



Title:	Suntronic Standard Terms and Conditions
Document Number:	D-301
Revision:	2.0

1. Definitions

- a) **"Purchasing"** – Material Procurement by **Suntronic**
- (i) **Suntronic** – Suntronic Dallas LLC.
 - (ii) **Seller** – Supplier, vendor, etc.
 - (iii) **PO** – Purchase Order.
- b) **"Contract Manufacturing Services"** – Jobs that do not involve **Professional Engineering Design Services**
- (i) **Customer** – Company requesting Engineering or Manufacturing Contract services of Suntronic Solutions.
 - (ii) **DFM** – "Design for Manufacturing"; Full Design Evaluation with suggestions for Design for Test, Assembly, and Manufacturability.
 - (iii) **MFR** – "Manufacturing Front End Review"; review of Customer Gerber's, BOM, schematics. Drawings, for errors.
 - (iv) **PCB** – Printed Circuit Board, Fabricated Circuit board.
 - (v) **RFQ** – Request for Quote.
 - (vi) **PCBA** – Printed Circuit Board Assembly. SMT or Through hole.
 - (vii) **CAM** – Computer automated Manufacturing, Panelizing of the PCB to prepare for Board Fab Shop Input.
 - (viii) **CAD** – Computer Automated Design, Schematic Data, Layout Data, and Mechanical Data. (NOT source files).
 - (ix) **BOM** – "Bill of Materials", list of all items required to build a device.
 - (x) **PCBA Build Only** – **Customer** supplies Schematics and Gerber package, full Suntronic **MFR** review required. **"Build to Print"** not allowed.
 - (xi) **PCBA with Customer Enclosure** - **Customer** Supplies Schematics and Gerber package, full Suntronic DFM review. Customer supplies enclosure or mechanical housing/support hardware. **Suntronic** does full **MFR** review.
 - (xii) **PCBA Build with Suntronic Procured Enclosure** - **Customer** Supplies Schematics and Gerber package with full **MFR** review. **Customer** supplies enclosure mechanical drawings. **Suntronic** does full **MFR** review.
 - (xiii) **Layout Services** – PCB creation, **CAM** creation, **PCB** Librarian Symbol and Footprint Creation.
 - (xiv) **Mechanical Assembly** – Assembly of hardware to PCB that does not involve soldering. Includes packaging and labeling.
 - (xv) **Factory Test** – (Optional) Detailed test of **Customer** PCBA (test procedure to be supplied by **Customer**).
 - (xvi) **On Site Test** – **Customer** conducted testing at Suntronic. **Customer** shall train **Suntronic** personnel for production testing.
 - (xvii) **Material** – All parts and consumables that are purchased by Suntronic to complete an assembly.
 - (xviii) **Reference Designs** – Products intended for design analysis and not for consumer use. **Customer** is responsible for all regulatory compliance certifications if used in an end-product. See special T&C section 5.
 - (xix) **Customer supplied parts** – Parts supplied by **Customer**. Note: handling charge will be applied to cover stocking, and kitting labor.
- c) **"Confidential Information"** - All non-public information of a party, including. **Without limitation:**
- (i) **"Customer Technology"** - Medical instruments, devices, technologies, methods and/or other technology owned or licensed by or developed by or for **Customer**.
 - (ii) Functional and technical specifications, data, designs, methods, drawings, analysis, research, processes, concepts, computer programs, algorithms, ideas, inventions, trade secrets, "know how", improvements, discoveries, processes, regardless of whether technical or non-technical and regardless of the form of information, such as written, graphic, oral, visual or other form.
 - (iii) Business information related to the **Customer** or Suntronic including without limitation, data or information relating to accounting and financial matters, investments, budgets, business plans, marketing plans, sales and marketing research, research and development activities, customers, clients, suppliers, personnel matters, business contacts.
 - (iv) Information or materials received by the **Customer** or Suntronic from its affiliated entities, any of its investors, customers, strategic partners and any other third parties that such party is under an obligation to keep confidential.
 - (v) Other information designated as confidential expressly or by the circumstances in which it is provided or created should be reasonably considered confidential. Confidential Information shall not include any materials or information to the extent that it: (A) is or becomes commonly known by or readily available to the public without fault of the receiving party; (B) was received lawfully from a third party through no breach of any obligation of confidentiality owed to the disclosing party; (C) was furnished to the receiving party by others with no restriction on disclosure; or (D) was created by a party independently of its access to or use of the other party's Confidential Information.
- d) **"Deliverables"** - Services and Work Products which the **Customer** Contracts for **Suntronic** to deliver.
- e) **"Proprietary Rights"** - Trade secrets, patents, copyrights, trademarks, or other **IP** rights recognized by the laws of any country.
- f) **"Suntronic Proprietary Materials"** - All ideas, know-how, improvements, concepts, techniques, inventions (whether patentable or not), processes, or copyrightable works of authorship, and other materials, of any kind or nature, developed, created or licensed by **Suntronic**
- (i) Prior to the Effective Date.
 - (ii) Outside and independent of the scope of Services performed by **Customer** hereunder.
- g) **"Subcontractor"** - External Company engaged by Suntronic to perform a portion of the Services outside of Suntronic's facilities.
- h) **"Work Product"** - All ideas, know-how, improvements, concepts, techniques, inventions (whether patentable or not), processes, or copyrightable works of authorship, and other materials relating directly to any product or other device based on the **Customer** Technology, or relating to the **Field of Use**, developed or created by Suntronic, and delivered or to be delivered to **Customer**, as the result of the Services for **Customer** hereunder. For clarification, **Work Products** do not include any Suntronic Proprietary Materials, editable **Design Source Files**, or



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any ideas, know-how, improvements, concepts, techniques, inventions (whether patentable or not), processes, or copyrightable works of authorship, and other materials related to the field of manufacturing unless otherwise expressly set forth in the applicable **SOW**.

2. Purchasing Processes

a) ITAR Control and Compliance:

- (i) Companies engaged in manufacturing or modification of Defense Articles or furnishing Defense Services (whether the Defense Articles or Services are intended for export or not) are required to register with the Department of State, Directorate of Defense Trade Controls ("DDTC") in accordance with ITAR 22 CFR 122. If so engaged, **Seller**, by its offer and/or acceptance of a **PO**, represents that it is registered with the DDTC.
- (ii) Proof of **Sellers** registration will be promptly provided to **Suntronic** upon request.
- (iii) A signed copy of **Seller's** ITAR Regulation & Certification Policy shall be required to be on-file at **Suntronic** when **POs** are released with ITAR requirements.

b) Goods & Services:

- (i) **Seller** agrees to provide goods and services in accordance with the **PO**, scope of work, manufacturer specifications and subject to these Terms and Conditions.
- (ii) Upon acceptance of a **PO** or shipment of Goods, **Seller** shall be bound by the provisions of this Agreement, including all provisions set forth on the face of any applicable **PO**, **RFQ** or data flow down whether **Seller** acknowledges or otherwise signs this Agreement or the **PO**, unless **Seller** objects to such terms in writing prior to shipping Goods.
- (iii) Acceptance of **Suntronic PO** is acceptance of our Terms & Conditions.
- (iv) **Suntronic** shall monitor **Seller's** performance for On Time Shipments and Acceptability of Product.

c) Inspection and Acceptance:

- (i) **Suntronic** shall have a reasonable time after receipt of Goods or Services, and before payment, to inspect **purchased items** for conformity hereto, and Goods or Services received prior to inspection shall not be deemed accepted until **Suntronic** has performed an adequate test to determine whether the Goods conform to the specifications as purchased.
- (ii) Use of sampling of the Goods or Services for testing shall not constitute an acceptance of the Goods or Services.
- (iii) If Goods or Services tendered do not wholly conform to the specifications as purchased, **Suntronic** shall have the right to reject such Goods or Services.
- (iv) Nonconforming Goods or Services will be returned to **Seller** freight collect and risk of loss will pass to **Seller** upon **Suntronic's** delivery to the common carrier.
- (v) **Suntronic** and its customer, clients and contractors shall be granted access to supplier facilities to perform quality surveys and inspections where materials or services are rendered.

d) Communication:

- (i) Any deviation from order requirements must be clearly identified, communicated, and approved by an authorized **Suntronic** individual prior to shipping.
- (ii) If any portion of the **Suntronic PO** is outsourced or subcontracted, all applicable requirements and specifications must be communicated (including applicable key characteristics, ITAR and regulatory) to each sub-tier supplier used.
- (iii) Detection of a nonconforming product regarding any order (currently in work or previously shipped) must be promptly communicated to **Suntronic's** quality department for risk assessment.

e) Conformances:

- (i) **Seller** shall maintain a Quality Management System in compliance with ISO 9001:2008 or 2015 or AS9100D and/or **ISO 13485:2016**.
- (ii) When applicable, **Supplier** personnel must be trained to the appropriate standard to perform such activities, as noted in data or on drawings, which pertain to the products ordered by Suntronic.
- (iii) **Seller** to incorporate commercial standard practices for the preservation and packaging of all PO items and will identify each package permanently and legibly with PO number, manufacturer's name, ship date, and packing list number.
- (iv) All material must be identified by a part number permanently and legibly affixed to the surface of each item. If not possible due to physical size or nature of material, an ID tag should be securely affixed to each item or if items are package individually or multiple containers, containers must be identified with part number.
- (v) **Seller** shall maintain all records for a minimum of 7 years.
- (vi) When applicable, Supplier shall maintain provisions for the control and prevention of Foreign Object contamination.
- (vii) (a) For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair but is altered and misrepresented as acceptable.
(b) Seller shall not deliver Counterfeit Work to Suntronic under this Contract.
(c) Seller shall only purchase products to be delivered or incorporated as Work to Suntronic directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Suntronic.



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- (d) Seller shall immediately notify Suntronic with the pertinent facts if SELLER becomes aware or suspects that it has delivered Counterfeit Work. When requested by Suntronic, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- (e) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Contract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
- (f) Seller shall meet the requirements for test specimens when noted on the purchase order, (e.g., production method, number, storage conditions) for design approval, inspection/verification, investigation, or auditing.
- (g) Seller shall include paragraphs (a) through (f) and this paragraph (g) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as Work to Suntronic.
- (h) Point of Contact: The assigned buyer is always your point of contact. Any questions, problems, or information should always be directed to the buyer. Do not accept any changes to the technical and quality requirements unless authorized in writing by an authorized member of the Suntronic staff. Authorized members include Sales, Program Management, Quality and Purchasing.
- (i) Control and Monitoring: Supplier performance will be maintained and monitored by reviewing the supplier on-time delivery, the number of corrective actions received and the type/status of their Quality Management System.
- (j) The use of statistical techniques for product acceptance and related instructions for acceptance will be noted on the Purchase Order when required.
- (k) Any customer-designated or approved external provider, including process sources (e.g. special processes) will be called out on the Purchase Order.
- (l) The supplier shall provide one Certificate of Conformity with each shipment. The Certificate of Conformity shall contain, at a minimum, the specifications and/or drawing number, revision level, special processes (as applicable), the name of the manufacturer, the lot number, batch number, date or serial number, purchase order number (and item number when applicable), and a factual statement that inspection/test data is on file at the supplier's facility demonstrating conformance to specifications and available for review by Suntronic upon request. The Certificate of Conformity must be signed by a person who is responsible for this function as described in the supplier's Quality Management System.
- (viii) Seller shall have a documented program to ensure that persons are aware of:
- (I) their contribution to product or service conformity,
 - (II) their contribution to product safety,
 - (III) the importance of ethical behavior.
- Objective evidence of this program implementation shall be submitted upon request.
- (ix) In the event that Seller may collect, develop, receive, transmit, use or store "covered defense information" on Seller's "covered contractor information system" as defined in Defense Federal Acquisition Regulation Supplement (DFARS) 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (OCT 2016) in support of a bid and proposal and/or execution of a Purchase Order or Subcontract with Suntronic, the Seller shall comply with the requirements of DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (OCT 2016) and will implement the security requirements in National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations" as set forth in DFARS 252.204-7012.
- (x) Beginning November 30, 2020, Contracting Officers must include the new DFARS 252.2047019 provision and DFARS clause 252.204-7020 clause in all solicitations and contracts, with certain exceptions including solicitations or contracts solely for the acquisition of commercial-off-the-shelf (COTS) items. These will require the DoD supply chain to quantify their current cybersecurity compliance with NIST SP 800-171 requirements using the NIST SP 800-171 DoD Assessment Methodology. Pursuant to 252.204-7020, contractors such as Suntronic may not award a subcontract or other contractual instrument that is subject to the implementation of NIST SP 800-171 security requirements, in accordance with DFARS 252.204-7012, unless the supplier has:
- (I) Completed at least a Basic Assessment in accordance with NIST SP 800-171 DoD Assessment Methodology (or in the alternative the Government performed Medium or High Assessment) within the last three years for all covered contractor information systems relevant to its offer that are not part of an information technology system operated on behalf of the Government; and
 - (II) To the extent the supplier completed a Basic Assessment, it submitted its summary level scores, and other information required by paragraph (d) of DFARS 252.204-7020, either directly into the Supplier Performance Risk System (SPRS) or via encrypted email to webpmsmh@navy.mil for posting to the SPRS.
- (xi) All special processes required in a **PO** placed by **Suntronic** shall be performed by qualified personnel, and the processes validated to ensure output meets requirements. Process validation records shall be made available to **Suntronic** upon request.
- (xii) **Seller** shall make provisions for the avoidance of supplying counterfeit electronic parts. All items contained within this Purchase Order must be provided from an authorized/franchised distributor and fully traceable to the OCM. At no time will components provided by unauthorized distributors be accepted by Suntronic without written consent. If **Suntronic** determines that purchased parts are suspect or counterfeit, **Suntronic** shall immediately notify **Seller** to validate parts and to prevent re-entry of suspect or counterfeit parts into the supply chain. **Suntronic** shall quarantine suspect or counterfeit parts at **Suntronic's** facility. **Suntronic** is under no obligation to return suspect or counterfeit parts to **Seller**.
- (xiii) If **Seller** is providing calibration services, all certificates must identify standards used and must be traceable to **NIST** (National Institute of Standards Technology).
- (xiv) **Sellers** are not, under any circumstance, granted **MRB** (Material Review Board) authority to alter the product characteristics.



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- (xv) (a) **Seller** shall request, in writing, Suntronic approval of any changes or nonconformance in product and/or process (part number or nomenclature different from what is in or on the PO, data or drawings), changes of suppliers, changes in manufacturing facility locations, and/or equipment prior to completion/shipment.
- (b) Supplier shall notify Suntronic of any nonconforming processes, products, or services and obtain approval for their disposition.
- (xvi) **Seller** shall provide **Suntronic** with documentation (**CMRT**) stating compliance with the Dodd-Frank, Section 1502 regarding Conflict Minerals as requested.
- (xvii) Seller must be compliant with current Ethics laws, **EHS** (Environmental, Health and Safety) laws, regulations, and industry standards.

3. Contract Manufacturing Service Processes

a) Acceptance of Suntronic Quote is acceptance of our Terms & Conditions

b) Workmanship:

- (i) Unless otherwise specified, **Suntronic's** manufacturing process comply with IPC-A-610, Class 2.
- (ii) **POs** and **Quotes** will be issued within the scope of AS9100D, Aerospace and Defense and ISO13485:2016 Medical Device Standards.
- (iii) Warranties:
 - All product workmanship is warranted for 60 days from date of delivery
 - All parts are warranted for 1 year from date of delivery

c) ITAR Control and Compliance:

- (i) Companies engaged in manufacturing or modification of Defense Articles or furnishing Defense Services (whether the Defense Articles or Services are intended for export or not) are required to register with the Department of State, Directorate of Defense Trade Controls ("DDTC") in accordance with ITAR 22 CFR 122. If so engaged, **Customer**, by its offer and/or acceptance of a **Quote**, represents that it is registered with the DDTC.
- (ii) Proof of **Suntronic's** registration will be promptly provided to **Customer** upon request.

d) Customer Orders:

- (i) New PCBA Jobs require, at minimum, the following data:
 - Gerber's or ODB++ Files (Preferred)
 - Fab Notes within the Gerber's or in a Separate Document
 - IPC Netlist
 - CAD Data
 - Bill of Materials
 - Test specimens if required
 - Factory Test Document (Optional)
- (ii) Repeat Orders that have changes or special requirements, must be specified by the customer upon release of job.

e) Quotes:

- (i) **Suntronic** will honor quotes up to 30 days and may honor quoted price past that date in on a case-by-case basis, as determined by **Suntronic**.
- (ii) Quote Type(s):
 - Budgetary - Professional Engineering Design Services Quote Only
- (iii) The below instances will cause a (**Change Order**): increase in the quoted price:
 - Requests by the customer to substitute parts or materials that is at a higher price
 - Request for pull in of the due date
 - Unknown steps in the process not originally stated by the customer
 - Significant increase in pricing of specialized parts or services from the manufacturer, vendor, or service provider
 - Change in quantity

f) Delivery:

- (i) Delivery dates provided to customer will be extended past the assembly turn time, stated in the Quote in the Listed Circumstances:
 - Upon receipt of final customer supplied parts
 - Delay in receipt of any data or information from the **Customer**
 - Holds placed on production by customer
 - As agreed upon between seller and purchaser
 - Actual receipt of long lead materials (Components, fixtures, consumables, stencils)
- (ii) Delivery delays may occur if there are unknown issues that arise due to **Customer** design and will be communicated to the customer.
- (iii) Under no circumstances shall **Suntronic's**, Agents or Employees be held liable for direct or indirect damages caused by delayed delivery from **Suntronic's** quoted turn time.

g) Invoice Payment Terms:

- (i) Cash in Advance.
- (ii) Credit Card – 3% service fee to be added, Immediate Upon Delivery.



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- (iii) Net 15 – Upon Approved Credit.
- (iv) Net 30 – Upon Approved Credit (standard).
- (v) Special payment options are available with written mutual-agreement or contract.
- (vi) Cancellations, an order once placed cannot be cancelled except by mutual agreement of **Suntronic** and **Customer**.

h) Release of Information:

- (i) Except as required by law, **Suntronic** shall not publish any information developed under a Contract, nor disclose, confirm, or deny any details about the existence or subject matter of a Contract, or use **Customer's** name in connection with **Suntronic** sales promotion or publicity without prior written approval of the **Customer**.



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REVISION HISTORY

DATE	DCN	REVISION	REVISION / CHANGE DESCRIPTION	AUTHOR
5/22/2024	24-0065	1.0	Initial release to meet AS9100 requirements. (Released as D-103)	Sheila Frank / Mark Azcona
9/19/2024	24-0141	2.0	1. Re-assigned document to QMS Process 3.0 and renumbered to D-301. 2. Updated section (2e) to comply with AS9100 requirements.	Sheila Frank / Mark Azcona