

POWER SOLUTIONS GROUP

The following **SUPPLIER COMPLIANCE REQUIREMENTS** are provided to ensure suppliers are aware of: *their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior*

S/R 0006 TERMS AND CONDITIONS:

1) METHODE ELECTRONICS, INC. AND ITS CORRESPONDING CUSTOMERS AND REGULATORY AGENCIES RESERVE THE **RIGHT TO AUDIT AND VERIFY** SUBCONTRACTOR'S QUALITY SYSTEM, MANUFACTURING CAPABILITIES, AND PRODUCTION PROCESSES DURING REGULAR BUSINESS HOURS AT SUPPLIER'S FACILITY.

2) ALL SUPPLIER AND SUBCONTRACTOR'S QUALITY MANAGEMENT SYSTEMS ARE REQUIRED TO **MEET OR EXCEED ISO 9001-2015 REQUIREMENTS**

3) THIS PURCHASE ORDER MAY CONTAIN INFORMATION SUBJECT TO THE REGULATIONS OF THE INTERNATIONAL TRAFFIC IN ARMS REGULATION ("ITAR"). BEFORE THIS INFORMATION MAY BE RELEASED TO ANY NON-U.S. PERSON, EXPORT APPROVAL MUST BE OBTAINED FROM THE U.S. DEPT. OF STATE & THE DIRECTORATE OF DEFENSE TRADE CONTROLS.

4) **METHODE ELECTRONICS, INC. REQUIRES A "CERTIFICATE OF COMPLIANCE"** (CoC) BE PROVIDED BY THE SUBCONTRACTOR WITH EACH SHIPMENT AND REFERENCE THE APPROPRIATE AND CURRENT ASTM, SAE, AISI, UNS OR EQUIVALENT SPECIFICATION. ADDITIONALLY, THE FULL CHEMISTRY **"CERTIFICATE OF ANALYSIS"** (CoA) (BASE MATERIALS, PLATING, BRAZING AND SOLDERING MATERIALS) OR LISTED AS "PROPRIETARY" WHEN THAT TERM IS APPLICABLE (e.g. BRAZING AND SOLDERING FLUX, GLUE, AND THE LIKE). METHODE ELECTRONICS FURTHER REQUIRES THE SUBCONTRACTOR TO MAINTAIN A COPY OF THE CoC and CoA ON FILE AT THEIR FACILITY AND MUST PRODUCE UPON REQUEST.

"**THE CERTIFICATE OF COMPLIANCE**" **MUST INCLUDE** THE FOLLOWING INFORMATION:

- A) MATERIAL OF PROCESS WHICH HAS BEEN PURCHASED OR SUBCONTRACTED;
- B) QUANTITY PROCESSED OR PURCHASED;
- C) METHODE'S PURCHASE ORDER NUMBER;
- D) SPECIFICATION (INCLUDING CLASS, TYPE, ETC.) WHICH THE MATERIAL OR PROCESS CONFORMS TO;
- E) DATE THE MATERIAL OR PROCESS WAS SHIPPED OR COMPLETED;
- F) A TRACEABILITY NUMBER OF THE CONTRACTOR WHICH IDENTIFIES THE LOT OR BATCH OF THE MATERIAL OR PROCESS;
- G) COMPLIANCE WITH SECTION 1502 OF THE DODD-FRANK ACT (CONFLICT MINERALS) RE: COUNTRY OF ORIGIN: GOLD, TIN, TANTALUM OR TUNGSTEN.

5) **DISTRIBUTORS MUST PROVIDE** A CERTIFICATE OF COMPLIANCE FROM THE MANUFACTURER OF THE PRODUCT BEING PROVIDED THROUGH THEIR DISTRIBUTORSHIP. A **CERTIFICATE OF ANALYSIS** MUST ALSO BE PROVIDED WITH ALL COPPER, ALUMINUM, BRASS & ALL GRADED FASTENERS.

6) **R.E.A.C.H. & R.O.H.S. II:** ALL COC'S MUST CONTAIN A STATEMENT OF COMPLIANCE

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7) THE SUBCONTRACTOR SHALL **MAINTAIN THESE RECORDS FOR A MINIMUM OF TEN (10) YEARS** AND BE ABLE TO PROVIDE A COPY TO METHODE ELECTRONICS. UPON REQUEST, OTHER RECORD RETENTION PERIODS MAY BE STIPULATED ON THE PURCHASE ORDER.

8) **SEGREGATION OF MATERIAL:** THE SUBCONTRACTOR/SUPPLIER MUST NOTIFY METHODE OF NON-CONFORMING PRODUCT. THE SUBCONTRACTOR/SUPPLIER MUST REQUEST AND HAVE ON FILE WRITTEN APPROVAL FROM METHODE TO UTILIZE NON-CONFORMING MATERIAL. IF NO APPROVAL IS PROVIDED, THE NON-CONFORMING MATERIAL MUST BE DESTROYED AND AN AFFIDAVIT AFFIRMING THIS ACTION MUST BE SUBMITTED.

9) **PROCESS CHANGES:** THE SUBCONTRACTOR/SUPPLIER MUST NOTIFY METHODE OF CHANGES IN PRODUCT AND/OR PROCESS DEFINITION AND WHERE REQUIRED AND OBTAIN METHODE'S APPROVAL. THIS PRODUCT OR PROCESS CHANGE MAY INCLUDE BUT IS NOT LIMITED TO DESIGN CHANGES, MATERIAL CHANGES, PERSONNEL CHANGES, QUALITY SYSTEM CHANGES AND MACHINE/EQUIPMENT CHANGES.

10) **FLOW-DOWN REQUIREMENTS:** THE SUBCONTRACTOR/SUPPLIER MUST FLOW-DOWN ANY AND ALL SPECIAL METHODE REQUIREMENTS AND/OR SPECIFICATIONS INCLUDING ALL KEY CHARACTERISTICS TO SUB-TIER SUPPLIERS AS REQUIRED BY METHODE ELECTRONICS. ANY INABILITY OR UNWILLINGNESS OF A SUP-TIER SUPPLIER TO COMPLY WITH THIS REQUIREMENT SHOULD BE DOCUMENTED IN WRITING AND SUBMITTED TO METHODE.

11) WHERE SPECIFICATIONS REQUIRE DIMENSIONAL RESULTS FOR VALIDATION, PROVIDE VARIABLE DATA TEST RESULTS.

12) **COUNTERFEIT PRODUCT:** THE SUPPLIER/SUBCONTRACTOR, AND ALL MEMBERS OF THEIR SUPPLY CHAIN, INCLUDING DISTRIBUTORS, SHALL **COMPLY WITH THE REQUIREMENTS OF SAE STANDARD AS6174 FOR NON-ELECTRONIC PRODUCT** WHICH SHALL MEAN PLAN, IMPLEMENT, & CONTROL PROCESSES APPROPRIATE TO THE SUPPLIER AND THE PRODUCT/SERVICE, FOR THE PREVENTION OF COUNTERFEIT OR SUSPECT COUNTERFEIT PART USE & THEIR INCLUSION IN PRODUCT(S) DELIVERED TO METHODE. A COUNTERFEIT MATERIAL IS DEFINED AS AN UNAUTHORIZED COPY, IMITATION, SUBSTITUTION OR MODIFIED PART WHICH IS KNOWINGLY MIS-REPRESENTED AS A SPECIFIED PART OF AN ORIGINAL OR AUTHORIZED MANUFACTURER. ANY PRODUCT CONTAINING COUNTERFEIT MATERIAL SHALL BE DEEMED AS NON-CONFORMING. IN THE EVENT THE SUPPLIER SUSPECTS AN ESCAPE OF COUNTERFEIT COMPONENTS, SUPPLIER SHALL PROMPTLY NOTIFY METHODE PURCHASING.

13) **FIRST ARTICLE INSPECTION (FAI)** WHEN SPECIFIED ON A PURCHASE ORDER, THE SUPPLIER SHALL PROVIDE FULL DIMENSIONAL VERIFICATION, AND AQL SAMPLING PLAN PER ANSI/ASQ Z1.4:2008

14) **PRODUCT EXPIRATION DATE MINIMUM 75% OF ORIGINAL FACTORY SHELF LIFE REMAINING** SUPPLIER SHALL PROMINENTLY DISPLAY PRODUCT EXPIRATION DATE ON ALL CONTAINER LABELS, PACKING LIST, CERTIFICATE OF CONFORMANCE, & CERTIFICATE OF ANALYSIS

15) METHODE ELECTRONICS, INC IS AN EQUAL OPPORTUNITY EMPLOYER AND FEDERAL CONTRACTOR OR SUBCONTRACTOR. CONSEQUENTLY, THE PARTIES AGREE THAT, AS APPLICABLE, THEY WILL ABIDE BY THE REQUIREMENTS OF 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) AND THAT THESE LAWS ARE INCORPORATED HEREIN BY REFERENCE. THESE REGULATIONS PROHIBIT DISCRIMINATION AGAINST QUALIFIED INDIVIDUALS BASED ON THEIR STATUS AS PROTECTED VETERANS OR INDIVIDUALS WITH DISABILITIES AND PROHIBIT DISCRIMINATION AGAINST ALL INDIVIDUALS BASED ON THEIR RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY OR NATIONAL ORIGIN. THESE REGULATIONS REQUIRE THAT COVERED PRIME CONTRACTORS AND SUBCONTRACTORS TAKE AFFIRMATIVE ACTION TO EMPLOY AND ADVANCE IN EMPLOYMENT INDIVIDUALS WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, NATIONAL ORIGIN, PROTECTED VETERAN STATUS OR DISABILITY. METHODE ELECTRONICS IS OPPOSED TO MODERN-DAY SLAVERY IN ALL ITS FORMS, IN ITS OWN BUSINESS AND ITS GLOBAL SUPPLY CHAIN. THE PARTIES ALSO AGREE THAT, AS APPLICABLE, THEY WILL ABIDE BY THE REQUIREMENTS OF EXECUTIVE ORDER 13496 (29 CFR PART 471, APPENDIX A TO SUBPART A), RELATING TO NOTICE OF EMPLOYEE RIGHTS UNDER FEDERAL LABOR LAWS.

16) METHODE SUPPLIER CODE OF CONDUCT IS FOUND: <http://supplier.methode.com/power-solutions> REPORT VIOLATIONS TOLL-FREE USA 1-800-461-9330 OR WWW.CONVERCENT.COM/REPORT

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REV: 20 MARCH 2019