that any technical data (i.e., specifications, drawings, etc.) provided by Survival Innovations is considered to be export controlled and may not be provided to any foreign person, whereas foreign persons are persons who are not 1) U.S. Citizens, 2) U.S. Permanent Resident Aliens (Green Card Holders), or 3) Protected Persons (Refugees).
- Survival Innovations’ Suppliers shall not provide any of the export controlled technical data provided by Survival Innovations to foreign Suppliers or affiliates, regardless of the nature of the relationship to the U.S. Supplier, for any reason, without prior specific export authorization secured from the ODTCL.

- Survival Innovations' Suppliers are also, hereby, notified that all shall not transfer any export controlled technical data provided by Survival Innovations to any U.S. sub-contractor/vendor without first notifying the subcontractor/vendor of the export compliance requirements stated above.

## **F5 Berry Compliance**

The Berry Amendment (10 U.S.C. 2533a) as implemented by DFARS 252.225-7012 applies to this Purchase Order. Berry Compliance means that any textile end products, including all the components thereof, have been grown, reprocessed, reused, or produced in the United States or one of its territories. Commonly used materials include yarn, wool, canvas, cotton, silk, tents, zippers, buttons, covers, etc. Furthermore, DFARS 252.225-7015 includes that any hand or measuring tools that have been delivered under this contract shall have been produced in the United States or its outlying areas. If the item is sewn, stitched, or a hand tool, then it is more likely than not covered within this restriction. All presumptions shall assume that this restriction applies.

## **F6 Special Conditions – FAR/ DFARS Flow Down Clauses or Provisions**

To the extent this order is in support of a US Government Contract, the FAR clauses or provisions referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable during the performance of this contract.

### FAR Flow Down Clauses/Provisions – Required

1. 52.203-13 Contractor Code of Business Ethics and Conduct (Oct 2015)
2. 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan 2017)
3. 52.204-21 Basic Safeguarding of Covered Contractor Information Systems (Jun 2016)
4. 25.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab or other Covered Entities (Jul 2018)
5. 52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020)
6. 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Aug 2013)
7. 52.211-15 Defense Priority and Allocation Requirements (Apr 2008)
8. 52.215-14 Integrity of Unit Prices (Oct 2010)
9. 52.219-8 Utilization of Small Business Concerns (Oct 2018)
10. 52.222-21 Prohibition of Segregated Facilities (Apr 2015)
11. 52.222-26 Equal Opportunity (Sep 2016)
12. 52.222-35 Equal Opportunity for Veterans (Oct 2015)
13. 52.222-36 Equal Opportunity for Workers with Disabilities (Jul 2014)
14. 52.222-37 Employment Reports on Veterans (Feb 2016)
15. 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (Dec 2010)
16. 52.222-50 Combating Trafficking in Persons (Jan 2019)
17. 52.225-1 Buy American – Supplies (May 2014)
18. 52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008)
19. 52.227-1 Authorization and Consent (Dec 2007)
20. 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (Dec2013)



21. 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (Sep 2016)
22. 52.244-6 Subcontracts for Commercial Items (Mar 2015)
23. 52.246-11 Higher-Level Contract Quality Requirement (Dec 2014)
24. 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)

DFARS Flow Down Clauses/ Provisions – Required:

1. 252.203-7002 Requirement for Inform Employees of Whistleblower Rights (Sep 2003)
2. 252.204-7000 Disclosure of Information (Oct 2016)
3. 252.204-7009 Limitation on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information (Oct 2016)
4. 252.204-7012 Safeguarding covered defense information and cyber incident reporting (Dec 2019)
5. 252.204-7014 Limitation on the Use or Disclosure of Information by Litigation Support Contractors (May 2016)
6. 252.204-7018 Prohibitions on the Acquisition of Covered Defense Telecommunications equipment or services (Dec 2019) except as modified below: All subparagraphs of the DFARS clause will remain the same except for (d)(1), which will read as follows:
  - i. In the event the Seller identifies covered defense telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, the Seller shall report to Boeing the information in paragraph (d)(2) of this clause.
7. 252.223-7008 Prohibition of Hexavalent Chromium (Jun 2013)
8. 252.225-7001 Buy American and Balance of Payments (Dec 2017)
9. 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (Oct 2014)
10. 252.225-7007 Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies (Dec 2018)
11. 252.225-7036 – Buy American – Free Trade Agreements – Balance of Payments Program – Basic (Dec 2017)
12. 252.225-7048 Export-Controlled Items (Jun 2013)
13. 252.227-7015 Technical Data – Commercial Items (Feb 2014), applies if any technical data related to commercial items developed in any part at private expense will be obtained from Seller for delivery to the Government.
14. 252.227-7037 Validation of Restrictive Markings on Technical Data (Sep 2016)
15. 252.228-7001 Ground and Flight Risk (Jun 2010)
16. 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD contracts), (Jun 2013)
17. 252.246-7003 Notification of Potential Safety Issues (Jun 2013)
18. 252.247-7023 Transportation of Supplies by Sea (Apr 2014)

Far Flow Down Clauses/Provisions – In Addition When Applicable:

1. 52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2006) (If subcontract exceeds the simplified acquisition threshold)
2. 52.203-7 Anti-Kickback Procedures (If subcontract exceeds \$150,000)
3. 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (If subcontract exceeds the simplified acquisition threshold)
4. 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (If subcontract exceeds the simplified acquisition threshold)

5. 52.230-2 Cost Accounting Standards (Oct 2015) (In subcontracts in excess of \$750,000 or full Survival Innovations coverage applies)
6. 52-230-3 Disclosure and Consistency of Cost Accounting Practices (In subcontracts in excess of \$750,000 or full Survival Innovations coverage applies)
7. 252.215-7010 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (Jan 2018) (If subcontract exceeds the simplified acquisition threshold)
8. 252.249-7002 Notification of Anticipated Contract Termination or Reduction (Oct 2015) (If subcontract exceeds \$700,000)

<b>REVISION RECORD</b>			
<i>CAUTION: After initial release, paragraph numbers may be added but not changed. It is coordinated with the Purchase Order form.</i>			
<i>Changes to this document must be approved by Purchasing, Engineering, Manufacturing, and Management.</i>			
<b>REV</b>	<b>DATE</b>	<b>PARAGRAPH(S)</b>	<b>DESCRIPTION OF CHANGE(S)</b>
A	10 DEC 2021		Initial Release