



GENERAL TERMS AND CONDITIONS OF PURCHASE

The following general terms and conditions apply to all purchase orders and contracts issued by Smith & Company, L.L.C. (Smith & Co.), unless otherwise noted. Specific Smith & Co. Quality Requirement Clauses (QRCs) apply when noted on the purchase order (PO).

1. ACCEPTANCE

Acceptance of this PO, initiation of any work, or the furnishing of any product or service constitutes unconditional acceptance of the PO and all applicable terms and conditions. Any conflicting terms proposed by Supplier shall be of no effect unless expressly agreed to in writing by Smith & Co.

2. SCOPE OF WORK & PERFORMANCE

Supplier is responsible for delivery of products and/or performance of services under the PO, as applicable. If PO includes a Statement of Work (SOW), (i) Supplier is responsible for meeting all requirements specified therein and (ii) Supplier is prohibited from subcontracting any part of the SOW to third parties without Smith & Co.'s prior written authorization. In the event Smith & Co. provides such authorization, the supplier will be bound by all obligations herein, including adherence to all export control requirements.

Supplier shall give Smith & Co. no less than 30 days prior written notice in the event of any changes, including, but not limited to, any (i) organizational, operational, or other changes which may affect supplier's performance of the PO; (ii) relocation of any of the supplier's facility involved in performance of the PO; (iii); transfer of any significant part of the relevant process or manufacturing operations from one facility to another; (iv) significant changes to supplier's workforce; or (v) refusal, suspension, withdrawal, or revocation of a relevant quality or capabilities, systems, or approvals.

3. PRICING

Unless stated otherwise in the PO or otherwise agreed in writing by a duly authorized representative of Smith & Co., all PO prices are considered firm and stated in United States Dollars, and all invoices issued by supplier and payments made by Smith & Co. shall be in United States Dollars. Suppliers shall not charge Smith & Co. prices higher than those stated in the PO unless authorized by a written change order or notice issued and signed by a duly authorized representative of Smith & Co. Supplier warrants that the prices charged for products and/or services under the PO are the lowest prices charged by the supplier to any other customer for substantially similar products and services under similar conditions. If supplier charges any other customer a lower price for such similar products and/or services, supplier shall notify Smith & Co. and apply that price to the products and services under Smith & Co.'s PO.

4. INVOICES, PAYMENTS & TAXES

Unless stated otherwise in the PO, supplier shall not issue an invoice, and Smith & Co. shall not make any payments to supplier prior to delivery of products or completion of services. Supplier's invoice shall identify Smith & Co.'s PO number, PO line-item number(s), part number(s), description(s), invoiced quantity, billing period, cumulative amounts, and agreement. Shipping charges, applicable taxes, or any other charges Smith & Co. has agreed to pay and not furnished an exemption certificate must be itemized separately on supplier's invoices. Unless these charges are itemized, Smith & Co. may take any applicable discount based on the full amount of each invoice. Supplier agrees to book and record, or such parts thereof as may relate to the performance hereunder, shall at all reasonable times be subject to inspection by a duly authorized representative of the United States Government. Smith & Co. shall make payment to supplier within thirty (30) days of receipt of a correct invoice for products delivered or services performed and accepted by Smith & Co. unless the PO specifies different payment terms, in which case the payment terms specified in Smith & Co.'s PO shall apply. Unless otherwise authorized by Smith & Co., the payment due date for products delivered or services performed early by the supplier shall be calculated based on the delivery schedule specified in Smith & Co.'s PO. Any payment discount offered by the supplier shall be computed from the latter of (i) the date of delivery or (ii) the date an accurate invoice is received by Smith & Co. To earn a discount, payment shall be deemed to have been on the date Smith & Co.'s check/payment is mailed, or date funds are electronically transferred to the supplier's account. Except as otherwise specified in Smith & Co.'s PO or unless prohibited by



law, Supplier shall pay all federal, state and local sales, use, excise, or other taxes that may be levied upon any products and services or the parties hereto, by reason of the sale, delivery, or use of the products and services. All taxes of any nature invoiced to Smith & Co. must be specifically identified and itemized separately. If any tax, or portion thereof, included or added to the price paid by Smith & Co. to the supplier is subsequently refunded to the supplier, the supplier shall promptly pay Smith & Co. the amount of said refund.

5. WARRANTIES

Supplier warrants that all goods and services provided under this PO will conform strictly to all specifications, drawings, and descriptions provided by Smith & Co., and will be free from defects in materials, workmanship, and design. Supplier further warrants that the products shall be fit for their intended purpose. In the event of a recall necessitated by a defect in material or workmanship, the Supplier shall assume full responsibility for all recall-related costs, including replacement parts and associated labor.

6. AMENDMENTS

No amendments or modifications to this PO shall be binding unless set forth in a written PO Change Notice approved by Smith & Co. Suppliers must submit any change requests in writing prior to acceptance or performance of the PO.

7. RECORD RETENTION

Suppliers shall retain all records related to this PO for a minimum of ten (10) years or as otherwise required by law or regulation. All records shall be made readily available for review by Smith & Co. and their customer upon request. All records shall be adequately protected from loss of confidentiality, improper use, and loss of integrity. All records shall be adequately stored and preserved to include legibility. All print and electronic changes shall not detract from what was changed.

8. SCHEDULES & DELIVERY

Supplier is responsible for delivery in accordance with the schedule stated in the PO. Any proposed changes to the schedule must be submitted in writing and approved by Smith & Co. in advance. If the Supplier fails to deliver on time and such delay is not excused under a Force Majeure clause, Smith & Co. may terminate the PO in whole or in part without liability and procure substitutes at Supplier's expense.

9. CANCELLATION

Smith & Co. may cancel this PO at any time prior to receipt of goods or completion of services without liability. If cancellation occurs after work has commenced, Smith & Co. will only be liable for reasonable, documented, and non-recoverable costs incurred up to the date of cancellation, not to exceed the PO amount. Final invoicing shall reflect any agreed adjustments via PO Change Notice.

10. PACKAGING, MARKING & DOCUMENTATION

If any special/specific packaging and marking requirements are noted in the PO, the supplier shall meet said requirements. Otherwise, the supplier shall package all products to prevent damage or deterioration during transit, using best commercial practices or as specified by Smith & Co. Shipments must be free from foreign object debris (FOD).

Each shipment document shall include at a minimum:

- Supplier company name, address, and contact
- Shipper number and date
- Smith & Co. PO number and PO line number
- Part number, serial number (if applicable), and description
- Quantity and unit of measure
- Unit price

11. NONCONFORMING PRODUCTS & SERVICES



Smith & Co. may reject and return nonconforming products and services for rework, replacement, or credit at Supplier's sole expense. Suppliers shall be responsible for all costs associated with nonconforming products and services, including scrap, rework, repair, and administrative costs. A failure analysis may be required and must include:

- Supplier name, address, and contact
- Shipper number and date
- Smith & Co. PO number.

Smith & Co. reserves the right to audit corrective and preventive actions and to suspend Supplier from the approved supplier list (ASL) for material or repeated nonconformances.

12. COUNTERFEIT PARTS

Herein a "Part" means any material, product, component, device, module, assembly, subassembly, or the like sold or delivered by the supplier to Smith & Co. either as product or as a constituent part of a product. "Counterfeit Part" means a Part that is (i) an unauthorized copy or substitute that has been identified, marked, and/or altered by a source other than the Part's legally authorized source and/or has been misrepresented to be an authorized item of the legally authorized source, and/or (ii) previously used parts provided or represented as "new." A Part is a "Suspect Counterfeit Part" if visual inspection, testing, or other information provides reason to believe that the Part may be a Counterfeit Part. As used herein, "authentic" means (i) genuine; (ii) from the legitimate source claimed or implied by the marking and design of the Part offered; and (iii) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the Part. Supplier represents and warrants that only new and authentic Parts and materials are used in products ordered by Smith & Co. and that said products contain no Counterfeit Parts. No other Part other than a new and authentic Part shall be used unless approved in advance in writing by Smith & Co.'s duly authorized representative. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, supplier shall only purchase authentic parts/components directly from original equipment manufacturers (OEMs) and original component manufacturers (OCMs) or through the OEM's/OCM's authorized distributors. Supplier shall make available to Smith & Co., upon request, OEM/OCM documentation that authenticates traceability of the Parts to the applicable OEM/OCM. Purchase of Parts from independent distributors is not authorized unless first approved in writing by Smith & Co.'s duly authorized representative. Supplier shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification to Smith & Co. and Smith & Co.'s written approval before Parts is procured from sources other than OEMs/OCMs or through the OEM's/OCM's authorized distributors. Supplier shall provide copies of such documentation for its system for Smith & Co.'s inspection upon request. Supplier's system shall be consistent with required industry standards when applicable to contracts, including, at a minimum, AS5553, AS6081, & AS6174 for the detection and avoidance of Counterfeit Parts and Suspect Counterfeit Parts. Acceptance of Smith & Co.'s PO constitutes confirmation by the supplier that it is the OEM, OCM, or a franchised or authorized distributor of the OEM/OCM for the product procured under the PO. Supplier further warrants that OEM/OCM acquisition documentation that authenticates traceability of the Parts is available upon request. Should the supplier become aware of a confirmed or suspect Counterfeit Part that, by any means, has been delivered to Smith & Co. and/or Smith & Co.'s customer or acquired for Smith & Co.'s PO whether or not delivered to Smith & Co. and/or their customer, supplier shall notify Smith & Co. in writing as soon as possible but not later than five (5) days of such discovery. Supplier shall verify receipt of this notification by Smith & Co. This requirement shall survive expiration or completion of Smith & Co.'s PO. Suppliers shall be liable for cost of Counterfeit Parts and Suspect Counterfeit Parts and the cost of rework or corrective action that may be required by Smith & Co. and/or their customer to remedy the use or inclusion of such Parts. Supplier shall quarantine remaining Suspect Counterfeit Parts and Counterfeit Parts, in inventory and make them available for investigation by appropriate government authorities. Supplier shall follow this section's requirements to its subcontractors and suppliers at any tier for the performance of Smith & Co.'s PO. Suppliers, its subcontractors, and its sub-tier suppliers should become a member of GIDEP and/or similar industry informational resource.

13. STOP WORK



Smith & Co. may direct supplier to stop work at any time on its PO for up to ninety (90) days with receipt of written notice from Smith & Co., or for a longer period agreed upon by Smith & Co. and the supplier. In such event, supplier shall take reasonable steps to minimize incurred costs allocable to Smith & Co.'s PO during the work stoppage period. Within such period, Smith & Co. shall either terminate the PO or any of its line items in accordance with the termination provisions herein or direct supplier to continue performance of the PO by providing supplier with written notice. In the event a stop work continues beyond the ninety (90) day period, an equitable adjustment to price, delivery schedule, or other provision(s) to the extent impacted by the stop work shall be made in accordance with the principles of the Changes section.

14. CHANGES

Smith & Co. may at any time, by a written change order or similar instrument issued by a duly authorized representative of Smith & Co., may make changes within the general scope of the PO including, but not limited to, changes to (i) specifications, drawings, designs, or description of services; (ii) method of shipment or packaging; (iii) reasonable adjustments in quantities or delivery schedules or both; and (iv) place of delivery. Supplier shall comply promptly with said directions. If Smith & Co.'s change order causes an increase or decrease in the cost of performance or in the time required for performance, an equitable adjustment may be made to the PO price and/or delivery schedule and Smith & Co.'s PO shall be modified in writing accordingly. Any claim for adjustment under this section shall be deemed waived unless asserted in writing within twenty (20) days from the date of receipt by the supplier of the change order, provided, however, that Smith & Co. in its sole discretion may receive and act upon such claim submitted at any time prior to final payment under the PO. Any such claim must set forth the amount of any increase or decrease in the cost of performance resulting from the change in the format and detail reasonably specified by Smith & Co. Failure to agree upon an equitable adjustment shall not relieve supplier from proceeding without any delay in performance of Smith & Co.'s PO as changed. Where the cost of product made obsolete or excess because of the change is included in supplier's claim for adjustment pursuant to this section, Smith & Co. shall have the right to prescribe the manner of disposition of such property. Smith & Co.'s respective personnel may render assistance, give technical advice, or exchange information with supplier personnel in relation to Smith & Co.'s PO. Such assistance, advice, and/or exchange of information shall not be construed as Smith & Co.'s consent or authority to effect any changes to its PO or the products and services provided thereunder. Under no circumstances shall any resulting change in products and services or provisions of Smith & Co.'s PO be binding upon Smith & Co. unless incorporated as a change. Supplier shall provide Smith & Co. with prior written notice not less than sixty (60) days of any organizational, operational, or other changes any organizational changes that may affect supplier's performance of Smith & Co.'s PO to include but not limited to: (i) relocation of any of supplier's facilities involved in the manufacture products or rendered services to Smith & Co.'s PO; (ii) any significant changes in the supplier's processes or manufacturing operations affecting the products and services; (iii) any significant changes to supplier's workforce impacting Smith & Co.'s PO; (iv) any changes to suppliers, subcontractors, or sub-tier suppliers; and (v) the refusal, suspension, withdrawal, or revocation of a relevant quality or manufacturing approvals or certifications.

15. INDEMNIFICATION & INSURANCE

Supplier shall defend, indemnify, and hold harmless Smith & Co., its affiliates, officers, employees, and agents from and against all claims, damages, liabilities, and expenses arising from Supplier's performance or breach of this PO. Supplier shall maintain, at its sole cost, the following minimum insurance coverage:

- General Liability
- Product Liability
- Workers' Compensation
- Property Damage

Coverage shall be no less than \$1,000,000 per occurrence unless otherwise specified. Upon request, Supplier shall provide certificates of insurance naming Smith & Co. as an additional insured.

16. TOOLING



All tooling, dies, gauges, fixtures, and patterns furnished or paid for by Smith & Co. shall remain of the property of Smith & Co. Supplier shall maintain tooling in good working condition and return it upon request, F.O.B. Supplier's facility. No disposal or modification shall occur without prior written approval.

17. EXTRA CHARGES

No additional charges, including but not limited to packaging, handling, setup, or storage, shall be permitted unless agreed to in writing by Smith & Co.

18. ADVERTISING

Supplier shall not use Smith & Co.'s name, trademarks, or any reference to this agreement in promotional or advertising materials without prior written consent.

19. FLOWDOWN REQUIREMENTS

Supplier shall flow down all applicable requirements of this PO to sub-tier suppliers, including quality requirements, specifications, and ITAR controls. Supplier is responsible for managing sub-tier performance.

20. EXPORT COMPLIANCE

Smith & Co.'s PO may involve technical data subject to the U.S. International Traffic in Arms Regulations (ITAR). Supplier shall not export, re-export, or disclose such data to foreign persons without prior authorization from the U.S. Department of State. Violations may result in criminal and civil penalties. Information provided to the supplier under Smith & Co.'s PO may contain technical data, as defined in ITAR Section 120.10. Supplier is advised and hereby acknowledges that such technical data, relating to export-controlled items appearing on the U.S. Munitions List (USML) at ITAR Section 121, may not be exported, disclosed, or transferred, as defined in ITAR Section 120.17, to any foreign person (whether in the United States or abroad), as defined in ITAR Section 120.16, without first complying with all relevant requirements of ITAR Sections 120-130 (22 CFR 120-130), including the requirement for obtaining any written export authorization from the United States Department of State, Directorate of Defense Trade Controls (DDTC), or otherwise make and document the determination that an ITAR licensing exemption applies, as the case may be. A downloadable copy of the ITAR is accessible at DDTC's Public Portal.

21. COMPLIANCE WITH STATUTORY AND REGULATIONS

Supplier warrants and represents that the provision and shipment of products and/or the provision of services or work to be performed by Supplier under Smith & Co.'s PO comply with all applicable federal, state, and local laws, orders, rules, ordinances, and regulations including, but not limited to, (i) the Equal Employment Act of 1972 and regulations thereunder; (ii) the Fair Labor Standards Act of 1938, as amended; (iii) orders of the U.S. Department of Labor, as applicable; (iv) all U.S. and international prohibitions on child labor, forced labor, slavery, and human trafficking; and (v) all laws and regulations of Supplier's place of performance. Suppliers that furnish any materials identified on any governmental agency's list of hazardous substances must furnish a Safety Data Sheet (SDS) with the delivery of the material in a form and manner that conforms with the requirements of such governmental agency. Supplier warrants and represents that it has and shall maintain all registrations, licenses, certifications, and permits required for the performance of Smith & Co.'s PO. Supplier shall not offer or give a kickback or gratuity (in the form of entertainment, gifts, or otherwise) to any Smith & Co. employee for the purpose of obtaining or rewarding favorable treatment. By accepting Smith & Co.'s PO, supplier warrants and represents that it has not made or solicited, and shall not make or solicit, kickbacks in violation of the United States Foreign Corrupt Practices Act (FCPA), 15 U.S.C. §§ 78dd1 through 78dd3, as amended, the Anti-Kickback Act of 1986 (41 USC 51-58), the anticorruption laws, regulations and policies of the home country of supplier, and/or the anticorruption laws, regulations and policies of any other country with jurisdiction over the activities in the performance of Smith & Co.'s PO. All the provisions stated throughout this section are incorporated by reference as part of Smith & Co.'s PO. Any modification or amendment to Smith & Co.'s PO is deemed a re-certification of the accuracy and truthfulness of the foregoing representations and warranties herein. If at any time the supplier becomes aware of information or circumstances that suggest any of the representations, warranties, and covenants referenced in this section may not be accurate, it shall immediately notify Smith & Co. in writing, but not more than five (5) days after being made aware of such



circumstances. Supplier agrees to indemnify Smith & Co. against any loss, cost, liability, or damage whatsoever, including attorney's fees, which may result from the supplier's violation of this section.

22. ADMINISTRATIVE FEES FOR NONCONFORMANCE

Smith & Co. reserves the right to assess a \$250 administrative fee for each shipment of nonconforming product. This fee covers the cost of internal nonconformance reporting and does not include any additional scrap, repair, or rework charges that may also apply.

23. RIGHT OF ACCESS

Smith & Co., its customers, and regulatory authorities reserve the right to access Supplier's, and their sub-tier supplier's facilities and records related to this PO at any tier of the supply chain.

24. FORCE MAJEURE

Neither party shall be liable for delays or failures in performance resulting from events beyond their reasonable control, including acts of God, natural disasters, labor strikes, war, terrorism, or governmental restrictions. The affected party must promptly notify the other of any such event.

25. CONFLICT MINERALS

At Smith & Co.'s request, the supplier shall determine whether any of its products contain tin, tantalum, tungsten, gold, or any other materials designated under applicable rules of the United States Securities and Exchange Commission (SEC) as a "conflict mineral." If no product contains one or more conflict minerals necessary for the functionality or production of said product within the meaning of applicable SEC rules and interpretations, the supplier shall, upon request, certify the same to Smith & Co. If any product contains one or more conflict minerals, the supplier shall provide certification to Smith & Co. the country of origin of any conflict mineral(s) or that the conflict mineral(s) came from recycled or scrap sources within the meaning of those terms under the applicable SEC rules. If the supplier is unable to identify the country of origin, and the conflict mineral(s) in question did not come from recycled or scrap sources, supplier shall in good faith conduct an inquiry of its relevant suppliers as to the country of origin of such conflict mineral(s), and such inquiry shall comply with then existing standards under SEC rules for the conduct of a reasonable country of origin inquiry. If the supplier is or becomes aware any conflict mineral(s) that are necessary to the functionality or production of any products originated from a "covered country" within the meaning of the SEC's conflict minerals rules and did not come from recycled or scrap sources, the supplier shall make a good faith effort to determine whether such conflict minerals came from a processing facility certified as conflict free by a recognized industry group that requires an independent private sector audit of the smelter or from an individual processing facility that has obtained an independent private sector audit that is publicly available, and to provide written documentation of such determination. Seller should also take such additional actions and provide such additional information as requested by Smith & Co. as may be necessary for Smith & Co. to be or remain compliant with applicable laws, rules, and regulations relating to conflict minerals.

26. GOVERNING LAW & VENUE

This PO and any dispute arising from it shall be governed by the laws of the State of Alabama. Venue shall be in the state or federal courts located in Jefferson County, Alabama.

27. INTELLECTUAL PROPERTY

All intellectual property, data, and deliverables developed or created in connection with this PO shall be the exclusive property of Smith & Co. unless otherwise agreed in writing.