



QUALITY PROGRAM/ TERMS AND CONDITIONS

SPECIFICATION #QC-200

1. SCOPE

1.1 Applicability

This specification shall apply to all materials and services ordered by Essex.

2. QUALITY PROGRAM REQUIREMENTS

2.1 Control of Quality

Inspection and tests as applicable shall be performed to assure the conformance to purchase order requirements.

2.2 Control of Materials

Assurance shall be obtained that raw materials to be used in fabrication or processing of products conform to the applicable requirements of the purchase order.

2.3 Records

Vendors shall maintain and use any records or data essential to the economical and effective operation of their quality program.

2.4 Calibration System

As applicable, vendors shall depend upon calibration systems which effectively control the accuracy of measuring and testing equipment.

2.5 Changes in Design

No changes in design of a product specified on a purchase order are to be made without notifying and obtaining approval from Essex.

2.6 Corrective Action

Vendors shall take corrective action to correct assignable conditions adverse to quality.

3. COORDINATED GOVERNMENT/ ESSEX ACTIONS

3.1 Government Inspection

The Government reserves the right to perform an inspection of supplies to be furnished in accordance with Essex's Purchase order and the inspection clause of the Government Contract Listed on the PO. The inspection is to be coordinated with Essex.

3.2 Defense Priorities and Allocations System (DPAS)

All purchase orders issued under government contracts shall have a priority rating as issued in accordance with the prime government contract. All priority rated contracts shall be processed in accordance with DPAS 15 CFR 700.

See website below:

<http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=15:2.1.3.2.1#15:2.1.3.2.1.4.1.4>

3.3 DPAS Flow Down Requirement

DPAS requirements shall be followed by all Vendor Sub-Tier suppliers.

PRIME CONTRACT FLOWDOWN CAUSES FOR PURCHASE ORDERS ISSUED UNDER FEDERAL CONTRACTS

If the Purchase Order is placed under a Government Prime Contract or a federally-funded subcontract, the following clauses set forth in the Federal Acquisition Regulations (FAR) and the Department of Defense Federal Acquisition Regulations Supplement (DFAR), in effect on the date of the Prime Contract, where applicable, are incorporated herein by reference with the same force and effect as if given in full text. Where necessary to make the context of these clauses applicable to the Purchase Order, unless otherwise indicated, the term "Contractor" shall mean "Seller", the term "contract" shall mean "the Purchase Order", and the terms "Government", "Contracting Officer", and equivalent phrases shall mean "Buyer".

Seller hereby agrees to flow down the following FAR/DFAR clauses, where applicable, to its lower tier subcontractors.

IT IS THE SOLE RESPONSIBILITY OF SELLER TO COMPLY WITH THE FAR/DFAR CLAUSES APPLICABLE TO SELLER, THE SUBJECT MATTER OF THE PURCHASE ORDER, AND THE PRIME CONTRACT. THE FAR/DFAR CLAUSES SET FORTH HEREIN ARE INCLUDED AS AN EASE OF REFERENCE FOR SUBCONTRACTOR ONLY AND ARE NOT INTENDED TO SET FORTH A COMPLETE AND ACCURATE ITEMIZATION OF THE FAR/DFAR CLAUSES APPLICABLE TO SUBCONTRACTOR, THE SUBJECT MATTER OF THE PURCHASE ORDER, OR THE PRIME CONTRACT.

The full text of these clauses can be obtained from the Internet at:

<http://www.arnet.gov/far>

<http://farsite.hill.af.mil>

<http://www.acq.osd.mil/dp/dars/dfars.html>

I. PURCHASE ORDERS FOR COMMERCIAL ITEMS

"Commercial Items" is defined by FAR 2.101, which include certain services.

A. Federal Acquisition Regulation

- 52.219-8 Utilization of Small Business Concerns (15 U.S.C. 637(d)(2)(3) 52.222-26 Equal Opportunity (E.O. 11246)
- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C. 4212 (a))
- 52.222-36 Affirmative Action for Workers with Disabilities (29 U.S.C. 793)
- 52.244-6 Subcontracts for Commercial Items and Commercial Components
- 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. Appx 1241 and 10 U.S.C. 2631)

II. PURCHASE ORDERS FOR NON-COMMERCIAL ITEMS AND SERVICES

A. Federal Acquisition Regulation

APPLICABLE TO ALL PURCHASE ORDERS

<u>52.202-1</u>	Definitions	<u>52.222-19</u>	Child Labor-Cooperation with Authorities and Remedies
<u>52.203-3</u>	Gratuities	<u>52.222-21</u>	Prohibition of Segregated Facilities
<u>52.203-15</u>	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009	<u>52.222-22</u>	Previous Contracts and Compliance Reports
<u>52.204-2</u>	Security Requirements	<u>52.222-25</u>	Affirmative Action Compliance
<u>52.211-15</u>	Defense Priority and Allocation Requirements	<u>52.222-26</u>	Equal Opportunity
<u>52.212-5</u>	Contract Terms & Conditions Required to Implement Statutes or Executive Orders-Commercial Items	<u>52.222-35</u>	Equal Opportunity for Veterans
<u>52.215-15</u>	Pension Adjustment and Asset Reversions	<u>52.222-36</u>	Affirmative Action for Workers with Disabilities
<u>52.215-18</u>	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions	<u>52.222-37</u>	Employment Reports on Veterans
<u>52.215-9</u>	Notification of Ownership Changes	<u>52.222-40</u>	Notification of Employee Rights Under the National Labor Relations Act
<u>52.215-20</u>	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data	<u>52.222-41</u>	Service Contract Act of 1965
<u>52.215-21</u>	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data-Modifications	<u>52.222-50</u>	Combating Trafficking in Persons
<u>52.219-9</u>	Small Business Subcontracting Plan	<u>52.222-51</u>	Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements
<u>52.219-16</u>	Liquidated Damages-Subcontracting Plan	<u>52.222-53</u>	Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements
<u>52.222-3</u>	Convict Labor	<u>52.222-54</u>	Employment Eligibility Verification
<u>52.222-4</u>	Contract Work Hours and Safety Standards Act-Overtime Compensation	<u>52.223-3</u>	Hazardous Material Identification and Material Safety Data
<u>52.222-6</u>	Davis-Bacon Act	<u>52.223-7</u>	Notice of Radioactive Materials
<u>52.222-17</u>	Nondisplacement of Qualified Workers	<u>52.223-11</u>	Ozone-Depleting Substances
		<u>52.223-12</u>	Refrigeration Equipment & Air Conditions
		<u>52.223-15</u>	Energy Efficiency in Energy-Consuming Products
		<u>52.223-16</u>	IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products
		<u>52.223-18</u>	Encouraging Contractor Policies to Ban Text Messaging While Driving
		<u>52.224-2</u>	Privacy Act
		<u>52.225-1</u>	Buy American Act-Supplies
		<u>52.225-3</u>	Buy American Act-Free Trade Agreements-Israeli Trade Act
		<u>52.225-5</u>	Trade Agreements

- 52.214-26 Audit and Records- Sealed Bidding
- 52.215-2 Audit and Records – Negotiation
- 52.219-8 Utilization of Small Business Concerns
- 52.222-2 Payment for Overtime Premiums
- 52.222-26 Equal Opportunity
- 52.222-37 Employment Reports on Veterans
- 52.227-1 Authorization and Consent
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement
- 52.229-3 Federal, State, and Local Taxes
- 52.248-1 Value Engineering

APPLICABLE TO PURCHASE ORDERS OVER \$700,000

- 52.214-28 Subcontractor Cost or Pricing Data-Modifications-Sealed
- 52.215-12 Subcontractor Cost or Pricing Data
- 52.215-13 Subcontractors Cost or Pricing Data-Modifications
- 52.215-14 Integrity of Unit Prices

APPLICABLE TO PURCHASE ORDERS OVER \$5,000,000

- 52.203-13 Contractor Code of Business Ethics and Conduct
- 52.203-14 Display of Hotline Poster(s)