



# Supply Chain Manual

*Version 1.0*

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## **FORWARD**

Welcome to the Hidden Level Supply Chain Manual. This manual has been developed to communicate the principles and procedures that will ensure a cooperative partnership that will make it easier for us to do business together. Our goal is to foster open communication with our suppliers and to grow partnerships and solid relationships with the people and organizations that we do business with. Current and potential suppliers should read it carefully to fully understand the policies, objectives and values that drive our business. Suppliers who share our values, respect our policies, help us meet our objectives, while providing the greatest value have an opportunity for a mutually beneficial relationship and partnership.

This supplier manual is managed as a living document by Hidden Level. As necessary, we will update it with new guidance. The latest version of the document will be available on our website and by request.

We encourage you to distribute Hidden Level's Supplier Manual within your organization as needed.

We look forward to growing together!

## **PURPOSE AND SCOPE**

- The purpose of this document is to ensure that services and products procured or provided to Hidden Level, Inc. for the purpose of directly supporting development, production, installation or deployment of Hidden Level products or services conform to Hidden Level's requirements.
- These standards apply to individuals/organizations that provide services, raw materials, ingredients, capital goods, production goods, components, finished goods, or other products ("Suppliers").

## TRADE COMPLIANCE

### Export/Import Control

- In compliance with Section 11 (“Compliance with Laws”) of Hidden Level’s Purchase Order Terms and Conditions, Suppliers shall not export or allow the export or re-export of Hidden Level products, services, or any components thereof or any Confidential information of Hidden Level without our express, prior, written consent and except in compliance of all export laws and regulations of the U.S. Department of Commerce and all other U.S. agencies and authorities, and, if applicable relevant foreign laws and regulations.
- Suppliers are expected to ensure that their business practices are in accordance with all applicable laws and regulations governing the export and import of domestic and foreign origin parts and components and related technical data.
- Suppliers shall:
  - Provide complete and accurate information and obtain export licenses and/or authorizations when necessary.
  - Provide export control codes (whether a Commerce Control List (“CCL”) Export Control Classification Number (“ECCN”) or United States Munitions List (“USML”) classification) for each export-controlled deliverable (including codes from sub-tier suppliers) and for all export-controlled content. These codes are used to clearly identify whether your deliverables are export controlled and by which countries.
  - Mark all export-controlled information and software as “export controlled” or “not export controlled” and all ITAR controlled documents when applicable.

## **GUIDELINES FOR COMMUNICATIONS AND CONTRACT DIRECTION**

- The Hidden Level Purchase Order (including Terms and Conditions) is the binding contract between Hidden Level and the Supplier of goods and/or services
  1. Suppliers must comply with all flow down terms, conditions, and other provisions specified in the Hidden Level Purchase Order
- Any inconsistencies between the purchase order and other documentation shall be communicated to the buyer and be resolved in accordance with the following descending order of precedence:
  1. The drawing, design data and any approved concession deviation provided with the Purchase Order
  2. The Purchase Order, release document, as applicable, including any special terms and conditions
  3. Any Statement of Work
  4. This Supply Chain Manual
- Suppliers' public communications that reference Hidden Level must be vetted through the supplier's Hidden Level contact who will coordinate reviews.
- Questions concerning this manual should be directed to your respective Hidden Level Buyer.

## **ETHICS & COMPLIANCE STANDARDS**

### **Adherence to Applicable Laws & Regulations**

- Suppliers must comply with the applicable laws, rules, regulations, and ethical standards of the United States and the country in which they operate as well as with these standards.

### **Prohibition of Bribes, Kickbacks, Unlawful Payments, and other Corrupt Practices**

- Suppliers are prohibited from directly or indirectly paying or providing anything of value to a government official to:
  - Win or retain business or to improperly influence the act or decision of any government official, political party, candidate for political office, or official of a public international organization.
  - Gain an improper advantage; or
  - Illegally influence the action of any individual, customer, company, or company representative.
- Except to the extent inconsistent with U.S. law, our suppliers must comply with the anticorruption laws that govern operations in the countries in which they do business, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, and other similar laws prohibiting bribery and corruption in business dealings.
- Suppliers are required to keep accurate and transparent records that reflect actual transactions and payments.

- While Hidden Level observes local business customs and market practices, neither Hidden Level nor any Suppliers shall participate in any corrupt, unethical or illegal practices.
- Suppliers should report any ethics or compliance violation to [compliance@hiddenlevel.com](mailto:compliance@hiddenlevel.com)

### **Accuracy of Business Records**

- All financial books and records must conform to generally accepted accounting principles.
- Suppliers records, including but not limited to financial accounts, quality reports, time records, expense reports, resumes and submissions to Hidden Level, and shipping records must be accurate in all material respects:
  - Records must be legible, transparent, and reflect actual transactions and payments.
  - Suppliers may not hide, fail to record, or make false entries.
  - Records must be made available to Hidden Level per the terms and conditions of the agreement with the company.

### **Fair Competition and Antitrust**

- Suppliers must comply with all applicable laws and regulations regarding fair competition and antitrust.

### **Privacy of Data, Intellectual Property and Confidential Information**

- All Suppliers requiring the exchange of confidential information with Hidden Level are required to execute a confidentiality agreement with Hidden Level in advance.
- Exchange of confidential information shall be limited to that required to fulfill contracted performance requirements.
- Suppliers shall not share Hidden Level's intellectual property or confidential information or any other information that they acquire with respect to Hidden Level's business (including information developed by Suppliers and information relating to products, customers, Suppliers, pricing, costs, know-how, strategies, programs, processes, and practices)
- Suppliers must immediately report unauthorized disclosure of Hidden Level's confidential information, whether inadvertent or not, to Hidden Level via email to [compliance@hiddenlevel.com](mailto:compliance@hiddenlevel.com)
- Suppliers must abide by all applicable data privacy laws and regulations when handling personal and confidential information including statutes requiring notification of breaches or unauthorized disclosure of confidential or personal information.
- Suppliers must reasonably cooperate and support Hidden Level in complying with applicable data privacy laws, including data subject rights and responding to government, regulatory or other data protection authority inquiries or investigations.
- Suppliers may only process personal information in accordance with Hidden Level's instructions to perform the services which are outlined in an underlying written agreement and/or privacy contract, and not for ancillary or other independent purposes unrelated to the services being provided.

- Suppliers must immediately report any unauthorized processing, use, disclosure, destruction, alteration, access or loss, or suspected or actual breach of Hidden Level's related personal information in a timely manner, and in accordance with applicable data privacy laws via email to [compliance@hiddenlevel.com](mailto:compliance@hiddenlevel.com).
- Suppliers must execute written contracts with any subcontractors, sub processors or agents who assist in the performance of services to Hidden Level which shall contain at least the same protections afforded personal information as the contract with Hidden Level.
- Suppliers must ensure the implementation of appropriate technical, administrative, and procedural safeguards with respect to the processing of personal information.
- Information maintained on electronic systems shall be protected against cyber intrusions or other unauthorized use or access, through appropriate physical and electronic security procedures.
- Suppliers must return or destroy all personal information at the termination of services and pursuant to the underlying contract.

### **Employment Practices Guidelines**

- Suppliers must treat Hidden Level employees with dignity and respect.
- Suppliers must provide equal employment opportunity without regard to a person's race, color, creed, religion, sex, national origin, marital status, sexual orientation, gender identity, physical or mental disability, genetic information, military/veterans' status, or any other protected characteristic.
- Suppliers must comply with all applicable employment laws and regulations including statutes prohibiting discrimination in the workplace.
- Suppliers shall not possess, use, or sell illegal drugs on Hidden Level property or perform their work while affected by alcohol, improperly used legal drugs, or illegal drugs.
- Suppliers will not produce or manufacture goods or services using forced, bonded (including debt bondage), indentured labor, involuntary prison labor, slavery, or trafficking of person. This includes transporting, harboring, recruiting, transferring, or receiving vulnerable persons by means of threat force, coercion, abduction, or fraud for the purpose of exploitation.
- Suppliers shall ensure that child labor is not used in the performance of work. The term "child" refers to any person under the minimum legal age for employment where the work is performed.
- Hidden Level does not permit intimidation or hostility and will not tolerate any behavior from a Supplier that might harass, disrupt, or interfere with another person's ability to work

### **Conflicts of Interest**

- Suppliers should avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest
- Suppliers must report any situations of potential or apparent conflicts of interest to Hidden Level via email to [compliance@hiddenlevel.com](mailto:compliance@hiddenlevel.com)

### **Mobile Devices, Electronic Media, Internet, and Email Use**

- In those circumstances where Suppliers have access to Hidden Level’s electronic environment (Intranet, e-mail, voicemail or other), Suppliers shall:
  - Protect Hidden Level’s confidential information and electronic media;
  - Encrypt or password protect data;
  - Keep mobile devices with you or locked while traveling;
  - Comply with local data protection laws;
  - Use these tools for Hidden Level business purposes only; and
    - Not knowingly download, view or forward materials of a discriminatory, harassing, threatening, sexual, pornographic, racist, sexist, defamatory or otherwise offensive nature. Electronic media must be primarily used for business purposes.
    - Communicate protected information (personal or trade secret) in a way that recognizes the sensitivity of the information, possibility of unauthorized access, and compliance to local data protection laws. Suppliers will be responsible for keeping Hidden Level-given password(s) secret.
    - Realize that documents, software, e-mails and other web pages could bring damaging computer viruses into Hidden Level’s network.
    - Do not knowingly detach, decompress, run/launch or install any files or programs on Hidden Level’s systems or open attachments that have damaging computer viruses.
    - Do not download or disseminate any material from the Internet unless the copyright owner has provided consent.
    - Adhere to the timing and methods for retention and elimination of Hidden Level company data stored on electronic media.

### **Trade Compliance**

- Suppliers must comply fully with Section 11 (“Compliance with Laws”) in Hidden Level’s Purchase Order Terms and Conditions. In particular, and without limitation, suppliers must comply with all applicable import and export controls, sanctions, and other trade compliance laws and regulations of the United States and the laws of the applicable country(ies) where the transaction(s) occur(s).

### **Environmental, Health and Safety (EHS)**

- Suppliers are expected to comply with all applicable laws and regulations regarding the environment, health and safety.
- Suppliers working with Hidden Level or onsite at a Hidden Level location or job site must work in a way that assures their own safety and the safety of others and in compliance with applicable governmental environmental, health and safety requirements. Any emergencies that may impact Hidden Level must be reported promptly via email to [compliance@hiddenlevel.com](mailto:compliance@hiddenlevel.com)

## Gifts & Entertainment

- Hidden Level is committed to ensuring they are compliance with all 41 U.S. Code Chapter 87
- Gifts and entertainment are not needed to conduct business with Hidden Level and are highly discouraged. The following situations are expressly prohibited:
  - Giving a gift, entertainment, or preferred treatment with the intention of trying to influence the decision-making objectivity of a Hidden Level Employee
  - Offering any gift, entertainment, or preferred treatment while involved in a current purchasing or contracting decision process (RFI, RFQ, RFP).
  - Any gift valued at more than \$50 from a vendor or supplier
  - Any gift of currency, including “Gift Cards”
  - Offering extravagant recreational outings, travel or lodging at Suppliers sponsored events
- Suppliers shall not offer an opportunity to purchase products, services, or a financial interest to any Hidden Level employees under terms not available to all Hidden Level employees.

## SUPPLIER STATUS AND MONITORING

- As part of Hidden Level’s Vendor Performance Management process, Hidden Level conducts vendor evaluations quarterly.
- Vendor Evaluations will include a Supplier Scorecard and a Due Diligence Questionnaire (DDQ).
- For suppliers of Products, suppliers which have delivered product within the following commodities, (Mechanical Assembly, Printed Circuit Boards (PCBs), Custom Cable Assemblies (CCAs), Cables, Custom Deployment Materials and Electronic assemblies) during that quarter will receive a scorecard.
- The Scorecard information will be used for the following purposes by Hidden Level:
  1. Track Performance of the Vendor
  2. Identify Vendor Improvement Opportunities
  3. Benchmark Vendors
- The Scorecard will, at a minimum, assess the following Key Performance Indicators (KPIs):

KPI Type	KPI for Products/Items
Quality	<p>Metric: Sigma Level Rolling three-month DPMO (defect per million opportunities):</p> <p>Formula: <math>(\text{Rolling 3-month Units Rejected} \div \text{Rolling 3-month Units Delivered to Hidden Level}) \times 1,000,000</math></p> <p>Requirements Rating:</p> <p>1 Sigma = 691,462 DPMO, 30.85% defect-free            2 Sigma = 308,538 DPMO, 69.146% defect-free</p>

	<p>3 Sigma = 66,807 DPMO, 93.319% defect-free  4 Sigma = 6,210 DPMO, 99.379% defect-free  5 Sigma = 233 DPMO, 99.977% defect-free  6 Sigma = 3.4 DPMO, 99.99966% defect-free</p> <p>*Calculated with a 1.5 sigma shift</p>
Delivery	<p>Metric: Rolling three-month on-time delivery</p> <p>Formula: <i>Rolling Quarter Deliveries – Rolling Quarter Late Deliveries ÷ Total Rolling Quarter Deliveries</i></p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• “A” items tolerance is 0 days early and 0 days late (JIT)</li> <li>• “B” items tolerance is 2 days early and 0 days late</li> <li>• “C” items tolerance is 5 days early and 0 days late</li> </ul> <p>Requirements Rating:</p> <p>Less than 90%  90%-95.9%  96%-100%</p> <p>“A” and “B” items will be designated on the Hidden Level PO.</p>
Cost	<p>Metric: Purchase Price Variance</p> <p>Formula:  <i>Current Price – Baseline Price (prior price)/Current Price</i></p> <p>Requirements Rating:</p> <p>Greater than 3% - Significant Price increase  0% - 3% (On cost or increased cost)  Less than 0% - Savings</p>
Service & Innovation	<p>Supplier will be provided with a rating for factors indicative of their collaboration, innovation, and overall supplier performance. This section will include a written assessment of factors including but not limited to:</p> <ul style="list-style-type: none"> <li>• Collaboration</li> <li>• Innovation and use of industry leading technology</li> <li>• Implementation of Continual Improvement Initiatives</li> <li>• Responsiveness</li> <li>• Corrective Action Preventive Action Response</li> </ul> <p>Poor  Fair  Good/Excellent</p>

- Hidden Level utilizes a Green (Acceptable), Yellow (Fair), Red (Unacceptable) rating system.
- Supplier status and definition:
  1. Approved – A supplier that has demonstrated acceptable performance as determined by data analysis of past performance and ongoing re-evaluation of performance.
  2. Conditional
    - A new supplier that meets Hidden Level evaluation criteria but does not have past performance data to demonstrate acceptance.
    - A supplier whose past performance is below acceptable criteria. These suppliers will continue to be eligible to quote and receive PO's for product they have previously manufactured for Hidden Level; however, they will not be eligible to receive PO's for new product until their status has returned to Approved.
  3. Disapproved - A supplier that does not meet Hidden Level evaluation criteria or has demonstrated performance that is unacceptable.
- Hidden Level continuously monitors supplier performance. A supplier's status will be changed based on performance as follows:
  1. Approved to Conditional - 2 consecutive quarters in the red (unacceptable) for quality or delivery.
  2. Conditional to Approved:
    - For a new supplier – 2 consecutive quarters in the green.
    - For a downgraded supplier – 2 consecutive quarters in the green for the area(s) that were red.
  3. Conditional to Disapproved – beyond 2 quarters in the red for quality or delivery.
  4. Disapproved to Conditional - At Hidden Level discretion, the supplier may be engaged in a development plan which is mutually agreed upon. Once all activities are completed and approved by Hidden Level, the supplier's status will be changed to "Conditional". Hidden Level reserves the right to change supplier status for other reasons that pose risk to Hidden Level and our customers.

## **QUALITY MANAGEMENT SYSTEM REQUIREMENTS**

- Suppliers shall maintain a Quality Management System (QMS) to an industry-recognized standard and suitable to the products and services provided to Hidden Level.
- Suppliers' QMS systems should be certified by an accredited third-party, such as ISO 9001, ISO-13485, AS9100, or equivalent, industry-recognized QMS System.
- In the absence of third-party certification, and depending on the product, service, or application, Hidden Level may authorize the acceptance of other evidence or licensure in place of certification.
- The supplier shall establish, document, implement and maintain a QMS and continually improve the effectiveness of its QMS by:

- Identifying the processes needed for the QMS and their application throughout the organization
- Determine the sequence and interaction of key processes
- Determine criteria and methods needed to ensure that both the operation and control of identified processes are effective
- Ensure the availability of resources and information necessary to support the operation and monitoring of key processes
- Monitor, measure and analyze key processes
- Implement actions necessary to achieve planned results and continual improvement of key processes.
- When a supplier chooses to outsource any process that affects product conformity to requirements, the supplier shall ensure control over such processes. The extent of this control should be defined within the QMS.

## WORKMANSHIP

- When workmanship standards are not referenced on Hidden Level's drawings or specifications, the supplier is expected to follow industry-accepted standards (e.g. ANSI, [IPC Standards](#)) including, but not limited to:
  - Electronic and Electromechanical Assemblies
    - IPC-A-600 Acceptability of Printed Boards
    - IPC-A-610 Acceptability of Electronics Assemblies
    - IPC J-STD-001 Requirements for Soldered Electrical and Electronic Assemblies
  - If the supplier furnishes electrostatic sensitive materials or devices, the supplier shall maintain an effective Electrostatic Discharge Control Program compliant with an industry-recognized standard such as ANSI/ESD S20.20 or IEC 613450-5-1
  - Cables / Harnesses
    - IPC-WHMA-620 Requirements and Acceptance for Cable and Wire Harness
    - Unless otherwise noted on the technical data package, printed circuit assemblies (PCAs) shall have all hand placed No Clean flux residues cleaned from the product prior to shipment to Hidden Level
- Deliverable Commercial off the Shelf (COTS) products (non-custom, catalog items) shall meet the requirements specified by the supplier, or as specified by the purchasing requirements. In addition, COTS products must meet the general quality requirements expected by the commercial industry. i.e., no obvious quality deficiencies (e.g., damaged, loose or missing hardware, cosmetic paint aberrations, and inconsistencies between units).

## RECORD RETENTION AND DATA

- Hidden Level and regulatory authorities will have access to all documentation relevant to materials or services ordered.

- The supplier shall retain records relating to processing, testing, calibration, manufacture, supply, quality control inspection, and certification until the end of the life of the product or minimum of fifteen (15) years from date of last shipment to Hidden Level.
- Any loss or potential compromise of any records must be reported to Hidden Level immediately.

## SUPPLIER DOCUMENT CONTROL

- Suppliers shall identify essential documents pertinent to the quality system and control such documents
- Suppliers document control methods are expected to ensure that only approved, issued, and effective documents are utilized in the production and fulfillment of Hidden Level orders, materials, or services.
- When documents of external origin (i.e., product specifications, logistics specifications, Material Safety Data Sheets, Standards, Work Instructions) or industry standards (i.e. IPC, J-STD, Mil-SPEC) are specified on the technical data package or the PO, Suppliers shall:
  - Build, test, and verify per the criteria provided within industry standard.
  - Work to the latest revision of these standards, unless specifically stated on the design documentation.
  - Ensure the competence (e.g. training, certification) of personnel completing the work to the industry standard, when applicable.

## CHANGES TO PRODUCT OR PROCESS

- This section applies to suppliers of custom parts. Suppliers of Commercial off-the-shelf (COTS) parts, services, and components are exempt.
- Suppliers are expected to document and communicate in writing to Hidden Level before executing any product change or process change that may affect conformance to defined requirements or product quality.
- Suppliers Shall:
  - Submit a Notification of Change to Product or Process to Hidden Level at [SupplyChain@HiddenLevel.com](mailto:SupplyChain@HiddenLevel.com) for approval. Suppliers should include any documentation supporting the change, prior to executing the change
  - Plan, document, and control all change control activities and, upon request make its documentation and data available to Hidden Level.
  - Ensure that personnel executing the change are qualified
  - Evaluate all changes for product or process risk (including efficacy and safety)

## NONCONFORMING PRODUCT – REQUESTS FOR DEVIATION OR WAIVERS

The Supplier is responsible for raising a Deviation Waiver Request and forwarding it to Hidden Level for approval via email at [SupplyChain@HiddenLevel.com](mailto:SupplyChain@HiddenLevel.com) under the following circumstances:

- An alteration to a part is required and deviates from the drawing requirements
- A product does not meet specifications and connect be corrected in time to meet delivery requirements
- Any material or part substitutes, equivalencies and/or alternatives.

## COUNTERFEIT PARTS PREVENTION

- Suppliers shall develop, implement, and maintain methods and processes appropriate to their products and services to minimize the risk of introducing counterfeit parts and materials into products delivered.
- Effective processes should be in place to detect, report and quarantine counterfeit parts and material.
- Suppliers should only use parts from Original Equipment or Component Manufacturers unless otherwise authorized.

## CONFLICT MINERALS

Hidden Level is committed to building and maintaining a responsible supply chain that respects human rights. Hidden Level seeks to avoid contributing to conflict through mineral purchasing decisions and practices. Hidden Level's goal is to ensure all levels of its supply chain source raw materials that require the use of tin, tantalum, tungsten or gold (known as 3TG) from conflict-free sources.

### Definitions and Abbreviations:

- **3TG Materials:** tin, tantalum, tungsten or gold
- **Conflict minerals** are defined as 3TG materials originating from the Democratic Republic of the Congo ( DRC ) and adjoining countries (collectively, the "Covered Countries").
- Suppliers shall take steps to determine if their products contain conflict materials (3TGs)
- Should products contain 3TG materials, suppliers shall implement supply chain due diligence processes to identify the country-of-origin of these minerals and determine if the 3TGs originated from a Covered Country, another country, or from a recycled or scrap source.
- Suppliers shall disclose the use of conflict minerals originating from a Covered Country to Hidden Level.

## OBSOLESCENCE MANAGEMENT

- The Supplier shall notify Hidden Level, in writing, within two (2) working days upon learning of an obsolescence that will affect the support of a supplied product.
- The Supplier shall provide Hidden Level with a “Product Obsolescence Notice” or “Last Time Buy Notice” at least twelve (12) months prior to the last time buy date.

## FIRST ARTICLE INSPECTION

- The purpose of First Article Inspection is to ensure that a vendor can furnish a product that conforms to all defined requirements for acceptance.
- Hidden Level may require a First Article Inspection Report for Hidden Level designed and Hidden Level Specification-Controlled Parts only.
- The First Article Inspection shall be conducted by the supplier and the documented results shall be provided to Hidden Level prior to any material shipment.
- Should a SAE AS9102B First Article Inspection Report Form or any other form/checklist applicable to a statutory or regulatory requirement be required, Hidden Level will specify this is a requirement on the PO.
- First Article Testing and Approval may be requested when:
  - A vendor has not previously furnished the item to Hidden Level
  - The vendor has previously furnished the item to Hidden Level but:
    - There have been subsequent changes to the process or specifications (Design Change / Production Method Change)
    - Product is being produced using new or changed equipment
    - Outside Processing vendor change
    - Production has been discontinued for a period greater than 24 months
    - Subsequent quality concerns have been identified after acceptance of items delivered in previous orders
- First Article Inspection Process:
  - Hidden Level shall provide the criterion to be tested:
    - Raw Material Specifications
    - Drawings, Required Standards, and Specification sheets to inform production
    - Requirements for any Special Processing
    - Requirements or Procedures for Testing
    - Special Characteristics / Critical Features
  - The Supplier shall be required to provide a First Article Inspection report with the appropriately marked first article. The report shall include:
    - Part number and Serial Number of the First Article Inspection part(s)
    - Certificate of Conformance for Raw Materials & Required Special Processes
    - Calibration records of the equipment used to perform the First Article Inspection
    - Dimensional Measurements
    - Verification of Special Characteristics / Critical Features

- Test Results to validate that the criterion tested is within the defined specification(s); to include the following values as necessary:
  - Dimensions
  - Surface Quality
  - Material Quality
  - Electrical Values
- Discrepancies that affect function, dimensions or other requirements shall be noted
- It shall be noted if certain tests are unable to be performed by the supplier
- First Article Inspection approval or denial will be communicated to the Supplier in writing within 10 business days

## **SPECIAL CHARACTERISTICS**

- Hidden Level's drawings and specifications may designate product features as Special Characteristics, Critical-to-Quality, Critical-to-Function, Critical-to-Safety or other designations. These features may be designated by various symbols. Typically, these characteristics influence:
  - Product Form, Fit, or Function
  - Compliance to Regulations
  - Safety Requirements
  - Customer Satisfaction
- Suppliers are expected to utilize appropriate statistical methods, when required by drawings for process control.
- The supplier may be asked to demonstrate process capability through statistical controls for designated special characteristics and maintain control for all measurement methods used.
- All statistical data is subject to be requested at any time.
- Cpk is used to determine if the process meets requirements consistently within tolerances.
- A minimum Cpk value of 1.67 must be achieved for all Critical components. For all other features requiring Statistical Process Control (SPC), Cpk 1.33 must be maintained.
- Should the process not be capable of meeting these Cpk requirements, Hidden Level may approve shipment provided 100% inspection of the feature is performed and the feature is determined to be within specification.

## **PACKAGING AND MARKING**

- Suppliers are expected to comply with any packaging requirements or instructions specified on the purchase order
- Reusable packaging provided by Hidden Level to the supplier shall be returned to Hidden Level upon Hidden Level's request

- Where applicable, a process for handling and packaging Electrostatic Sensitive Devices (ESDS), shall be developed, documented and implemented. This process shall be compliant with ANSI/ESD S20-20 for handling, packaging, and marking ESD devices.

## **TRANSFER OF GOVERNMENT PROPERTY**

- Compliance with the following federal requirements is required:
  - Federal Acquisition Regulations (FAR), specifically parts 48 CFR § 52.245
  - Defense Federal Acquisition Regulations (DFARS), specifically parts 345 and 252
- Any transfer of Government Furnished Property (GFP) will be accompanied by a completed DD1149, DD250 or DD1348 form.
- All Government Property shall be affixed with a property tag identifying the property as Government Owned
  - When property is unable to be tagged, a substitute method should be used to assure that the tag number and records can be matched to the property
- The supplier shall ensure the physical separation of Government material from material not owned by the Government unless otherwise authorized.
- The supplier shall investigate and report to Hidden Level all cases of loss, damage, or destruction of Government property in its possession.
- Government owned property may not be used for any purpose other than to fulfil the requirements of the contract

## **SUPPLIER CORRECTIVE ACTION**

- The Supplier should establish and maintain procedures for implementing a CAPA system in compliance with the industry standards and Quality Management System requirements. Hidden Level may issue a Supplier Corrective Action Request (SCAR).
- Suppliers may use their own corrective action process to complete the investigation and provide the response to Hidden Level.
- The supplier should collaborate with Hidden Level to determine the division of responsibility for implementation of the CAPA systems depending upon the nature of the quality problem and resolution.
- Corrective Action Guideline documents are provided to assist in the process of responding to an issued SCAR.

## INVOICING

- Invoices should be emailed to Hidden Level at: [accounting@hiddenlevel.com](mailto:accounting@hiddenlevel.com)

Include the following information:

- Supplier Company Name
- Supplier Address
- Invoice Date
- Due Date
- Invoice Number
- Reference to Purchase Order (PO) Number (Each Invoice may only refer to one PO Number)
- Article Number (if applicable)
- Scope/Quantity (if applicable)
- Delivery or Shipped-On Date
- Total Amount
- ACH Payment Information