



Supplier Terms and Conditions

For Goods and Services Purchased by Triple Metal Products Limited

1. Definition of Terms

In the Contract Documents, the following terms have the respective meanings set out below.

- a) **The Company** means the company placing the purchase order: Triple Metal Products Limited (TMPL)
- b) **Actual Delivery Date** means the date on which the Purchased Item is received by TMPL at the stipulated delivery point.
- c) **Contract** consists of (1) the Purchase Order (2) these standard terms and conditions (3) all other contract documents.
- d) **Contract Price** means the total of any stipulated sums for the Work (or any portion thereof) set forth in the Contract, as amended by any instruction notice.
- e) **Purchased Items** means all materials, processes, equipment, machinery, assemblies, instruments, devices or articles and related components be supplied to TMPL by the Supplier under the Contract and all associated documentation.
- f) **Purchase Order** means the purchase order issued by TMPL as part of the Contract.
- g) **Inspector** means the person designated from time to time by TMPL to monitor the application of the quality program, examine the work relating to the Purchased Item who, may also expedite the delivery of the Purchased Item.
- h) **Subcontractor** means a person, firm or corporation who supplies or performs any of the work relating to the Purchased Item under any agreement with the Supplier and/or another Subcontractor.
- i) **Supplier** means the party contracting with TMPL under the Contract Document.

The term 'including', 'include', 'included' means including without limitation. The term 'will' means shall.

2. Contract Documents and Order of Precedence

- a) These documents take precedence in the order in which they are named.
- b) These documents are subject to subsequent amendments to the Contract, in the form of instructions notices to the purchase order, which will take precedence over the documents they amend.
- c) No agent, employee or other representative of TMPL has authority to make any promise, agreement or representation not incorporated into a Contract Document, and no promise, agreement or representation will bind TMPL unless so incorporated.

3. Language

Unless otherwise authorized by TMPL in writing, all records, report, specifications, drawings and other documentation shall be in English.

4. Document Control and Retention

- a) The Supplier shall control drawings, specifications and supplemental instructions and changes thereto, to ensure that only documents of the revisions specified in the Purchase Order are utilized.
- b) Supplier shall maintain a system to ensure removal of obsolete documentation from their manufacturing, inspection and test areas.



- c) The requirement for standard record retention is 7 years unless otherwise stated on the Purchase Order. TMPL customer terms and conditions for longer record retention requirements will be printed on each purchase order. All records must be retained as required and available for inspection and review by TMPL and / or their customer.

5. Material Control

- a) Where contractually indicated on the Purchase Order the Supplier is responsible to ensure that all material used in the manufacture or processing of the Purchase Order is obtained from end customer approved sources and has proper certification.
- b) The Supplier shall establish controls to ensure that material subject to age control, shelf life, or environmental controls is properly identified, monitored and maintained.
- c) The Supplier warrants that the goods do not contain any Conflict Minerals. For the purposes hereof, "Conflict Minerals" is defined as any other mineral or its derivatives determined to be financing conflicts in the Democratic Republic of Congo, Central African Republic South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola. These materials consist of but are not limited to:
- i. Columbite-tantalite (ore from which Tantalum is extracted)
 - ii. Cassiterite (ore from which Tin is Extracted)
 - iii. Wolframite (ore from which Tungsten is extracted)
 - iv. Gold
- d) The Supplier warrants that it is not supplying Counterfeit Parts, and Parts are Authentic. Parts are to be purchased from the Original Equipment Manufacturer and/or Authorized Dealer. A Counterfeit Part is an unauthorized copy or substitute that has been identified, marked or altered by an unauthorized source and has been misrepresented to be an authorized part of the legally authorized source. A part that a Supplier becomes aware of or has reason to suspect meets the definition of 'counterfeit part' requires the entire lot of parts to be considered suspect counterfeit and the entire lot must immediately be segregated and quarantined. The supplier must immediately advise TMPL of this occurrence. The supplier must assume responsibility for all costs associated with the delivery and use of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies shall apply regardless of whether the warranty period or guarantee period has ended. TMPL reserved the right to notify its customer, the Government Industry Data Exchange Program and other relevant government agencies.
- e) The supplier shall flow the requirements of this Material Control to its suppliers and sub-contractors at any tier for the performance of this contract.
- f) Supplier shall provide upon request from TMPL, the status of the supply chain policies and processes to meet the above requirements.

6. Substitutions and Subcontracting

- a) The Supplier may not subcontract the work or any portion of the work without prior written consent of TMPL.
- b) The Supplier may not make substitution of materials or processes (if different from the original specifications, drawings or data) without written acknowledgement and consent from TMPL.

7. Right of Access

TMPL, its Authorized Representatives and/or an authorized TMPL customer representative shall have right of entry at all reasonable times, to the Supplier and Subcontractor facilities, as may be necessary to verify the quality, records and / or material supplied and confirm Supplier compliance with Regulatory, Technical and Quality Program requirements as identified in the Purchase Order, and conduct audits.



8. Quality Requirements - General

- a) The Supplier shall maintain a quality program to ensure material and workmanship used in the Purchased Item fully meets TMPL Contract requirements.
- b) The Supplier will be responsible for and perform all inspection, testing and surveillance of its suppliers, subcontractors, and purchased items necessary to ensure the TMPL Purchased Item meets the requirements of the Contract.
- c) The Supplier shall extend all appropriate requirements of the Purchase Order to Subcontractors.
- d) Non-conforming material including fit, form, and function shipments shall be suspended, the non-conformance(s) shall be identified, and reports submitted to TMPL for disposition determination.
- a) All Aerospace products non-conforming communications must be documented in writing and records retained.
- e) 'Limited Life' material supplied per Purchase Order must be accompanied by the date of manufacture and the manufacturer's lot number and the expiration/cure dates.

9. Notification of Non-Conformance

The Supplier shall notify TMPL in writing, when:

- a) Product or processes to be provided by the TMPL supplier are found to be non-conforming to the specifications of TMPL, including TMPL customer's specifications that apply to the Purchase Order.
 - i. Nonconforming product shall not be forwarded to TMPL without advance disposition approval.
- b) Any changes to product, processes, suppliers and facilities in relation to all Aerospace products as identified by TMPL, may occur.
- c) The designated supplier approved by TMPL and / or its customer, is disapproved by the TMPL supplier.
- d) The designated supplier approved by TMPL and / or its customer, is disapproved by a Government Agency.
- e) The TMPL Supplier or its supplier, loses GCP (Controlled Goods Registration) and the authority to process Controlled Technology and Goods.

10. Disposition of Non-Conforming Products

- b) Disposition of non-conforming product will be reviewed by TMPL.
- c) No non-conforming product may be shipped to TMPL without prior written approval.
- d) For authorized shipments, a copy of the dispensation must accompany the shipment.
- e) All non-conforming material must be identified and traceable to the report submitted.

11. Documents to be Shipped with Products

- a) The Supplier must provide the certifications and documents specified in the Purchase Order. These may include: Certificate of Compliance, Manufacturer Certificate of Compliance, Distributor Certificate of Compliance, Mill Test Report and NAFTA Certificate of Origin, FAI.
 - i. The Certificate of Compliance must include supplier's name, print and specification numbers and their revisions, TMPL Purchase Order number, quantity shipped, all special requirements defined on the Purchase Order and waivers or deviations approved by TMPL.
 - ii. The certification of compliance may be in the form of a stamp or printed line included in the packing slip.
- b) Quality Assurance documents specified in the Purchase Order must be provided at the time of shipment of goods, in hard copy with the Products, via fax, or via email. These may include: Test Report, FAI or other measurement reports.



12. Product Requirements Regulated by AS9100, in addition to 8. Quality Requirements

- a) For Purchased Items regulated by AS9100 the Supplier shall maintain an accredited and documented Quality Management System such as ISO 9001, AS9100 that is subject to review, audit or approval by TMPL or TMPL customers.
- b) Manufacture and process to print requirements, all specifications referenced therein, and all Purchase Order requirements, including items as part marking, identification, inspection, stamps, certification, inspection records, etc. All special processes referenced on the Purchase Order, engineering drawings or specifications must be carried out by the OEM customer approved sources. TMPL will provide the approved source information.
- c) Manufacturing and Inspection Control are required. The Supplier's documented quality system shall provide for the review of the Purchase Order, Manufacturing, and Inspection Plans, to ensure quality requirements are incorporated into the planning, manufacturing, inspection and test instructions, as applicable, to assure compliance with the Purchase Order.
 - i. Supplier shall retain evidence of such review.
 - ii. Supplier shall utilize only written instruction plans for all manufacturing, processing and inspection operations.
 - iii. TMPL will provide to Supplier all required customer specifications, as requested.
- d) The Supplier shall submit a First Article Inspection (FAI) report for each deliverable item on the Purchase Order. This report may be in any report format of the Supplier's system, contain variable data for 100% of all print characteristics, account for 100% of all features including print notes and processes, and must be representative of production processes used. The FAI 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 the TMPL buyer, prior to or with the delivery of the first production lot. The Supplier shall retain a copy of the AS9102 FAI Report as evidence, for a period of 15 years. Products already accepted by FAI shall require a new FAI or detail FAI under the following conditions:
 - i. Print, specification, manufacturing process or production tool changes that could result in a change to the product configuration.
 - ii. Production tools (exclude assistant tools) reproduced or duplicated.
 - iii. A lapse in production for two years.
- e) Source Inspection will be carried out by an inspector of TMPL, the TMPL customer, or a regulatory agency at the Supplier plant, of all Purchased Items which are to be delivered to TMPL, if a source inspection requirement is specified on the Purchase Order. This includes witnessing of the Acceptance Tests.
- f) Verification by TMPL or (TMPL's customer) does not absolve the Supplier of the responsibility to provide conforming product and not preclude subsequent rejection by the customer.
- g) The Supplier who produces the parts shall not be allowed to perform any operation of welding restoration and correction unless the Supplier receives a written agreement from TMPL, except those the relevant specifications or prints incorporated into the contract specify.
- h) Shipment of all purchased items for which material(s) or coatings are purchased, must be accompanied by the certificate of compliance stating adherence to the TMPL OEM customer specification for each material and coating purchased, and must be purchased from or carried out by the approved source of the TMPL OEM customer.



- i) The Supplier acknowledges that upon acceptance of the TMPL purchase order, the supplier agrees to comply that all sources for the Supply and Manufacture for materials(s) and coatings to be purchased for this Purchase Order are approved by the respective OEM of the end item, and are also approved by the OEM for the relevant specification to which they are being purchased. In the event the Supplier breaches this requirement, Supplier shall assume sole and exclusive risk, all liability and expense whatsoever without limitation in the removal, re-supply and/or replacement of such materials from approved sources for the item(s) in question. Further in the event of such breach, TMPL expressly reserves all right and remedies if any, provided by this Purchase Order, in equity or at law. Shipment of all purchased items for which material(s) or coatings are purchased, must be accompanied by a copy of the material manufacturer's Certificate of compliance to the required specification(s).
- j) The Supplier Certificate of Compliance must be signed by an authorized member of the Supplier's Quality Organization and state "The parts conform in all respect to the Purchase Order / Contract, prints and applicable specifications" and contain the following information:
- i. Supplier's company name
 - ii. Print and/or specification number(s) and revision(s)
 - iii. Applicable process specification and revision status
 - iv. Serial number(s) and date code/lot number(s) as applicable
 - v. Waivers or deviations approved by TMPL
 - vi. TMPL Purchase Order number
 - vii. Quantity shipped
 - viii. Part Number and revision level as listed on TMPL Purchase Order if different from b)
 - ix. Statement of traceability
 - x. All special customer requirements that may be defined in customer special process specifications and/or customer clauses

The certificate of compliance must accompany the shipment of goods. Test coupons for special processes must accompany the shipment of goods and c of c. Examples are for welding, brazing, coating, surface conditions, non-destructive testing.

- k) **Batch Traceability:** All deliverable items on the Purchase Order must be traceable to the raw material batch and source from which they were produced.
- l) **Absolute Traceability:** Batch traceability and identification such as serialization of items on an order must be ensured and maintained at all times. All items must be traceable to all processes to which they have been subjected.
- m) The Supplier shall provide a functional test report for each Purchase Item shipped. The test report shall contain the actual results of all functional tests required by the Purchase Order, print, specifications or acceptance test procedure. (ATP).
- n) TMPL or our 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 for all Purchase Orders shall be kept on file for a minimum of 10 years from the shipment date and available for review by TMPL.
- o) Non-conforming parts including fit, form, and function shall be identified, and reports submitted to TMPL for disposition. No non-conforming material may be shipped without written authorization from TMPL. If the parts are authorized to ship by TMPL, a copy of the TMPL dispensation must accompany the shipment. All non-conforming material must be identified and traceable to the report submitted.
- p) 'Limited Life' material supplied per Purchase Order must be accompanied by a Certificate of Conformance signed by an authorized member of the Supplier's Quality Organization stating the date of manufacture and the manufacturer's lot number and the expiration/cure dates.



- q) Tooling manufactured for a Purchase Order must be physically identified with a TMPL part number, contract number and project identification as a minimum. Such data will be provided to TMPL upon request prior to shipment, to TMPL.
- r) The Supplier is to ensure their employees, suppliers and all relevant persons are aware
 - i. Of the importance of ethical behavior.
 - i. Of their contribution to product conformity.
 - ii. Of their contribution to product safety.

13. Warranty and Correction of Defects

- a) The Supplier is required to warranty the Purchase Item for a period of 12 months from defects, deficiencies and failures to meet the requirements of the Purchase Order Contract. Upon notification from TMPL the Supplier will make good every such defect, deficiency or failure without cost to TMPL. The Supplier will pay all transportation charges for parts both ways between the Supplier's factory or depot and the point of use.

14. Shipping and Packaging Instructions

All packages, boxes, crates, bundles, skids will be clearly and indelibly marked to show necessary shipping information. Packaging and Markings will be carried out by a method suitable to the type of Purchased Item and contain the following information:

- a) TMPL, TMPL address, TMPL Purchase Order number.
- b) The Supplier's shipment identification number, number of packages, crates, boxes and a detailed packing slip listing each separate item will be enclosed in a waterproof envelope and attached to each shipping container.

15. Delivery

- a) Title to the Purchased Item will transfer to TMPL free and clear of encumbrances of any nature at the time of delivery of the Purchased Item to TMPL at its plant.
- b) Time will be material and of the essence of the Contract.
- c) The Supplier will be responsible for ensuring the Purchased Item will arrive at the stipulated destination in accordance with the delivery schedule specified in the Purchase Order.
- d) In the event of a delay of default in performance by the Supplier, TMPL may at its discretion extend the time period for performance, upon conditions satisfactory to TMPL. Alternatively, in such event TMPL may cancel the Contract in whole or in part, without any further obligations of any nature to TMPL and seek satisfactory performance by alternate supplier. Any extension granted by TMPL will not prejudice its ability to exercise its cancellation rights in the event of further delay or default.

16. Contract Cancellation

TMPL may from time to time, without cause and without affecting the validity of the Purchase Contract, immediately cancel any uncompleted or unperformed work relating to the Purchased Item, in whole in part, by delivering a notice to this effect to the Supplier. Except to the extent any such cancellation arises in respect of any event of default by the Supplier, TMPL will pay the Supplier the amounts set out below, supported by any audit requested by TMPL including an audited performed by TMPL staff:

- a) Percentage of the value of the item as a restocking charge for standard stocked items
- b) Reimbursement at the Contract Price for all items completed and delivered



- c) Reimbursement for direct out of pocket costs to the Supplier for work relating to the Purchased item in progress directly incurred during the work relating to the Purchased Item, as can be verified in an audit for costs. For greater certainty, there will be no charge for items, which are not customer manufactured for the Contract. TMPL will not be liable to the Supplier for loss of anticipated profit or any other economic loss whatsoever on the cancelled portion or portions of the work relating to the Purchased Item.
- d) TMPL reserves the right to extend the ship date and (or) cancel any item in its entirety, with no penalty or cancellation charge, by giving written notice at least eight (8) calendar weeks prior to ship date
- e) The Purchase Order is subject to cancellation by TMPL with cancellation charge imposed by the supplier if the Purchase Items are not delivered in accordance with the schedule specified on the purchase order.

17. Terms of Payment

- a) Unless otherwise indicated on the Purchase Order:
- iii. All monetary amounts are stated in Canadian funds,
 - iv. The Contract Price includes all activities required to supply the Purchased Item and perform the work relating to the Purchased item and all customs duties, excise taxes, freight, insurance and all other changes in any cost of the work relating to the Purchased Item to the Supplier.
- b) Canadian Goods and Services Tax if applicable will be shown as extra and the Suppliers invoice must identify their 15-digit registration number for purposes of Part IX of the Excise Tax Act (Canada). Where Provincial Sales Tax is not applicable, TMPL will provide a proper Ontario Tax Exemption Certificate.
- c) TMPL's standard payment terms are net 30 days. Any changes to this will be specified on the Purchase Order. All payments are conditional on receipt and acceptance of the Purchased Item before the date payment is made. In addition, TMPL may withhold any payment if there remain outstanding any unresolved non-conformance issues.

18. Laws, Regulations and Subcontractors

The Supplier will comply with relevant federal, provincial and municipal statues, regulations and bylaws pertaining to the Work and its performance. The Supplier will be fully responsible for all acts and omissions of each Subcontractor and worker of the Supplier and each Subcontractor and any such acts and omissions will be deemed to be those of the Supplier.

19. Governing Laws

The Contract and the conduct of the parties with respect to the formation and performance of the contract are governed by and are to be construed and interpreted in accordance with the laws of Ontario and the laws of Canada applicable in Ontario. The parties irrevocably submit to the non-exclusive jurisdiction of the courts of Ontario and the Federal Court of Canada.

20. Confidentiality

Any confidential information, drawings, data, design, inventions, computer software and other technical information's supplied by TMPL shall remain the property of TMPL and shall be held in confidence by the Supplier. Such information will not be reproduced, used or disclosed to others by the Supplier without the prior written consent of TMPL and shall be returned to TMPL upon completion by the Supplier of its obligations under the Contract.