

Appendix G

Purchase Order Clauses

Clause "A" Subcontractor Controls, General Requirements

(Applicable when Clause "A" is invoked in the Purchase Order "Remarks")

- (1) Any non-destructive testing defined within this Seyer Industries Purchase Order shall be performed in accordance with a technique approved by the Seyer Industries customer. Subcontractor shall perform the test only if a current, approved technique is on file and shall not subcontract the test to another subcontractor/processor without prior notification to Seyer Industries.
- (2) Assemblies or detail items ordered by Seyer Industries must be furnished with a certificate of conformance signed and dated by an officer of the subcontractor attesting that the part number on order has been manufactured and/or assembled in accordance with the Seyer Industries Purchase Order. Part number and revision must be stated on the certificate of conformance as well as the classification level of the Bell Classified Item and all serial numbers if applicable. Current revisions shall be used for procurement of materials, hardware and processes used to fabricate this item unless otherwise specified in this Purchase Order.
 - FOR SINGLE ITEM FABRICATION – The subcontractor shall provide material and process certifications if the subcontractor is responsible for procurement of material and/or processes.
 - FOR ASSEMBLIES – Per the Counterfeit Parts Detection Initiative guidelines in SAE-AS5553, Any Hardware used in the fabrication must be checked for Counterfeit parts, and the certificates for the hardware must be examined and be traceable back to the original OEM of the part.
 - The subcontractor may elect to retain records of materials, hardware, or processes purchased to satisfy this order. If retained on file by the subcontractor the records must be retained for a minimum period of 7 years after delivery of the contracted assembly and the certificate of conformance shall state this election. For BHTI Classified Items, records shall be maintained for 10 years. These records may not be disposed of without approval of Seyer Industries. If the subcontractor does not elect to retain records, all records of materials, hardware and processes (Including the Certs for all hardware showing traceability back to the OEM of the parts) must be supplied with the shipment.
- (3) The subcontractor/processor/vendor agrees by acceptance of this order that Seyer Industries and Seyer Industries customer personnel or their designees and/or regulatory authorities shall have right of access to subcontractor/processor/vendor premises and manufacturing areas for the purpose of witnessing or reviewing progress in the completion of this Purchase Order, and to verify that subcontracted product conforms to specified requirements. The subcontractor/processor/vendor shall provide reasonable assistance to Seyer Industries and Seyer Industries customer whenever this contract clause is invoked.
- (4) Processing performed under this order may be required to be performed by a Seyer Industries customer approved source. Contact Seyer Industries Purchasing Manager prior to sub-contracting any processing.

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Clause "A" Subcontractor Controls, General Requirements (continued)

- (5) Removed.
- (6) Supplier shall notify Seyer Industries of any proposed changes to product or process definitions, including any changes of manufacturing location and changes of suppliers prior to the implementation of any changes. Any changes will be subject to the approval of Supplier Industries.
- (7) Supplier shall flow down all applicable clauses of this purchase document, including any requirements for key characteristics, to any sub-tier suppliers.
- (8) Supplier shall notify Seyer Industries if any product that is found to be nonconforming prior to shipment to Seyer Industries. Nonconforming product is subject to approval of Seyer Industries or Seyer Industries customer.

Clause "B" Raw Material and Hardware Controls, General Requirements (Applicable when Clause "B" is invoked in the Purchase Order "Remarks")

- (1) Unless a specific revision is requested, this Seyer Industries Purchase Order requests materials or hardware to be furnished in accordance with the most current revision available. Per the Counterfeit Parts Detection Initiative guidelines in SAE-AS5553, All Hardware items must be checked for Counterfeit parts, and the certificates for the hardware must be examined and be traceable back to the original OEM of the part. Certifications shall be provided with each shipment attesting to the revision level of product furnished, as well as to the traceability back to the OEM for all hardware.
 - a) In the event we are supplied proven counterfeit parts by a subcontractor or distributor, said subcontractor or distributor will be held accountable for all costs associated with the recovery and replacement of the counterfeit parts provided to Seyer Industries.
- (2) When this Seyer Industries Purchase Order is identified to be for a Bell "Classified Item", the raw material supplier shall provide clear and complete certification of raw materials with certification documents clearly identified with the classification of the Classified Item. Certifications shall also include heat lot, x-ray number and serialization as applicable.
- (3) The subcontractor/processor/vendor agrees by acceptance of this order that Seyer Industries and Seyer Industries customer personnel or their designees and/or regulatory authorities shall have right of access to subcontractor/processor/vendor premises and manufacturing areas for the purpose of witnessing or reviewing progress in the completion of this Purchase Order, and to verify that subcontracted product conforms to specified requirements. The subcontractor/processor/vendor shall provide reasonable assistance to Seyer Industries and Seyer Industries customer whenever this contract clause is invoked.
- (4) The vendor shall retain production records of product ordered hereunder for a period of 7 years after delivery. For BHTI Classified Items, records shall be maintained for 10 years. These records may not be disposed of without approval of Seyer Industries.

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Clause “C” Processor Controls, General Requirements

(Applicable when Clause "C" is invoked in the Purchase Order "Remarks")

- (1) Processing performed under this order may be required to be performed by a Seyer Industries customer approved source. Contact Seyer Industries Purchasing Manager prior to sub-contracting any processing.
- (2) Any non-destructive testing defined within the Seyer Industries Purchase Order shall be performed in accordance with a technique approved by the Seyer Industries customer. Processor shall perform the test only if a current, approved technique is on file and shall not subcontract the non-destructive testing to another subcontractor/processor without prior notification to Seyer Industries.
- (3) This Seyer Industries Purchase Order may request processes to be performed in accordance with a specific revision level of a specification which is considered to be the most current revision. The processor shall notify Seyer Industries prior to proceeding if a more current revision level is known to the processor. If a revision level is not defined, the most current revision is required
- (4) Certification shall be provided with each shipment to Seyer Industries, attesting to the specifications, drawings, and their revision levels used in processing of the ordered services. The processor shall also provide a current copy of the Bell certification of the process as well as evidence of any techniques
- (5) The subcontractor/processor/vendor agrees by acceptance of this order that Seyer Industries and Seyer Industries customer personnel or their designees and/or regulatory authorities shall have right of access to subcontractor/processor/vendor premises and manufacturing areas for the purpose of witnessing or reviewing progress in the completion of this Purchase Order, and to verify that subcontracted product conforms to specified requirements. The subcontractor/processor/vendor shall provide reasonable assistance to Seyer Industries and Seyer Industries customer whenever this contract clause is invoked.
- (6) Supplier shall notify Seyer Industries if any product that is found to be nonconforming prior to shipment to Seyer Industries. Nonconforming product is subject to approval of Seyer Industries or Seyer Industries customer.
- (7) The processor/vendor shall retain process records of product ordered hereunder for a period of 7 years after delivery.

Additional Requirements for Bell Classified Items

- (8) Bell Classified Items will require that the processor performs work only to the “Frozen Planning” after approval by Bell has been obtained.
- (9) Processor shall also provide a copy of the Bell certification for the process that attests to the approval date, as well as a copy of Bell approval for any techniques required for the process performed.
- (10) The processor/vendor shall retain process records of product ordered hereunder for a period of 10 years after delivery.

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Clause “D” Calibration Controls, General Requirements

(Applicable when Clause "D" is invoked in the Purchase Order "Remarks")

- (1) The calibration company shall perform calibration and shall furnish certifications that state traceability to known national, international, or intrinsic standards of measurement. The date of calibration, the “as received” condition of the item before any adjustments are made and the calibration results shall also be reported. Any change in the calibration company's status relative to registration, whether by election of the calibration company or by determination of a certifying agency or registrar, shall be reported to Seyer Industries prior to performing this calibration.
- (2) For calipers, please assure that the head and stem are also calibrated.
- (3) The calibration company shall retain calibration records of product ordered hereunder for a period of 7 years after delivery
- (4) The calibration company shall meet the requirements of ANSI Z540.1-1994 Calibration Laboratories and Measuring and Testing Equipment - General Requirements for all items calibrated for Seyer Industries.
- (5) Acceptance criteria for all calibrations shall be in accordance with ANSI Z540.1-1994 Calibration Laboratories and Measuring and Testing Equipment - General Requirements.

Clause “E” Subcontractor Controls, Specific Requirements, First Article Inspection Report (FAIR)

(This clause will be invoked by reference within the Purchase Order notes when specifically required for the items ordered.)

The subcontractor shall furnish a First Article Inspection Report (FAIR) with the first shipment delivered under this Purchase Order. The FAIR shall list each blue print characteristic and tolerance and the actual measurement of the characteristic. The part used for the FAIR shall be suitably identified by tagging or other non-defacing method. For Bell Classified Items, the FAIR shall also be annotated with the classification level of the Bell Classified Item.

Clause “F” Subcontractor Controls, Specific Requirements, Inspection at Source

(This clause will be invoked by reference within the Purchase Order notes when specifically required for the items ordered.)

Seyer Industries may elect to perform evaluation of the subcontractor’s product prior to shipment. Please notify Seyer Industries at least 24 hours prior to the anticipated shipment to afford Seyer Industries the opportunity to evaluate the product. Subcontractor’s tools and reasonable assistance shall be made available to Seyer Industries for this evaluation

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Clause "G" Hardware Controls, Specific Requirements, DPAS Rated Orders

(This clause will be invoked by reference within the Purchase Order notes when specifically required for the items ordered.)

(DPAS) This is a rated order certified for National Defense use, and you are required to follow all the provisions of the "Defense Priorities and Allocations System" regulation.

Clause "H" Subcontractor/Processor Controls, Specific Requirements, Lockheed Processes

(These clauses will be invoked by reference within the Purchase Order notes when specifically required for the items ordered.)

- (1) A statement with the words, "Work to be accomplished in performance of this purchase order is directly related to a Lockheed Martin Corporation purchase order and must be accomplished in accordance with process specification stated/requested on purchase order and Lockheed Martin Aeronautics Company Appendix QJ and Addendum to Appendix QJ".
- (2) A statement for seller's supplier to file and maintain a copy of all purchase orders containing the above statement and make these available for review by Buyer, upon request.
- (3) A requirement for Seller's supplier to submit a Certificate of Conformance ("C of C") with a unique certification number containing the following information:
 1. Title and specification number (including revision letter) of the process
 2. Name and address of the process or NDT facility
 3. Lockheed Martin assigned processor number
 4. Date the C of C was issued
 5. Purchase order part number
 6. Quantity of parts (to include quantity accepted/rejected)
 7. Signature and title of authorized quality agent of seller; and
 8. Fracture durability classification or serialization when required
- (4) A requirement to ensure parts are suitably wrapped, boxed or racked to guard against shipping damage and apply rust or corrosion protection.
- (5) A statement to identify specification(s) title and specific revision level(s) and drawing(s) requirements to be performed by a QCS-001 source.
- (6) Seller shall review testing lab C of C to ensure all required testing has been accomplished and meets all requirements of the testing specification.
- (7) Seller shall submit all requests for additional QCS-001 process approvals in writing to the buyer.

UNCONTROLLED WHEN PRINTED



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Change History

Revision Date	Section	Change	Approved By
Prior to 3/13/15	All	As described on revision history	Dave Sweda
3/13/15	D4	Revised reference to expired spec.	Dave Sweda
3/11/16	Clause B.1(a)	Added full paragraph for counterfeit parts prevention plan	Dave Sweda
	Clause G	Renamed title to remove DO-A1 with DPAS, replaced DPS with DPAS, removed specific DO-A1 rating.	
	Clause D.5	Added section 5 entirely	
5/13/16	Clause D4,5	Replaced ANSI Z540.3-2006 with ANSI Z540.1-1994	Dave Sweda