



Purchase Order Clauses and Conditions

All purchase orders for materials, special processes, machining and fabrication services and end items are subject to the following requirements:

General Requirements:

1. The terms "Item(s)", (including "item(s)" with lower case "i"), "PO", and "Buyer" as used herein, have the same meaning as terms "Work", "Contract", "Supplier", and Cyclone Manufacturing, respectively.
2. Cyclone Manufacturing Inc. will be reference to herein as Buyer or Cyclone.
3. The recipient of the purchase order will be referenced to herein as the Supplier.
4. The Supplier may not subcontract the work or any portion of the work without prior written consent of the Buyer.
5. This Purchase Order is subject to cancellation by the Buyer if the supplies / services are not delivered in accordance with the schedule specified on the purchase order.
6. Cyclone reserves the right to extend the ship date and (or) cancel or change any item in its entirety, with no penalty or cancellation charges, by giving written notice at least six (6) calendar weeks prior to ship date.
7. Language - Unless otherwise authorized by Buyer in writing, all records, reports, specifications, drawings and other documentation shall be in English.
8. Supplier is responsible to ensure that all material used in the manufacture or processing of the purchase order are obtained from end customer approved sources and have proper certification.
9. Supplier shall establish controls to ensure that material subject to age control, shelf life, or environmental controls are properly identified, monitored and maintained.
10. Supplier must control drawings, specifications and supplemental instructions and changes thereto to the extent necessary to ensure that only documents of the revisions specified in the PO are utilized.
11. Supplier shall maintain a system to ensure removal of obsolete documentation from the manufacturing, inspection and test areas.
12. In order to receive any "Boeing" electronic data, the Supplier must be DPD approved.
13. Notification – Supplier shall notify Buyer when:
 - a. Supplier or Supplier's sub-tiers are found to be non-compliant to Buyer specifications,
 - b. Supplier's sub-tier is disapproved by Supplier
 - c. Supplier or Supplier's sub-tier are disapproved by a Government Agency,
 - d. Government/Industry Data Exchange Program ("GIDEP") Alert is required or received affecting Buyer items.
14. Access to Facilities – The buyer reserves the right of access to the Supplier's facilities in order to review the progress of work and perform required audits as per AS9100B standard.

Quality Requirements

1. The Supplier shall maintain an accredited and documented Quality Management System, such as ISO 9001, AS9100, or TS16949, that is subject to review, audit or approval by Cyclone Manufacturing INC. or Cyclone's customers.
2. Buyer's Quality Assurance or Buyer's customer or regulatory agencies may perform in-process inspection and quality systems surveillance at Supplier's facilities. Work to be performed which is related to Buyer's end items and/or spares is subject to Buyer's periodic audit of Supplier's conformance with their internal procedures and other applicable documentation, including prior to identification by Supplier of such end items and/or spares to the Buyer's program.
3. Article to be delivered under the purchase order shall be subject to inspection as follows:
 - a. Buyer's Quality Assurance or Buyer's customer or regulatory agencies will inspect, at Supplier's plants, all items which are to be delivered to the Buyer if a source inspection requirement is specifically called out on the PO. This includes witnessing of the Acceptance Tests.
 - b. Buyer's Quality Assurance will inspect, at Supplier's plants, supplies to be delivered from Supplier to another Buyer's subcontractor if a source inspection requirements is called out on the PO.
 - c. Supplier shall prepare and present to the Buyer's quality Assurance Representative the Acceptance Documentation and Records package required by the Purchase Order for each deliverable end item. This includes the Certificate of Conformance.
 - d. Verification by the customer (buyer or buyer's customer) does not absolve the supplier of the responsibility



- to provide acceptable product and not preclude subsequent rejection by the customers.
4. The following documents must accompany the shipment:
 - a. Manufacturer CofC and MTR
 - b. Distributor CofC
 - c. NAFTA Certificate of Origin
 5. Manufacture and process completely to the requirements of the drawing, all specifications referenced therein, and all P.O. requirements, including such items as part marking, identification, inspection, stamps, certification, inspection records, etc. All special processes that are called out on the PO, engineering drawings or specifications must be carried out by OEM approved sources as follows:
 - a. For all Boeing products the Supplier must utilize approved sources per D1-4426.
 - b. For all Lockheed Martin Aeronautics products the Supplier must utilize approved sources per QCS-001.
 - c. For all Bombardier Aerospace products that Supplier must utilize approved sources per QD 4.6-40.
 6. Manufacturing and Inspection Control is required on this order. The Supplier's documented quality system shall provide for the review of the PO, Manufacturing and Inspection plans, to ensure that quality requirements are incorporated into the manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with the PO. Supplier shall retain evidence of such review. Supplier shall utilize only written instruction plans for all manufacturing, processing and inspection operations. Buyer will provide to Supplier all required customer specification once requested.
 7. The sell/supplier who produces the parts shall not allow to perform any operation of welding restoration and correction unless the Supplier/supplier receives a written agreement from buyer, except those the relevant specifications or drawings incorporated in the contract specified otherwise.
 8. The supplier shall submit a First Article Inspection (FAI) report for each deliverable item on this order. This report may be in any format suitable to the supplier's system but must contain variable data for 100% of all drawings characteristics and account for 100% of all other features such as drawing notes and processes and must be representative of production processes actually used. **The FAI report shall be consistent with the requirements of AS9102 (latest revision), Aerospace First Article Inspection Requirement. All FAI submissions and supporting documentation must be forwarded electronically to your specific purchasing agent and Quality Manager at Cyclone prior to the delivery of the first production lot.** The Supplier shall retain one copy of the AS9102 FAI Report as evidence of FAI approval. Products already accepted by FAI shall repeat FAI or delta FAI under the following conditions:
 - a. Drawing, specification, manufacturing process or production tool changes that could result in a change to the product configuration.
 - b. Production tools (exclude assistant tools) reproduced or duplicated.
 - c. A lapse in Production for two years.
 9. In the event that the Supplier is supplying parts including the material the Supplier shall deliver with each shipment a copy of the original Mill/Manufacturer's Certificate of conformance (CofC) indicating that the material/articles supplied on this Purchase order meet all Purchase order requirements and that objective evidence is on file for Buyer's review to substantiate such certification. If Supplier is not the material manufacturer, then a Supplier's Certificate of conformance is required in addition to the material manufacturer's Certificate of Conformance. Supplier shall mark the name of Mill/Manufacturer, Manufacturing Lot/Batch number or Heat Treatment number on each package and CofC document of supplies. Supplier must acknowledge and confirm that all sources of Supply and Manufacturer of materials(s) to be purchase under this purchase order are approved by the respective OEM that the end item is designated for and are also approved by the OEM for the relevant specification to which they are being purchased and that in the event Supplier reaches this requirements, Supplier shall assume sole and exclusive risk, liability and expense whatsoever without limitation in the removal, re-supply and/or replacement of such materials form approved sources for the item(s) in question. Further, in the event of such breach, Buyer expressly reserves all rights and remedies if any, provided by this purchase order, in equity or at law.
 10. The Certificate of Compliance from the Supplier must be signed by a responsible member of the supplier's Quality Organization and stating "the parts conform in all respect to the Purchase Order/Contract, drawings and applicable specifications" and contain the following information:
 - a. Supplier's company name
 - b. Drawing and/or specification number(s) and revision(s)
 - c. Applicable process specification and revision status,
 - d. Serial number(s)/date code/lot number(s) as applicable
 - e. Waivers or deviations approved by Cyclone.
 - f. Cyclone Purchase Order number Work Order number (Lot number)



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- g. Quantity shipped
- h. Part number and revision level as described on the Cyclone Purchase order
- i. Material size and specifications as described on the Cyclone Purchase Order
- j. Statement of trace-ability
- k. All special customer requirements that may be defined in customer special process specifications or customer clauses.

The certificate of compliance, must accompany the shipment. Almen strips must be supplied for shot peening operations. Examples of these (but not limited to) are: special processes including thermal, metal conditioning and working, welding, brazing, soldering, surface conditioning and coating, non-destructive testing and other miscellaneous processes.

- 11. Batch Traceability: All items on this order must be traceable to the raw material batch/Cyclone lot #/heat batch # and source from which they were produced.
- 12. Absolute Traceability: The Batch traceability and identification (i.e. Serial numbers) of all items on this order must be ensured and maintained at all times. All items must be traceable to all processes to which they have been subjected.
- 13. The supplier shall furnish a functional test report for each item shipped. The test report shall contain the actual results of all functional tests required by the Purchase Order/Contract, drawing, specifications or acceptance test procedure (ATP).
- 14. The Purchaser or his representative shall be afforded the right to verify at source or upon receipt that the purchased product conforms to specified requirements. All records relating to the requirements on this P.O. shall be kept on file for a minimum of 10 years from the shipment date and made available for review by a Cyclone Representative upon request.
- 15. Non-conforming material shall be identified and reports submitted to Cyclone for disposition. No non-conforming material may be shipped without written authorization from Cyclone. A copy of the dispensation must accompany the shipment. Any non-conforming material shipped under license of Cyclone shall be conspicuously marked and traceable to the reports submitted.
- 16. Non-conformances affecting fit, form, function, interchangeability and/or safety shall be identified and reports submitted to Cyclone for disposition. No such non-conforming material may be shipped without written authorization from Cyclone. Records of all other non-conformances shall be retained by the supplier and may be requested for submission to Cyclone on a periodic basis. Any non-conforming material shipped under license of Cyclone shall be conspicuously marked and traceable to the reports submitted.
- 17. "Limited Life" material supplied on this order must be accompanied by a Certificate of Conformance signed by a responsible member of the supplier's Quality organization stating the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- 18. Tooling manufactured for this order must be physically identified with a Cyclone serial number, contract number and a project identification as a minimum. Such data will be provided, upon request, prior to shipment to Cyclone.
- 19. The goods covered by this Purchase Order shall be packed by the Vendor for shipment to Cyclone at destination in a manner that protects the part(s) from damage during transit and, unless otherwise specifically provided for on the face of this Purchase Order, the price or prices of the goods therein specified include all costs of packaging.
- 20. All goods covered by this Purchase Order will be subject to later recount and inspection. If any of the goods are found at any time to be defective in material or workmanship, or are otherwise not in conformity with the requirements of the order, Cyclone, in addition to any other rights which it may have under warranties or otherwise, shall have the right to reject, return and recover costs at the Vendor's expense, with such goods not being replaced without written authorization from Cyclone.
- 21. All goods are to be shipped in accordance with the terms of the Purchase Order. On collect shipments, goods must be shipped on a regular standard service unless otherwise authorized by Cyclone.
- 22. This order may be DPAS rated for National Defense use. When a DPAS rating is entered on Cyclone PO this order will take priority over any other work as per the Defense Priorities and Allocation Systems Regulation (15 CFR 700). This requirement must be flown down to all subcontractors of the Supplier.
- 23. In the case of Lockheed-Martin product P.O's the requirements of the L-M quality clause Q4R foreign object debris/damage (FOD) prevention



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24. The supplier providing product and/or services for General Dynamics product shall abide by the No Change Clause (NCG) of PQA 3000. Cyclone must be notified of any change in design, materials, manufacturing location, manufacturing processes, or sources of supply prior to accepting the Purchase Order.
25. For Lockheed Martin product P.O's, the Counterfeit Parts Prevention requirement of Appendix QX shall be followed:
 - a) For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
 - b) SELLER agrees and shall ensure that Counterfeit Work is not delivered to LOCKHEED MARTIN.
 - c) SELLER shall only purchase products to be delivered or incorporated as Work to LOCKHEED MARTIN directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by LOCKHEED MARTIN.
 - d) SELLER shall immediately notify LOCKHEED MARTIN with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work. When requested by LOCKHEED MARTIN, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.