



Firan Technology Group
10 Commander Blvd.
Toronto, ON Canada M1S 3T2
T: (416) 438-6076 F: (416) 438-8065
www.ftgcorp.com

Conditions of Purchase:

1. Supplier will comply with all regulations including but not limited to, Health & Safety, Customs, and International Traffic in Arms (ITAR), Export Administration (EAR) Canadian Controlled Goods Registration Program, and Transportation.
2. FTG expects all suppliers and their sub-contractors not to do business with any persons or companies on the U.S. Dept. of Commerce, Denied Persons List, Dept. of State Debarred Parties List, and Dept. of Treasury, and the Foreign Assets Control Specially Designated Nationals list.
3. Suppliers will adhere to the directions stated in Executive Order 13224, "Executive order on terrorist financing, blocking property, and prohibiting transactions with person who commit, threaten to commit, or support terrorism effective 9/24/01, and any subsequent changes.
4. Where a Material Safety Data Sheet [MSDS] exists and in the case of identified hazardous products or goods, the Supplier must supply the MSDS with this shipment. Additionally, the supplier shall provide updated MSDS sheets once every three years.
5. Supplier must not charge for boxing, crating, packaging, or cartage unless it is agreed with FTG Aerospace at time of purchase and clearly stated on the Purchase Order.
6. FTG Aerospace and/or FTG Aerospace's Customer reserves the right to verify product, goods, or service acceptance either at the manufacturing source or upon receipt by FTG Aerospace. The right is reserved whether or not FTG Aerospace makes prior payment to receive discounted terms.
7. Payment Terms of FTG Aerospace Purchase Orders are net 60 days, unless otherwise indicated.
8. FTG Aerospace reserves the right to cancel all or part of this order if it is not filled in accordance with the "Conditions of Purchase" and "Quality Clauses" by the due date stated on the front of this Purchase Order.
9. In cases of conflict of any of FTG Aerospace terms with those of the Supplier, FTG Aerospace terms will govern unless specific exception is agreed to in writing by FTG Aerospace.
10. Supplier agrees to indemnify and save harmless FTG Aerospace against any and all claims for patent infringement or for royalties with respect to any products, goods, or services to be furnished by the Supplier and/or his sub-tier suppliers. The Supplier will defend, at its expense, any or all suits or actions at law which may be brought against FTG Aerospace under any such claim for infringements or royalties. FTG Aerospace will give notice in writing if the institution of any such suit or proceeding and will permit the Supplier, through its counsel, to defend the same and will give the Supplier all needed information, assistance, and authority to enable it to do so.
11. FTG Aerospace reserves the right at any time to change this order with respect to products, goods, or services not theretofore provided there under. If any such change shall increase the Suppliers cost of performance, then the Supplier shall immediately notify FTG Aerospace thereof and an equitable adjustment shall be made by written amendment to this order.
12. Supplier agrees to reference our FTG Aerospace Purchase Order number on all shipping documentation.
13. Suppliers (US or Mexico based) agrees to provide accurate and complete copies of either a NAFTA Blanket Certificate of Origin or NAFTA Certificate of Origin with each shipment to FTG Aerospace. Suppliers outside of North America must provide copies of accurate and complete Customs documentation to FTG Aerospace.
14. Where applicable. Supplier shall consolidate individual shipments for a given day into one shipment per day.
15. Supplier certifies that it is aware of and will comply with all DFAR requirements that may be listed on FTG purchase orders and will refuse orders if they cannot comply.
16. COUNTERFEIT AVOIDANCE: Suppliers providing raw materials and components must comply with AS5553, AS6081, and IDEA-STD-1010 requirements as applicable; to ensure an uninterrupted supply of raw materials to FTG Aerospace and the supplier's ability to do business is not impacted by government or regulatory intervention.
17. FTG Suppliers providing METALS in any form must have a copy of the current revision CFSI CMRT (conflict minerals reporting template) on file, including a completed smelter list and make it available to FTG Aerospace on request in accordance with the Dodd-Frank Act, section 1502 (conflict minerals), release 34-63547.

Quality Clauses:

1. Supplier must have an AS9100 or ISO 9001 registered quality system or documented equivalent, unless otherwise specified and agreed upon. The system must include, at a minimum, requirements for approval of their products, goods, or services; procedures, processes, and equipment, as well as methods of qualifying their personnel to perform to the expected requirements.
2. For Supplier Manufactured products or goods, Supplier Certified products or goods, or Supplier Testing and/or Certification Services, the Supplier must identify the delivered products, goods, or services with their name, logo, or similar identification, applicable specifications, drawings, and other technical data used to manufacture and verify the product. This includes inspection and process data.

3. For Supplier Manufactured products or goods, Supplier Certified products or goods, or Supplier Testing and or Certification Services, the Supplier must provide a Certificate of Conformance showing evidence of product testing, inspection, and compliance.
4. Supplier must not provide non-conforming goods, products, or services, without written pre-approval from FTG Aerospace. The supplier shall promptly notify FTG when non-conforming product has been shipped. The notification of escape must be in writing, addressed to the Purchasing Manager and Quality Manager, and submitted within 24 hours of being discovered. Information provided shall include lot number, quantity, original ship date, a description of the non-conformance, and containment measures taken of prevent recurrence.
5. Supplier must advise FTG Aerospace in advance of any changes in product and or process (equipment), changes of suppliers, changes of manufacturing facility or location that could or may affect products, goods, or services delivered to our facility and where required, obtain written pre-approval to deliver product, good, or services.
6. **PRODUCT OBSOLESCENCE: Supplier is required to formerly notify FTG Aerospace if the part ordered or any of its material components, are identified and / or planned for obsolescence by you or your sub tier suppliers.**
7. Acceptance by FTG Aerospace incoming inspection does not absolve suppliers of quality conformance issues found during subsequent processing and/or product testing.
8. Unless specifically defined on the purchase order or agreed with FTG Aerospace, suppliers are required to retain traceability and quality records for a minimum of **ELEVEN** years for products supplied to FTG Aerospace.
9. FTG Aerospace reserves the right access to all Supplier sites and facilities on behalf of our own organization, our customers, and regulatory authorities who have a stake in the products, goods, and services we purchase. This includes the right to review all applicable records and documentation associated with the products, goods, or services purchased.
10. Supplier must provide evidence that all quality clauses, drawing data, and purchase order terms and conditions have been flowed down to their sub-tier suppliers and contractors. This includes clauses from the Suppliers system as well as clauses flowed down from FTG Aerospace and through us from our customers.
11. Supplier must package products or goods in such a way that they are protected from physical damage and the environment. Damage that occurs in transit is the responsibility of the Supplier.
12. Where the supplied products or goods have a limited shelf life, Supplier must supply maximum available shelf life data with this shipment. Products or goods with less than 75% shelf life remaining must not be shipped, unless agreed to by FTG Aerospace.
13. Foreign Object Debris (FOD) Control. Supplier shall ensure that FOD is eliminated from all parts prior to shipment. Suppliers must maintain a FOD free environment during manufacturing, inspection, storage, packaging and shipping. Prior to closing inaccessible or obscured areas during manufacturing and assembly, ensure the areas are free of FOD. All parts must be clean and free of FOD to shipment. Suppliers are required to maintain a FOD prevention program.
14. The supplier will only sub-contract processing, including special processes to an FTG or their customers approved supplier.
15. Parts substitution is prohibited. Part and/or material substitutions for items stated on FTG requirements are not allowed. Any deviations from the requirements shall have written authorization from FTG.
16. For ESDS (Electrostatic Discharge Sensitive) items, the Supplier shall establish and maintain a written electrostatic discharge control program for the control of Electrostatic Discharge (ESD) during fabrication, handling, and packaging of electrical and electronic parts, assemblies, and equipment. The program must comply with the requirements of the most current version of MIL-STD-1686 or ANSI/ESD S20.20.
17. The supplier shall ensure that its employees are aware of, their contribution to product or service conformity, their contribution to product safety, the importance of ethical behavior.
18. In the case of solderable material, the applicable specification for this purchase order is J-STD-003. In the case of soldering services the applicable specification is J STD 001. Solder finishes are to be Tin-Lead unless otherwise specified on the purchase order or supporting information.
19. The latest revision of any specification (Industry / FTG / Customer) defined in FTG Aerospace Purchase Orders or supporting information is applicable unless specifically specified in the supplied documentation.
20. When specified, the Supplier must provide evidence that the tool or equipment supplied has been calibrated prior to shipment.
21. When specified, the Supplier must provide samples for evaluation accompanied by an AS 9102 First Article Inspection report prior to the shipment of the completed order.
22. When specified, the supplier will provide test, inspection and verification data to show compliance of critical items or key characteristics.

END

QP-11 Purchase Order conditions dated 2/18/2020
Changes made in the latest revision are highlighted