

Supplier Requirements & Transportation Policies

Compass Electronics Solutions (Beacon) Purchase Orders

Beacon purchase orders (POs) shall contain the following information, at a minimum:

- PO number
- Vendor ID / vendor name
- Item ID and revision (where available)
- Description of purchased product
- AML / product specifications
- Order date
- Quantity
- Unit of measure
- Required delivery date
- Price
- Ship-to address
- Ship method
- Reference link to Beacon Terms and Conditions
- Special requirements, which may include:
 - RoHS compliance
 - Date code/ lot code tracking
 - OCM/OEM certificate
 - ITAR restrictions
 - Certificate of compliance
 - Test results and/or test specimens required
 - Special handling/packaging

Supplier Requirements

- **AML:** Beacon requires all its suppliers to comply with the Approved Manufacturer List (AML) provided. Any deviation from the AML must be approved by Beacon and confirmed via a Purchase Order Change before product is shipped or delivered to Beacon.
- **On Time Delivery:** Beacon's on time delivery window is three days early and one day late. Any product received more than three days early may be subject to possible rejection and return to supplier. The supplier should contact the appropriate buyer for any PO that will be late to the committed due date.
- **PO Confirmation:** Beacon requires PO confirmation within 48 hours of PO placement for all suppliers. Confirmation is preferred via email or fax.
- **Product Change Notifications (PCN):** Suppliers must notify Beacon when requesting a change to product, process, equipment, or any other component that may directly or indirectly impact quality, cost, delivery, performance, appearance, or otherwise alters the condition of the material as agreed in the original standard, print, specification, or PO. This applies to all companies that supply product to Beacon, specifically where changes impact the supply chain, materials, manufacturing processes (part specifications, inspection methods, production sites, manufacturing methods/practices, tools/fixtures/jigs/dies or other equipment). All PCNs shall be submitted electronically to PCN@beaconembedded.com.

- **Packaging Requirements**

- **ESD:** Beacon requires ESD-friendly packaging for all components, wherever possible. Beacon understands that many components are not ESD sensitive, but these components must be stored and used alongside components that are ESD sensitive. For this reason, Beacon requests all internal and over-packaging is ESD safe. Suppliers should review internal packaging standards and update as necessary. Beacon may issue corrective actions whenever supplier packaging causes an undue ESD risk to inventory.
- **Styrofoam Packing 'Peanuts':** Styrofoam packing peanuts are prohibited in all shipments made to Beacon. Suppliers should review internal packaging standards and update as necessary. Beacon may issue corrective actions whenever supplier shipments are received with packing peanuts.
- **Packing Slips:** All packing slips must contain the following information, at a minimum:
 - Valid Beacon PO number
 - Beacon internal item ID / part number
 - Manufacturer name (must match AML)
 - Manufacturer part number (must match AML)
 - Quantity shipped
 - RoHS compliance status for each line item

- **U.S. Foreign Trade Control Laws and Regulations**

- Please be informed that commodities, technical data or software (the "Controlled Items") purchased by or supplied by supplier may be subject to the U.S. foreign trade control laws and regulations (including but not limited to the Export Administration Regulations, "EAR" 15 C.F.R Parts 730-774; the International Traffic in Arms Regulations, "ITAR" 22 C.F.R. Parts 120-130), statutes that provide authority for the EAR and ITAR, economic trade sanctions laws, UN security council resolutions sanctions, federal regulations F.R. administered by the U.S. Government, (including the provisions of 31 C.F.R. Parts 500-598, the U.S. Foreign Trade Control Laws). Your company is hereby reminded that the export, re-export, transfer or transmission of such Controlled Items (the Import/Export) may be subject to the U.S. Foreign Trade Control Laws.
- Supplier acknowledges that it and its employees, contractors, and agents are familiar with and understands the U.S. Foreign Trade Control Laws and agrees to comply with all related federal regulations, in particular:
 - Supplier shall not Import/Export any Controlled Items to any territory or entity including individuals and corporations that are prohibited (i.e. denied parties-DP, specially designated nationals-SDN, OFAC sanctioned) under the U.S. Foreign Trade Control Laws unless all required licenses and/or approvals have been obtained.
 - Supplier shall not directly or indirectly through any other third parties or sub-agents, use the Controlled Items for the purposes of: nuclear end uses, rocket/missile systems, unmanned UAV aircraft, nuclear, biological, chemical weapons, or weapons of mass destruction, non-U.S. maritime nuclear propulsion projects, non-U.S. vessels or aircraft, any military end uses prohibited or restricted by the U.S. Foreign Trade Control Laws, including 15 C.F.R. Part 744, or any other end use or end user prohibited by the U.S. Federal Regulations.
 - Supplier agrees to provide to Beacon any and all information relating to the sale and shipment of Controlled Items, that you believe are a violation of the above, that pertain to business associated with Beacon.
 - Supplier shall not violate any U.S. or U.N. laws/regulations prohibiting "Human Trafficking Forced Labor, Child Labor, Smuggling, Indentured Servants, or Slavery Policy."

Transportation Policies

If not otherwise specified on the Beacon PO, the following standard policies apply:

- **Supplier pays freight**
 - **Delivered at Place (DAP):** Buyer’s dock or other ship-to address specified on PO
- **Beacon pays freight**
 - **Ex-Works:** Seller’s dock

Table 1: Shipment Routing Guide

Standard* Domestic Shipments	Shipment Method	Preferred Carrier
< 150 lbs.	Small parcel ground	FedEx or UPS (FedEx preferred)
150 - 500 lbs.	Ground freight - economy	Expeditors or FedEx Freight
> 500 lbs.	Contact Beacon buyer	
Standard* International Routing	Shipment Method	Preferred Carrier
< 150 lbs.	International economy	FedEx
150 - 500 lbs.	International economy freight	Expeditors
> 500 lbs.	Contact Beacon buyer	

*Standard shipments are defined as domestic small parcel ground or international economy. All other services are considered special/expedited shipments and require pre-approval from Beacon.

Contact the Beacon buyer for appropriate freight account number. **NOTE:** Seller must reference Beacon PO number in *Reference* field on each shipment Bill of Lading.

Contact the Beacon buyer regarding any questions on Beacon requirements or policies:

Beacon EmbeddedWorks
 6201 Bury Drive
 Eden Prairie, MN 55346
 T // 952.941.8071 F // 952.941.8065