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## 1.0 SCOPE

This Supplier Quality Manual (this “Manual”) applies to and establishes minimum standards that must be met by all manufacturers, distributors, vendors, and other suppliers (each a “Supplier” and collectively “Suppliers”) that supply product to Niche Holdings LLC d/b/a Niche Electronics, LLC, an Iowa limited liability company (“Niche Electronics”). Supplier is responsible for compliance with the standards set out in in this Manual (the “Standards”) throughout its operation and throughout its entire supply chain. Without limiting Supplier’s obligations hereunder, (i) Supplier shall comply with the Standards in all of its facilities and in all of its operations, and (ii) Supplier is responsible for compliance with the Standards by all of its suppliers, vendors, agents, and subcontractors and their respective facilities.

## 2.0 RESPONSIBILITIES

Niche Electronics may modify this Manual and the Standards from time to time. Niche Electronics’ Quality Manager is responsible for interpreting this Manual and the Standards.

## 3.0 DETAIL OF PROCESS

### 3.1 First Article Inspection (“FAI”) Reports

- 3.1.1 FAIs are only required when “FAI required” is noted on a Niche Electronics Purchase Order.
- 3.1.2 A first article inspection is a process used to determine if Supplier’s production process is capable of producing parts and assemblies that meet Niche Electronics’ requirements. FAIs may be completed based on Supplier’s internal process(es) unless otherwise noted on the Niche Electronics Purchase Order.
- 3.1.3 In the event Supplier fails to provide Niche Electronics compliant FAI reports, Niche Electronics reserves the right to reject Supplier product, reject related documentation, and/or take other corrective action, including, without limitation, terminating the applicable Purchase Order. Any Supplier questions should be sent to the Niche Electronics representative placing the applicable Purchase Order for communication to the internal Niche Electronics team. Unless otherwise instructed, and where an FAI is required, an FAI report must be approved by Niche Electronics prior to Supplier shipping any material or product to Niche Electronics.
- 3.1.4 When an FAI is required for an assembly, FAIs are also required for any sub-assemblies used to manufacture product for Niche Electronics.


### 3.2 Certificates of Conformance (a “C of C”)

- 3.2.1 A C of C is a document certified by Supplier that the supplied good or service meets Niche Electronics’ specifications. Supplier must provide a C of C with each shipment of product to Niche Electronics and each C of C must contain the following information:
  - Niche Electronics part number
  - Niche Electronics Part Number Revision Level
  - Purchase Order Number and Purchase Order Line
  - Quantity of Product Shipped and Unit of Measure

### 3.3 Traceability and Records

- 3.3.1 These requirements for traceability are only required when “traceability required” is noted on a Niche Electronics Purchase Order.
- 3.3.2 Traceability to Manufacturer – Suppliers are required to have the ability to trace material used in product supplied to Niche Electronics to the Original Equipment Manufacturer (“OEM”)/Original Component Manufacturer (“OCM”). Accordingly, Supplier shall be able to produce a C of C for any such material to Niche Electronics upon Niche Electronics’ request.
- 3.3.3 Unauthorized or Independent Distributors (Brokers) shall not be used without the prior written approval of Niche Electronics. Niche Electronics may withhold such approval in Niche Electronics’ sole and absolute discretion.
- 3.3.4 All Supplier documentation must be numerically linked to maintain full traceability. Numerical link can be established by referencing the purchase order number, job number, lot/batch number, work order number, or serial number on all documents provided with each shipment.

- 3.3.5 Record Retention – Records must be retained for no less than 10 years unless otherwise approved by Niche Electronics (which approval may be withheld in Niche Electronics’ sole and absolute discretion). This record may be digital or on paper. If Supplier is not able to meet the 10-year record retention requirement, Supplier must notify Niche Electronics and a suitable replacement process must be agreed upon.
- 3.3.6 Digital Records and Backups – Supplier shall provide for adequate backup information, processing, resources, and data to ensure that all essential business data and software can be recovered following a computer disaster or media failure. Backup/replicated data must be stored in a location geographically separate from Supplier’s principal facility. Any physical media that is not required on-site must be stored with a secured and bonded off-site data storage service provider. The off-site data storage facilities must be at a sufficient distance from and have sufficient protection to escape any damage from a localized disaster at Supplier’s main site.
- 3.3.7 Providing Records upon Supplier Shutdown – If Supplier should cease operations, Supplier shall offer to Niche Electronics all traceability and quality records pertaining to product supplied to Niche Electronics. Notification of such offer must be received by Niche Electronics at least five (5) business days prior to Supplier ceasing operations.
- 3.4 Materials Changes and Substitutions
- 3.4.1 Materials Changes and Substitutions – Any requests for changes to the design, materials or requirements specified on any specifications, plans, engineering drawings, or other documents must be submitted to Niche Electronics in writing prior to incorporating the change into the product. Niche Electronics may withhold its approval of any changes or substitutions in Niche Electronics’ sole and absolute discretion. Product incorporating unauthorized changes or substitutions is subject to rejection pursuant to Niche Electronics’ standard purchase order terms and conditions.
- 3.5 Counterfeit Material
- 3.5.1 Counterfeit material avoidance is required for Suppliers and all Suppliers’ suppliers, vendors, agents and subcontractors. Suppliers are required to notify Niche Electronics if materials are procured from sources not authorized by the OEM/OCM before incorporation in Niche Electronics products. Prior to any such incorporation, Niche Electronics will perform a risk analysis and evaluation to determine if further steps or testing must be performed on the material at issue.
- 3.5.2 Components sourced through distribution must be traceable to the components’ original or authorized source.
- 3.5.3 If material is found to be counterfeit, Supplier must provide information on the source of the counterfeit material to Niche Electronics within two (2) business days of Supplier’s discovery thereof.
- 3.6 Electrostatic Discharge
- 3.6.1 Any parts that are susceptible to electrostatic damage must be protected by use of material compliant to ANSI/ESD-S20.20, JESD625, or MIL-STD-1686.
- 3.7 Foreign Object Debris (FOD)
- 3.7.1 Supplier shall ensure that foreign objects and subsequent damage is eliminated from all product prior to shipment to Niche Electronics.
- 3.7.2 Potential FOD includes, but is not limited to, burrs, chips, dirt, corrosion, and contamination resulting from the manufacturing, assembly, maintenance, processing, cleaning, storage, and subsequent packaging of parts.
- 3.7.3 Suppliers must ensure all passageways – cast and/or machined – are clear of chips, core material, dirt, breakout of cast walls, etc.
- 3.7.4 Prior to closing inaccessible or obscured areas and compartments during assembly, Supplier shall ensure the areas are free of FOD.
- 3.7.5 Without limiting Supplier’s obligations hereunder, Supplier is responsible for compliance with these FOD standards by all of its suppliers, vendors, agents, and subcontractors.
- 3.8 Defense Priorities and Allocations Systems (DPAS) Ratings – Basic Provisions
- 3.8.1 A DPAS-rated order shall be accepted or rejected, in writing, within 15 working days when rated “DO” and within 10 days when rated “DX”. Special requirements apply for emergency preparedness-rated orders. Exceptions are found in 15 C.F.R. § 700.13(b).

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- 3.8.2 Mandatory Extension: Suppliers are responsible for extending the received rating to their suppliers, agents, vendors and subcontractors to obtain items needed to fill rated orders or to obtain replacements of inventoried items.
- 3.8.3 Priority Scheduling: Operations, including the acquisition of all needed production items, shall be scheduled to satisfy the delivery requirements of each rated order.
- 3.8.4 Niche Electronics Notification Requirements: If Supplier has accepted a rated order and subsequently finds that shipment or performance will be delayed, Supplier must notify Niche Electronics within 24 hours of such discovery, provide the reasons for the delay, and advise Niche Electronics of a new shipment date. If notification is given verbally, written (hard copy) or electronic confirmation must be provided within one (1) working day of the verbal notice.
- 3.8.5 Rejection of DO or DX orders must be in writing (hard copy), or in electronic format, and Supplier shall provide a specific reason for the rejection.
- 3.9 Flow down
  - 3.9.1 Supplier will bind its suppliers, agents, vendors, and subcontractors to the requirements of the applicable Niche Electronics Purchase Order. Supplier is responsible for the performance of its suppliers, agents, vendors, and subcontractors pursuant to the applicable Niche Electronics Purchase Order.
  - 3.9.2 Supplier will incorporate into its contracts with its suppliers, agents, vendors, and subcontractors issued in support of Niche Electronics' Purchase Orders all applicable Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement clauses in accordance with the flow down requirements specified in such clauses.
- 3.10 Conflict Materials
  - 3.10.1 If Supplier is providing goods, Supplier shall use commercially reasonable efforts to:
    - Identify whether such goods contain tantalum, tin, tungsten, or gold.
    - Conduct a reasonable country of origin inquiry regarding the origin of such minerals in such goods to determine whether such minerals originated in "covered countries," as defined in Section 1502 of the Dodd–Frank Wall Street Reform and Consumer Protection Act.
    - Conduct due diligence on the chain of custody of the course of any minerals originating in covered countries to identify the smelter of said minerals.
    - Assist Niche Electronics in conducting reasonable due diligence concerning the smelters of such minerals.
  - 3.10.2 Supplier shall require its suppliers, vendors, agents and subcontractors to engage in the same conflict material due diligence as Supplier shall. Supplier shall provide Niche Electronics with reasonable documentation of due diligence efforts engaged in by Supplier, its suppliers, vendors, agents and subcontractors, in a format prescribed by Niche Electronics, when requested by Niche Electronics to enable disclosure to the U.S. Securities and Exchange Commission.

#### **4.0 REPORT VIOLATIONS**

Supplier shall self-report any violations of the Manual. Supplier can also submit questions and comments regarding the Manual to Niche Electronics' Quality Manager. Supplier shall not retaliate or take disciplinary action against any worker who has, in good faith, reported violations or questionable behavior, or who has sought advice regarding this Manual.

#### **5.0 COMPLIANCE WITH LAWS**

Supplier shall comply with all applicable federal, state and local laws and regulations, including laws and regulations relating to all the Standards. Where this Manual requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards.