
 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 1 of 15</b>
<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	


<b>Issued By:</b> Purchasing Manager	<b>Signature:</b> Steve Hardwick	<b>Date:</b> 07/10/17
<b>Approved By:</b> Management Representative	<b>Signature:</b> Sase Singh	<b>Date:</b> 07/10/17

<b>SCOPE</b>	The aim of this document is to formally communicate HBR quality requirements to its suppliers and their suppliers.
<b>DEFINITIONS</b>	HBR – Honeybee Robotics PO – Purchase Order or Contract " <b>Shall</b> " and " <b>must</b> " mean that the described action is mandatory; " <b>Should</b> " means that the described action is expected with some flexibility allowed in the method of compliance; " <b>May</b> " means that the described action is permissible or discretionary. "Supplier" means vendor, supplier of goods and services, sub-contractor and distributor.


 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 2 of 15</b>
	<b>SECTION: Purchasing</b>	<b>EFFECTIVE DATE: July 10, 2017</b>	

## Table of Contents

1	INTRODUCTION .....	4
2	SUPPLY OF GOODS AND SERVICES .....	4
3	QUALITY MANAGEMENT SYSTEM REQUIREMENTS .....	4
3.1	MINIMUM QUALITY REQUIREMENT .....	4
3.2	SPECIAL PROCESSES.....	4
3.3	RECORD RETENTION REQUIREMENT .....	5
3.4	ADDITIONAL FLOW DOWN REQUIREMENTS .....	5
4	FACILITY CHANGES .....	5
5	COMPETENCE, TRAINING AND AWARENESS .....	5
6	CONTROL OF SUB-TIER SUPPLIERS.....	6
6.1.1	SUB-CONTRACTED ORDERS.....	6
6.1.2	SUB-TIER FLOW DOWN.....	6
7	SUPPLIER APPROVAL.....	6
7.1	VISITS AND SUPPLIER AUDITS.....	6
7.2	RIGHT OF ACCESS .....	7
7.3	SUPPORTING DOCUMENTATION.....	7
8	NONCONFORMING PRODUCT .....	7
8.1	ROOT CAUSE CORRECTIVE ACTION (RCCA).....	8
9	IDENTIFICATION AND TRACEABILITY.....	8
9.1	SERIALIZATION AND PART MARKING.....	8
9.2	TRACEABILITY TO DESIGN PROVENANCE AND RAW MATERIAL .....	8
10	CERTIFICATION .....	9
10.1	MINIMUM INFORMATION REQUIREMENT .....	9
10.2	CALIBRATION AND TEST CERTIFICATION.....	9
10.3	CERTIFICATE OF CONFORMITY REQUIREMENT .....	9
11	PRODUCTION PROCESS VERIFICATION .....	10
11.1	FIRST ARTICLE INSPECTION REPORT.....	10
12	PRESERVATION OF PRODUCT.....	10

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 3 of 15</b>
	<b>SECTION: Purchasing</b>	<b>EFFECTIVE DATE: July 10, 2017</b>	

12.1	WORKMANSHIP ACCEPTANCE CRITERIA FOR SURFACE ENGINEERING	10
12.2	DEVIATION FROM DESIGN DATA (drawings, schematics, etc.).....	10
12.3	FOREIGN OBJECT DEBRIS (FOD) .....	10
12.4	ELECTROSTATIC DISCHARGE (ESD) .....	11
12.5	SHELF LIFE.....	11
12.6	PACKAGING.....	11
13	COUNTERFEIT PRODUCT PREVENTION AND CONFLICT MINERALS.....	11
13.1	Definition.....	11
13.2	COUNTERFEIT PRODUCT PREVENTION .....	11
13.3	CONFLICT MINERALS .....	13
14	BUSINESS CONTINUITY / DISASTER MANAGEMENT .....	13
15	SENSITIVE AND HBR PROPRIETY DATA.....	13
15.1	NON-DISCLOSURE AGREEMENT (NDA) .....	14
15.2	SUB-TIER SUPPLIERS.....	14
15.3	DISPOSAL OF SENSITIVE AND HBR PROPRIETY DATA .....	14
16	INSPECTION AND ACCEPTANCE .....	14
17	DELIVERING TO HBR.....	14
17.1	LATE DELIVERIES .....	14
17.2	SHORT ORDERS .....	14
17.3	NON-CONFORMING WORK .....	14
18	CONCESSIONS .....	15
18.1	DEVIATIONS .....	15
19	CHEMICALS AND HAZARDOUS SUBSTANCES.....	15
19.1	SAFETY DATA SHEETS .....	15
20	QUALITY REQUIREMENT AMENDMENT RECORD.....	15

	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 4 of 15</b>
	<b>SECTION: Purchasing</b>	<b>EFFECTIVE DATE: July 10, 2017</b>	

## 1 INTRODUCTION

Honeybee Robotics is committed to providing our customers with quality products & services that meet or exceed their requirements. Our aim is to build sustainable supplier capacity by partnering with our supply chain to reduce adverse environmental impacts, improve health, safety and ethical behavior, and to enable responsible supplier growth and raise standards.

## 2 SUPPLY OF GOODS AND SERVICES

Our business depends on a reliable network of skilled suppliers to provide the materials, parts and services needed to make our products and deliver them to our customers on time. Goods and services provided by our suppliers have a key impact on the quality of the products, and services we offer our customers. To maintain a high level of quality, we are determined to establish and maintain close and long-lasting relationships with our suppliers.

HBR Terms and Conditions (T&C) shall apply to all PO's unless otherwise agreed upon.

## 3 QUALITY MANAGEMENT SYSTEM REQUIREMENTS

### 3.1 MINIMUM QUALITY REQUIREMENT


Suppliers shall provide and maintain a quality control system to an industry-recognized Quality Standard and in compliance with any other specific quality requirements identified in PO's issued by HBR.

HBR monitors the quality and On-Time-Delivery (OTD) of all items procured.

Records of all quality control inspection work by the supplier shall be kept complete and made available upon request to HBR and its customers.

### 3.2 SPECIAL PROCESSES

A special process is a process that generates outputs that cannot be measured, monitored, or verified non-destructively or cost effectively. Examples of special processes are Anodizing, Chemical Cleaning, Chemical Milling, Conversion / Phosphate Coatings, Paint / Dry Film Coatings, Plating, Stripping, Surface Treatment / Passivation, Heat Treatment, Etching, etc. Therefore, deficiencies cannot be detected until after products are in use. In order to prevent output deficiencies, special processes must be periodically validated in order to prove that they can generate planned results. Periodic validation is usually performed by the use of test coupons, verification tests, system accuracy tests or personnel qualification tests. Suppliers and supplier sub-contractors providing special processes shall have a documented process control system suitable of meeting all requirements prior to the commencement of production including all preparatory treatments, post treatments, processing, significant surfaces, tests and all other

	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 5 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

processes and treatments. In some instances, depending on the criticality of product, the process control schedule shall be subject to HBR approval.

Suppliers and supplier sub-contractors providing special processes should be Nadcap accredited for the special process they provide.

### **3.3 RECORD RETENTION REQUIREMENT**

Suppliers shall retain records relating to quotes, financial, procurement, specifications, calibration, production, inspection, test, quality, shipping and export, traceability and certification for a minimum of ten (10) years from the date of final payment received by the supplier unless otherwise stated in the PO or by law or regulation. At no additional cost, the supplier shall timely provide access to such records to HBR upon request.

After the minimum retention time for records have elapsed, should the supplier deem it necessary to disposed of these records, the following disposition requirements shall be followed:

- Hard-copy documented information (documents and records) shall be shredded;
- Scrap products and components shall be destroyed, rendered unusable and unrecoverable;
- Electronic documented information shall be deleted and purged from the system.

### **3.4 ADDITIONAL FLOW DOWN REQUIREMENTS**


Additional requirements shall only apply when indicated on the purchase order or other documentation associated with the contract.

## **4 FACILITY CHANGES**

HBR must be notified of any changes (include changes to Sub-Tier suppliers, location of manufacturing and ownership) in services, product and/or process in the production of item/s listed in this PO and obtain approval from the buyer.

## **5 COMPETENCE, TRAINING AND AWARENESS**

The supplier shall ensure personnel processing orders or performing work affecting conformity to product or service are trained and aware of their contribution, relevance and importance of their activities in relation to meeting the requirements, including product safety, of HBR purchase orders and associated documentation. Personnel shall also be trained in the importance of their ethical behavior when performing work for HBR.

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
	<b>SECTION: Purchasing</b>		<b>REV. A</b>	<b>Page 6 of 15</b>
			<b>EFFECTIVE DATE: July 10, 2017</b>	

## 6 CONTROL OF SUB-TIER SUPPLIERS

The supplier, as the recipient of this PO, *shall* be responsible for meeting all requirements, including work performed by the supplier's sub-tier suppliers (also known as sub-suppliers or subcontract suppliers).

### 6.1 SUB-CONTRACTED ORDERS

Where the supplier intends to sub-contract work or service normally undertaken by the supplier, approval must be obtained from HBR prior to their usage. However, approval of a Sub-Tier supplier by HBR does not exempt the supplier from being responsible for all Work provided by that Sub-Tier supplier.

### 6.2 SUB-TIER FLOW DOWN

When the supplier uses sub-tier sources to perform work on products and/or services for HBR, the supplier shall include (flow-down) on PO, to its sub-tier sources, all of the applicable technical and quality requirements contained in the HBR PO, including quality system requirements, regulatory requirements, the use of HBR designated sources, and the requirement to document and control 'key characteristics' and/or 'key processes,' and to furnish certifications and test reports as required. HBR representatives, its customers and/or end users shall be allowed access to the sub-supplier's plant and facilities for the purpose of surveillance and inspection.

## 7 SUPPLIER APPROVAL

Suppliers to HBR shall provide up-to-date copies of quality management system certification including scope of certification. HBR shall be informed when certificates are reissued or revoked.

### 7.1 INTERACTION WITH HBR


All issues (technical & contractual) relating to HBR purchase orders shall be communicated to the buyer. Technical issues relating to the PO may be directed to the appropriate engineer as well.

All modification shall be captured via a formal revised purchase order (verbal authorization must be followed by a PO modification).

Supplier's representative shall provide confirmation of receipt of PO to the buyer.

Should the agreed upon delivery date change, the supplier shall contact the buyer immediately.

Invoices shall be sent to ap@honeybeerobotics.com.

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 7 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

## 7.2 VISITS AND SUPPLIER AUDITS

Where appropriate, suppliers shall be subject to on-site audit and / or site visit by HBR supplier quality engineer and / or supply chain representative. In some instances HBR will be unable to issue a purchase order until supplier approval has been granted. Scheduled verification audits, site visits and business to business meetings shall be supported when required.

## 7.3 RIGHT OF ACCESS

Suppliers and their sub-suppliers shall provide to HBR, their customer and regulatory authorities:

- The right of access to facilities where parts of the contracted activities are being performed including sub-supplier's premises
- Information pertaining to the fulfillment of requirements in the contract
- Unrestricted opportunity to evaluate supplier compliance with this document
- Unrestricted opportunity to conduct verification of product conformity to contract requirements
- Assistance for evaluation, verification, validation, testing, inspection or release of the product to verify that contract requirements have been accomplished at the supplier's or sub-supplier's premises
- Working area and facilities
- The necessary equipment available for reasonable use for performing verification
- Supplier and/or sub-suppliers personnel for operation of verification equipment as required
- Access to information and communication facilities
- The necessary supplier documentation, to confirm product conformance to specification
- Copies of necessary documents, including those on electronic media
- Confirmation of capacity constraints

## 7.4 SUPPORTING DOCUMENTATION

Documents required to complete the supplier approval process are:


- FORM 7.4.1.10 Quality Survey of Candidate Supplier
- QMS certification
- Confidentiality or non-disclosure agreement (NDA) if applicable

## 8 NONCONFORMING PRODUCT

From time to time nonconformities occur in many shapes and forms whether in product, process, service or documentation.

Honeybee Robotics must be notified of any nonconforming product/s used in the production of item/s stated in the P.O as well as making arrangements with the Requester listed on the PO for the approval of said nonconforming material/s.



 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 8 of 15</b>
	<b>SECTION: Purchasing</b>	<b>EFFECTIVE DATE: July 10, 2017</b>	

The supplier shall respond to a Supplier Corrective Action Report (SCAR) when raised.

### **8.1 ROOT CAUSE CORRECTIVE ACTION (RCCA)**

When nonconformities occur the supplier must perform Root Cause Analysis (RCA) and corrective action activities to prevent recurrence of the problem. For nonconforming product, suppliers shall:

- Carry out containment and evaluate product impact
- Inform HBR immediately when shipped nonconforming product is suspected
- Establish and form root cause analysis team from stakeholders, experts and others involved
- Identify & understand the problem
- Gather & analyze data
- Find direct cause(s), contributing cause(s) and root cause(s)
- Determine corrective action(s) addressing all causes to prevent recurrence of nonconformity
- Implement corrective action
- Determine risks and opportunities to prevent or reduce nonconformities occurring
- Review corrective action
- Document and provide objective evidence for above actions

## **9 IDENTIFICATION AND TRACEABILITY**

Traceability is an important factor in high end and safety critical products and is a basic requirement unless agreed otherwise in writing. Suppliers shall provide documentation that includes revision, batch numbers, lot codes and where relevant date codes and serial numbers of goods provided.


### **9.1 SERIALIZATION AND PART MARKING**

Serialization and part marking identification format shall be in accordance with any contractually agreed specification or standard.

### **9.2 TRACEABILITY TO DESIGN PROVENANCE AND RAW MATERIAL**

Where the delivery requires demonstration of traceability and design through the supply chain, the supplier shall include in any relevant sub-contract the requirement for certification from its sub-tier suppliers. The supplier shall ensure that this information is available to HBR and its customer through the supply chain, upon request. Material shall be identified and traceable to manufacturer's part number, lot number, date code for all electronic and electrical parts, raw material, mechanical machined parts. The supplier shall ensure this requirement is met prior to delivery of goods.



 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 9 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

## 10 CERTIFICATION

Certification refers to any document that states the goods or services meet or conform to specification or purchase order requirements. These include, but are not limited to; Certificate of Conformity, Certificate of Compliance, Certificate of Analysis and Certificate of Calibration. The certifying document shall be deemed as an authorized contractual guarantee that the goods and services reference on the certificate meet drawing, specifications, technical data and purchase order requirements.

### 10.1 MINIMUM INFORMATION REQUIREMENT

The following data/information shall be included on each certification document.

- Certificate or delivery unique identifier
- Certification Date
- Purchase order number
- Drawing number and / or part number and revision
- Batch unique identifier (Batch number / Lot number / Date code / Serial number)
- Quantity
- Supplier Name and Address
- Statement that goods and / or services conform to the specified requirements
- Original Manufacturer's name, part number and lot / date code (when applicable)
- Reference to raw material certification where applicable
- Name of authorized certifying quality representative or company official
- Reference to all concessions applicable


### 10.2 CALIBRATION AND TEST CERTIFICATION

In addition, calibration and test certification shall include:

- Calibration / test specification including tolerances and criteria
- Calibrated test apparatus / instrument / standard used traceable to NIST or equivalent.
- Procedures which guarantee specifications claimed reliable in accordance with ISO/IEC 17025, Z-540 latest revision.
- Before and after test data test method and measurement uncertainty
- Pass or fail or equivalent statement of conformity / nonconformity

### 10.3 CERTIFICATE OF CONFORMITY REQUIREMENT

For Pos with a C of C quality line item, a certificate of conformity shall be supplied with delivered goods or services that meet the above traceability requirements.

	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 10 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

## 11 PRODUCTION PROCESS VERIFICATION

The supplier shall verify the production process using a representative item from the first production run of a new part or assembly to verify that the production processes, production documentation and tooling are capable of producing parts and assemblies that meet requirements. This process shall be repeated when changes occur that invalidate the original results. Verification results shall be recorded. This activity is often referred to as first article inspection.

### 11.1 FIRST ARTICLE INSPECTION REPORT

A first article inspection report (FAIR) is a formal method of providing objective evidence that production process verification for a new part or assembly has been performed. The method consists of recording the properties and geometry of an initial sample item against given specifications. Items to be checked in a FAIR are wide and varied and where applicable shall include distances between edges, positions of holes, diameters and shapes of holes, weight, density, stiffness, color, reflectance or surface finish.

## 12 PRESERVATION OF PRODUCT

The supplier shall preserve the product during internal processing, storage and delivery to the intended destination.

### 12.1 WORKMANSHIP ACCEPTANCE CRITERIA FOR SURFACE ENGINEERING

Unless otherwise stated, the following workmanship acceptance criteria shall be used; Supplied product with surface finishes for functional or cosmetic applications shall be smooth, adherent, uniform in appearance, free from blisters, pits, nodules, scratches, stains and other defects. This includes but is not limited to electroplated, conversion coated, anodized, painted, mechanically finished and passivated surfaces.


### 12.2 DEVIATION FROM DESIGN DATA (drawings, schematics, etc.)

Deviation from design data shall not occur unless written permission from HBR is obtained.

### 12.3 FOREIGN OBJECT DEBRIS (FOD)

The supplier shall establish a process to detect and prevent Foreign Object Debris. This should be in accordance with NAS412. As a minimum the process shall include:

- FOD process review
- Training of FOD practices
- Material handling and product protection

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
	<b>SECTION: Purchasing</b>	<b>REV. A</b>	<b>Page 11 of 15</b>
		<b>EFFECTIVE DATE: July 10, 2017</b>	

- Tool / hardware accountability
- Lost items search and documentation process
- Physical entry control into FOD critical areas
- Inspection for foreign objects prior to closing apertures and compartments during assembly

#### **12.4 ELECTROSTATIC DISCHARGE (ESD)**

Where appropriate, suppliers shall provide adequate protection measures against ESD damage to goods and HBR property. This should be in accordance with ANSI/ESD S20.20.

#### **12.5 SHELF LIFE**

Goods and products containing items with finite shelf life shall have the expiry date identified on the product and the delivery documentation. The remaining shelf life must be a minimum of 75% of the total shelf life for the material at time of delivery.

#### **12.6 PACKAGING**

The supplier shall adequately plan for packaging designed to prevent product contamination, deterioration, damage or loss. Suppliers should provide expendable packaging or returnable containers, where appropriate, of sufficient density and protection from likely damage that could occur. The use of approved industry standard labeling and bar-coding shall be in accordance with any contractually agreed packaging specification.

### **13 COUNTERFEIT PRODUCT PREVENTION AND CONFLICT MINERALS**


#### **13.1 Definition**

“**Counterfeit Work**” means Work that is or contains unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used Work represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.

“**Suspect Counterfeit Work**” means Work for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the Work part is authentic.

#### **13.2 COUNTERFEIT PRODUCT PREVENTION**


Where appropriate, the supplier shall establish and maintain a counterfeit parts / material

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 12 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

prevention and control plan to ensure that counterfeit work is not delivered. The purpose of the supplier's plan shall be to develop a robust process to prevent the delivery of counterfeit commodities and to control commodities identified as counterfeit.

The supplier shall:

- a) Not deliver Counterfeit Work or Suspect Counterfeit Work to HBR under this PO.
- b) Only purchase products to be delivered or incorporated as Work to HBR directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain.  
Supplier may use another source only if:
  - (i) the foregoing sources are unavailable,
  - (ii) supplier's inspection and other counterfeit risk mitigation processes will be employed to ensure the authenticity of the Work, and
  - (iii) supplier obtains the advance written approval of HBR.
- c) Maintain counterfeit risk mitigation processes in accordance with industry recognized standards and with any other specific requirements identified in this PO.
- d) Immediately notify HBR with the pertinent facts if the supplier becomes aware that it has delivered Counterfeit Work or Suspect Counterfeit Work. When requested by HBR, the supplier shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM. The supplier, at its expense, shall provide reasonable cooperation to HBR in conducting any investigation regarding the delivery of Counterfeit Work or Suspect Counterfeit Work under this PO.
- e) This clause applies in addition to and is not altered, changed, or superseded by any quality provision, specification, statement of work, regulatory flowdown, or other provision included in this PO addressing the authenticity of Work.
- f) In the event that Work delivered under this PO constitutes or includes Counterfeit Work, the supplier shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this PO. Notwithstanding any other provision in this PO, the supplier shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation HBR's costs of removing Counterfeit Work, of installing replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies HBR may have at law, equity or under other provisions of this PO.
- g) 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

	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
		<b>REV. A</b>	<b>Page 13 of 15</b>
	<b>SECTION: Purchasing</b>	<b>EFFECTIVE DATE: July 10, 2017</b>	

furnished as Work to HBR.

### **13.3 CONFLICT MINERALS**

Conflict minerals are minerals mined in conditions of armed conflict and human rights abuses, and which are sold or traded by armed groups. Suppliers must comply with the Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“the Act”) and any implementing regulations of the Securities and Exchange Commission, which set forth certain reporting requirements for conflict minerals that originate in the Democratic Republic of the Congo and its adjoining countries. To that end, the supplier will cooperate with HBR efforts to comply with the Act and upon request will timely provide information to HBR related to the Act. Further, the supplier shall no later than thirty (30) days following HBR request for reasonable country of origin (RCOI) for delivered Work under this PO, complete and return to HBR a single and comprehensive Conflict Minerals Reporting Template, using the form provided by HBR. The supplier shall perform an appropriate review of its supply chain in order to fulfill the obligations of this clause.


### **14 BUSINESS CONTINUITY / DISASTER MANAGEMENT**

Suppliers should have in place a business continuity plan. This includes requirements to plan, establish, implement, operate, monitor, review, maintain and continually improve a documented management system to protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise. The extent of application of these requirements depends on the supplier’s operating environment and complexity.

### **15 SENSITIVE AND HBR PROPRIETY DATA**

HBR propriety and customer technical data must only be shared with third-party suppliers who have:

- Been approved by HBR and are the owner of the technical data.
- Confirmed in writing (e.g., hardcopy letter, email with return address header) that they are authorized to receive such data and they understand the implications of and requirements for handling sensitive and proprietary technical data.
- Agreed that where data is identified as sensitive or HBR Proprietary Data, restrictions apply to the control, handling and monitoring of such data. Only authorized personnel shall have access to restricted data. Restricted data shall be controlled in such a way as to prevent unauthorized transmission or access. Suppliers that require Sensitive and HBR proprietary data shall have a procedure in place for the control, handling and monitoring of such data. Sensitive data includes any data subject to the International Trade in Arms Regulations (ITAR) and EAR.

 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>	<b>DOC NO. HBRQR001</b>	
	<b>SECTION: Purchasing</b>	<b>REV. A</b>	<b>Page 14 of 15</b>
		<b>EFFECTIVE DATE: July 10, 2017</b>	

**15.1 NON-DISCLOSURE AGREEMENT (NDA)**

Supplier who will receive technical data may be required to sign a NDA.

**15.2 SUB-TIER SUPPLIERS**

Sub-tier suppliers and sub-contractors used by the supplier that have access to any sensitive or HBR proprietary data must be authorized and have a NDA in place.

**15.3 DISPOSAL OF SENSITIVE AND HBR PROPRIETY DATA**

Hard-copy documentation that is no longer needed must be disposed of in shredder bins or confidential material disposal bins. Scrap products and components shall be destroyed, rendered unusable and unrecoverable.

**16 INSPECTION AND ACCEPTANCE**

- a) HBR and its customer may inspect all Work at reasonable times and places, including, when practicable, during manufacture and before shipment. Supplier shall provide all information, facilities, and assistance necessary for safe and convenient inspection without additional charge.
- b) No such inspection shall relieve the supplier of its obligations to furnish and warrant all Work in accordance with the requirements of this PO. HBR’s final inspection and acceptance shall be at destination.

**17 DELIVERING TO HBR**

Suppliers shall supply conforming goods and services on time in full, including all required correct documentation and certification where applicable.

**17.1 LATE DELIVERIES**

If non-delivery or late deliveries are anticipated, suppliers shall immediately notify the buyer indicated on the purchase order.

**17.2 SHORT ORDERS**


If short delivery is anticipated, suppliers shall immediately notify the buyer indicated on the purchase order.

**17.3 NON-CONFORMING WORK**

In the event of a non-conforming delivery, HBR may, at its option,

- a) Accept all or part of such Work at an equitable price reduction.
- b) Require the supplier, at supplier’s cost, to make all repairs, modifications, or



 <p><b>HONEYBEE ROBOTICS</b> New York • Colorado • California Phone: 212.966.0661 HoneybeeRobotics.com</p>	<b>TITLE: Quality Requirements for Suppliers</b>		<b>DOC NO. HBRQR001</b>	
			<b>REV. A</b>	<b>Page 15 of 15</b>
	<b>SECTION: Purchasing</b>		<b>EFFECTIVE DATE: July 10, 2017</b>	

replacements at the direction of HBR necessary to enable such Work to comply in all respects with PO requirements.

- c) Terminate the relevant purchase order without waiving rights to recover damages (including incidental and consequential damages) or to purchase replacement goods from other suppliers.
- a) The supplier shall not re-tender rejected Work without disclosing the corrective action taken.

## 18 CONCESSIONS

It is the policy of HBR not to accept a product that fails to meet the required specifications. All concessions shall be considered as nonconforming product. All concessions must be referenced on the certificate of conformity.

### 18.1 DEVIATIONS

Deviations from the parts requested on the HBR Purchase Order must be supported by an approved Deviation Request.

## 19 CHEMICALS AND HAZARDOUS SUBSTANCES

Nothing in this section shall reduce or limit any statutory duty or legal obligation of HBR or the supplier.

### 19.1 SAFETY DATA SHEETS

Safety data sheets (SDS) provide information on chemical products that help users of those chemicals to make a risk assessment. They describe the hazards the chemical presents, and give information on handling, storage and emergency measures in case of accident. The suppliers of chemicals must provide an up to date safety data sheet if a substance is classified as dangerous. If the supplier is required, under, or in connection with the PO, to supply articles or components of articles that, in the course of their use, maintenance, disposal, or in the event of an accident, may release hazardous materials or substances, they shall provide to HBR a list of those hazardous materials or substances, and for each hazardous material or substance listed, provide an SDS.

## 20 QUALITY REQUIREMENT AMENDMENT RECORD

Revision	Date	Description
IR	11/07/16	Initial Released.
A	07/10/17	Section 3.1 Updated to add monitoring applied Section 3.3 records disposition requirements added Added Section 7.1 interaction with HBR