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TERMS AND CONDITIONS OF PURCHASE

1. **ACCEPTANCE.** These Terms and Conditions of Purchase and all documents referenced herein (collectively, the “Order”) is an offer by Marmon Aerospace & Defense, LLC (“Buyer”) to purchase the goods (“Goods”) and/or services (“Services”) and together with the Goods, the “Deliverables”) described in Buyer’s purchase order from the person or entity to whom the purchase order is addressed (“Seller”). Acceptance is limited to the terms of the Order. The Order is the only terms and conditions which govern the purchase of Deliverables by Buyer and supersede all prior and/or other contemporaneous terms and conditions, oral or written, and all other communications between the parties suggesting additional or different terms. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the provisions of the Order is hereby deemed material and objected to and rejected by Buyer. No terms of any document or form submitted by Seller shall be effective to alter or add to the provisions contained in the Order. Unless otherwise stated herein, Seller’s acknowledgment of the Order, shipment of Goods or commencement of any Services shall constitute acceptance by Seller of the Order and these Terms and Conditions.
2. **PRICES.** The prices are the lower of Seller’s prevailing prices or as stated on the Order and are otherwise fixed, firm and not subject to increase. Unless otherwise expressly agreed by Buyer in writing, the price includes all taxes (sales, use, excise, privilege, ad valorem, and other taxes, duties, tariffs and assessments now or hereafter imposed or levied) and charges for packing, hauling, storage and transportation to Buyer’s designated point of delivery. Any price reduction subsequent to the Order, but prior to payment will be applied to the Order. Buyer is not obligated to any minimum purchase or future purchase obligations under this Order. Forecasts, estimates and similar projections of Buyer are not binding and are not purchase commitments. Buyer shall have no obligation to purchase or otherwise compensate Seller for any of Seller’s finished products, work in process or raw materials not expressly covered by an Order issued by Buyer. If Seller sells or offers to sell any goods or services of the same or similar type as the Deliverables at a lower price and/or on more favorable terms or conditions to any other person or entity, Seller shall provide written notice to Buyer, whereupon Buyer shall have the option to have such more favorable price, terms and/or conditions applied to this Order and Orders thereafter.
3. **PAYMENT TERMS.** Seller shall issue an invoice to Buyer on or any time after the completion of delivery and acceptance of Goods or Services. Unless otherwise agreed to by Buyer in writing, Buyer shall pay all properly invoiced amounts due to Seller within 90 days after Buyer’s receipt of such invoice, except for any amounts disputed by Buyer. Discounts shall be taken from the later of the date of the receipt of a complete and accurate invoice or Buyer’s acceptance of the Goods or Services. Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller. No increase in the price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer.
4. **DELIVERY.** Time is of the essence. Unless otherwise agreed by Buyer in writing, all shipments are DDP (Incoterms 2020) and title and risk of loss/damage shall pass to Buyer in accordance with such freight terms. The Order must be shipped complete for delivery by the date requested. Seller shall deliver Goods in the quantities and on the date(s) specified in the Order. Buyer shall not be obligated to accept untimely, excess or under shipments and such shipments in whole or in part may, at Buyer’s option, be returned to Seller, or held for disposition, at Seller’s expense and risk.
5. **WARRANTIES; COMPLIANCE WITH LAWS.** Seller represents and warrants that (I) all Deliverables are and will be (a) in full conformity with specifications, drawings, samples, quantities, delivery schedules, and descriptions furnished or specified by Buyer; (b) free from defects in material, workmanship and design, (c) merchantable and fit and sufficient for the purposes intended; (d) free and clear of all liens, Claims (defined below in Section 7), security interests or other encumbrances; (e) free of claims of infringement or misappropriation of any third party’s intellectual property rights; (f) produced or provided in compliance all applicable foreign, federal, provincial, state, and local laws and regulations, as well as requirements and standards applicable to the Deliverables including without limitation REACH, RoHS and Prop. 65, as well as the United States’ Foreign Corrupt Practices Act of 1977, as amended from time to time, including the 1998 amendment (the “FCPA”) and the United Kingdom’s Bribery Act 2010 (“UKBA”); (g) that such Deliverables are free from any forced, convict, and child labor in the sourcing or production of the Deliverable as well as any of the components or raw materials used in the production of the Deliverable; and (h) that the Deliverable is not made in and is free of raw materials or components that would be prohibited importations under the provisions of the the Uyghur Forced Labor Prevention Act (“UFLPA”) (collectively, “Laws”); and (II) Seller shall (a) comply with all applicable Laws and Buyer’s prime contract (if any); (b) refrain from engaging in any illegal, unethical, or deceptive practices; and (c) comply with Buyer’s then-current Marmon’s Prohibited Business Practices Policy and Code of Business Conduct and Ethics Policy. To the extent the FCPA or the UKBA applies to Seller’s activities, Seller will be knowledgeable of, understand and fully comply with the mandates of the FCPA or UKBA as applicable. Buyer shall complete any questionnaire or other document reasonably requested by Seller relating to its business activities and Seller’s Goods. All warranties shall survive inspection, testing, delivery, acceptance, termination and payment and failure to inspect, test or discover any defect or other nonconformance. These warranties shall be in addition to all other warranties, express, implied or statutory. **NO ATTEMPT BY SELLER TO DISCLAIM, EXCLUDE, LIMIT, OR MODIFY ANY WARRANTIES OR SELLER’S LIABILITY FOR DIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SHALL BE OF ANY FORCE OR EFFECT.**
6. **INSPECTION.** All Deliverables are subject to inspection and testing by authorized representative(s) of Buyer and/or Buyer’s customers at all reasonable times and places, including during production. Buyer reserves the right to reject or revoke acceptance, in whole or in part, of Goods which fail to meet any requirement of the Order, notwithstanding inspection, testing, delivery, acceptance and/or payment and such Goods may, at Buyer’s option, be returned to Seller at Seller’s cost or held for disposition at Seller’s risk and expense. For purposes of clarification, Deliverables that are reasonably suspected by the Buyer or any government authority to be produced in whole or in part with forced, child, or prison labor, or are produced in whole or part in violation of the UFLPA, are considered to be defective merchandise and shall be disposed of at the Seller’s risk and expense.
7. **INDEMNIFICATION.** Seller, shall defend, indemnify, and hold Buyer, its affiliates and its and their respective officers, directors, members, shareholders, employees, customers, successors and assigns, harmless against any and all claims, demands, damages, losses, liabilities, lawsuits, dispute resolution, judgments, fines, settlements, penalties, costs and expenses, including without limitation all reasonable attorneys’ fees and litigation costs and the cost of enforcing any right to indemnification hereunder, and the cost of pursuing any insurance providers, whether direct, indirect, incidental, consequential, or otherwise (collectively, “Claims”) arising out of or relating to (i) the Deliverables (including death, injury and/or property damage); (ii) Seller’s actual or alleged act, omission, breach, negligence or failure to comply with the Order (iii) any Recall; (iv) actual or alleged infringement or misappropriation of any IP Right, defined below; (v) loss or damage to Buyer’s Property, defined below; and any claim that the Deliverable is reasonably suspected by the Buyer or any government authority of being produced in whole or in part with forced, child, or prison labor, or are produced in whole or in part in violation of the UFLPA. Seller shall not enter into any settlement or bind Buyer in any manner without Buyer’s prior written consent. This indemnification is in addition to the warranty obligations of Seller.
8. **INTELLECTUAL PROPERTY.** Seller represents and warrants that the manufacture, sale, performance and use of the Deliverables will not infringe any patent, copyright, trademark, trade secret, know how or other intellectual property or proprietary right (“IP Right”) of any third party. If all or any portion of the Goods are held to constitute an infringement and/or their use is enjoined for any reason, Seller shall promptly, and at its own expense, either procure for Buyer the right to continue using such Goods royalty-free or replace such Goods to Buyer’s satisfaction with non-infringing goods of equal quality and performance. If either of the foregoing options are not reasonably feasible, then Seller shall refund to Buyer a prorata portion of any fees paid.
9. **INSURANCE.** Seller shall obtain and at all times in which the Order is in effect and for no less than two (2) years thereafter, maintain at its cost insurance as designated by Buyer from time to time, but no less than insurance with insurers having a current A.M. Best rating of “A- VIII” or better: (1) Primary comprehensive or commercial general liability insurance with limits of at least \$2 million per occurrence combined single limit for bodily injury and property damage, with a \$2 million products and completed operations aggregate, and a \$2 million general aggregate, including coverage for: (i) Products and Completed Operations liability; (ii) Blanket Contractual liability; and (iii) Cross Liability endorsement or Severability of Interest clause; (2) Automobile liability insurance with limits of at least \$1 million combined single limit per occurrence, and must have Owned, Hired and Non-Owned vehicle coverage; (3) Umbrella liability insurance with limits of \$4,000,000 per occurrence and \$4,000,000 in the aggregate. Aggregate underlying policies must include General Liability, Auto Liability and Employer’s Liability. For those situations where Seller will be on-site at a Buyer location, Seller shall maintain: (i) all statutorily required Workers Compensation coverages and limits, and (ii) Employers Liability, including limits of: \$1,000,000 Each Accident for Bodily Injury; \$1,000,000 Each Employee Bodily Injury by Disease; \$1,000,000 Policy Limit by Disease. All insurance required shall: (1) be endorsed to insure Buyer, its officers, directors, employees, representatives and agents as additional insureds; (2) be endorsed to waive any rights of subrogation against Buyer; (3) provide contractual liability coverage to Seller for its indemnity obligations; and (4) be endorsed to provide that such insurance is primary to and non-contributory with any other insurance obtained by, for or on behalf Buyer, notwithstanding any “other insurance” provision contained within such policies. Seller shall provide written notice to Buyer no less than 30 days prior to the effective date of cancellation or material reduction of any required insurance coverage. Prior hereto and at any time upon reasonable



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request, Seller shall provide certificates of insurance to Buyer along with other documentation as may be reasonably required by Buyer to evidence the insurance coverages required herein. Except where prohibited by law, Seller shall require its insurer to waive all rights of subrogation against Buyer's insurers and Buyer Seller shall require its sub-suppliers and sub-tier contractors to maintain the same insurance coverage and limits as described herein. Compliance by Seller with the insurance requirements does not in any way affect Seller's indemnification of Buyer under Section 7. If this contract covers the performance of labor for Buyer, Seller agrees to furnish evidence satisfactory to Buyer that all liens have been released by all persons who have performed services or furnished materials under this contract.

10. **CHANGES.** No change to any Order is binding upon Buyer unless it is in writing and signed by both parties, and specifically states that it amends such Order. Buyer shall have the right at any time to make changes in drawings, specifications, quantities, materials, packaging, time and place of delivery, and method of transportation, and cancel an Order, in whole or in part, without liability. If any such changes result in an increase or decrease in the cost or the time required for performance, an equitable adjustment may be made by Buyer or Buyer may, at its option, terminate an Order if agreement on an adjustment cannot be reached. Claims for adjustment must be asserted by Seller within ten days of the change order. Seller agrees to accept any such changes.
11. **RECALL.** In the event that Buyer determines, in Buyer's sole discretion, that any defect, nonconformance or deficiency in any of the Goods requires a field campaign, recall, similar or other action ("Recall") to repair, replace or remediate any Goods or any of Buyer's products in which Goods are incorporated, Seller shall be liable to Buyer and its customers for all damages, costs and expenses with regard to the foregoing including, without limitation, attorneys' fees and court costs.
12. **FORCE MAJEURE.** Buyer shall not be liable for failure to take delivery of the Goods or to allow performance of the Services or to otherwise perform hereunder if such failure or inability is due to causes beyond Buyer's control.
13. **TERMINATION.** Buyer may terminate any Order, in whole or in part, without liability to Buyer at any time, if (i) Seller breaches the Order or fails to deliver the Goods or to perform the Services by the specified time; (ii) a petition initiating a proceeding under any applicable Law relating to bankruptcy, insolvency, or reorganization is filed by or against Seller; (iii) Seller is insolvent or executes an assignment for the benefit of creditors; (iv) a receiver is appointed for Seller or any substantial part of its assets; (v) Buyer is insecure with respect to Seller's ability to perform and Seller is unable to provide Buyer with adequate assurance of its ability to perform within five days after Buyer's request therefore; or (vi) Buyer provides no less than seven (7) days' written notice to Seller. Buyer's rights and remedies are cumulative, not exclusive and in addition to its rights and remedies at law, in equity or otherwise. No termination shall affect any accrued rights or obligations of either party as of the effective date of such termination. Upon receipt of notice of any termination, Seller shall, unless the notice directs otherwise, immediately discontinue all work.
14. **PROPERTY.** Title to and right of immediate possession of any property, including, without limitation, patterns, tools, jigs, dies, equipment and materials ("Buyer's Property") furnished or paid for by Buyer shall be and remain the sole property of Buyer. No articles made therefrom shall be furnished by Seller to any other person or entity without Buyer's prior written consent. Seller shall be responsible for maintaining adequate records and maintenance and protection of Buyer's Property and shall return Buyer's Property to Buyer immediately upon demand. Seller waives any lien rights or other rights to retain Buyer's Property and acknowledges that its obligation to return Buyer's Property upon demand is unconditional.
15. **AUDIT.** Buyer and its designees shall have the right to audit and inspect Seller and Seller's suppliers' records and facilities to determine Seller's and its supplier's compliance with the Order.
16. **NOTICES.** All notices to Buyer be given in writing and will be effective upon personal delivery, on the third day after mailing if sent by certified mail, postage prepaid, return receipt requested, or two business days after deposit if sent by a nationally recognized courier service which maintains evidence of the time, place and receipt of delivery, and in each case if addressed as set forth in the Order (or such other addresses a party may designate in writing from time to time).
17. **CONFIDENTIAL INFORMATION.** All non-public, confidential or proprietary information of Buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with the Order is confidential, solely for the use of performing the Order and may not be disclosed or copied unless authorized by Buyer in writing. Upon Buyer's request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to obtain injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) can be proven by competent evidence was known to the Seller at the time of disclosure; or (c) rightfully obtained by the Seller on a non-confidential basis from a third party. **BUYER MAKES NO WARRANTY WITH RESPECT TO ITS CONFIDENTIAL INFORMATION. ANY IMPLIED WARRANTIES THAT MAY EXIST WITH RESPECT TO ANY INFORMATION PROVIDED BY BUYER, INCLUDING ANY WARRANTY OF MERCHANTABILITY AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.**
18. **MISCELLANEOUS.** All waivers by Buyer shall be in writing. No delay or omission in the exercise of any right, power, or remedy of Buyer hereunder shall impair such right, power, or remedy or be considered to be a waiver of any default or acquiescence therein. Seller shall not assign any Order or any monies due or to become due from Buyer without Buyer's prior written consent. The Order shall be construed in accordance with the laws of the federal and state courts in the State of Illinois, Northern District, County of Cook, without regard to any rules on conflicts of laws. In case any one or more provisions contained in an Order shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Provisions which by their nature should survive will remain in force after any termination or expiration. The section headings contained herein are not part of the Order and are included solely for the convenience of the parties. If any term or provision of the Order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of the Order or invalidate or render unenforceable such term or provision in any other jurisdiction. Provisions of the Order which by their nature should apply beyond their terms will remain in force after any termination or expiration of the Order. The parties agree that for any transactions, Orders may be transmitted electronically, and any document created pursuant to an Order may be maintained in electronic format; a copy of which shall be considered an original. Neither party shall raise any objection to the authenticity of any Order nor any document created thereto based on the use of an electronic order or the use of an electronic copy.

Additional Terms and Conditions of Purchase:

19. Tolerance of +/-10% applies to each line of all Purchase Orders unless otherwise noted.
20. Supplier shall acknowledge Purchase Order with confirmation date upon receipt and shall interact directly with the Marmon A&D Buyer for any issues pertaining to the Purchase Order, terms and conditions and/or quality clauses.
21. We require you to inform Marmon Aerospace & Defense of any changes or modifications in product, equipment, manufacturing process, external providers, and/or location and, as applicable, to obtain Marmon Aerospace & Defense approval prior to any such change.
22. No products should be delivered and no services should be performed prior to the delivery date agreed to in the Purchase Order without prior consent of Marmon Aerospace & Defense.
23. Suppliers shall be able to demonstrate their employees have the required competence for assigned tasks based on training, education, or experience.
24. Marmon Aerospace & Defense will monitor quality, on-time delivery, and other data for critical suppliers and communicate issues requiring corrective action, as applicable.
25. Buyer and its designees (including but not limited to their customer and regulatory authorities) shall have the right of access to audit and inspect Seller and Seller's suppliers' records and facilities to determine Seller's and its supplier's compliance with the Order. Any other validation activities will be included in the Purchase Order.
26. Products and Services must comply with Purchase Specifications and/or special requirements, critical items, or key characteristics as noted in the Purchase Order.
27. When applicable, seller shall provide Certificates of Conformance and Analysis and Test Data Results for materials supplied to Marmon Aerospace & Defense.
28. Suppliers shall use statistical techniques for product acceptance when indicated in the Purchase Order or Purchase Specification.
29. Marmon Aerospace & Defense requires products or services to be manufactured/supplied per the requirements of your registered/accredited quality management system, as applicable (e. g., ISO 9001, AS9100, ISO 17025).



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30. If noted on the Purchase Order or Purchase Specification, suppliers shall use customer-designated or approved external providers, including process sources.
31. Marmon Aerospace & Defense requires our suppliers to inform us of any nonconforming product and, as applicable, to obtain Marmon Aerospace & Defense approval prior to shipment.
32. Seller shall not deliver any Products to Marmon Aerospace & Defense containing any counterfeit parts, and agrees to comply with the Marmon Aerospace & Defense Counterfeit Parts Prevention Policy (see www.marmon-ad.com/reference/index.php).
33. Marmon Aerospace & Defense requires our suppliers to pass down any and all applicable requirements from this Purchase Order to your suppliers, including critical quality characteristics and customer requirements.
34. Marmon Aerospace & Defense requires our suppliers to provide Test Specimens, as applicable.
35. Marmon Aerospace & Defense requires suppliers to retain Test Data Results and Certificates of Conformance and Analysis for a period of not less than 7 years. Suppliers that manufacture the product shall retain physical Test Specimens for a period not less than 1 year. Suppliers shall dispose of documentation and samples in an appropriate manner.
36. Suppliers shall ensure personnel performing work on behalf of Marmon Aerospace & Defense are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
37. Marmon Aerospace & Defense requires your company's compliance with all applicable Product Stewardship Initiatives, such as RoHS, REACH, and The Dodd-Frank restrictions on the use of Materials sourced from Prohibited Regions (Conflict-free). As applicable, we require you to provide evidence of your company's Environmental Initiatives, and Certificates of Conformance with Regulations and Restrictions.
38. Marmon Aerospace & Defense requires that all of our suppliers conduct their business in compliance with all applicable laws governing trade, manufacturing, labor, environmental hazard controls, and all other known restrictions or initiatives enforced to ensure the ethical integrity of our supply chain.