



Effective: 4/9/2024

Terms and Conditions of Purchase

1. Acceptance. These Terms and Conditions of Purchase, together with C & M Machine Products, Inc.'s ("Buyer") purchase orders or other order documents (each a "Buyer Order" collectively "Buyer Orders") (these Terms and Conditions of Purchase together with Buyers Orders the "Agreement") shall apply to Buyer's purchase of products and services from its suppliers and subcontractors. By referencing the Agreement, by supplying products and services, or by accepting payment for products and services, any individual or entity supplying such products and services ("Supplier") agrees that the terms and conditions of the Agreement supersede any terms and conditions on Supplier's quote, website, invoice, or on any other Supplier document ("Supplier Terms and Conditions"). Supplier Terms and Conditions are rejected since Buyer Orders are expressly limited to acceptance of the terms of the Agreement.

2. Prices. Supplier will sell to Buyer all of Buyer's requirements for the products and services at the prices set forth on Buyer Orders. Prices will remain firm for the length stated in the Buyer Orders. The prices stated in Buyer Orders include all present and future taxes applicable to the Buyer Orders, and the same shall be paid by Supplier.

3. Payment. Payment of invoices will be calculated from the date acceptable invoices conforming to the applicable Buyer Order are received at Buyer's designated offices or from the date of receipt of acceptable products and/or services by Buyer, whichever is later (the "Invoice Calculation Date"). Payment terms are net forty-five (45) days from the Invoice Calculation Date. Buyer shall be entitled at all times to set off any amount owing at any time from Supplier to Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with Buyer Orders.

4. Delivery. Supplier shall deliver the products and services to Buyer on the delivery dates stated on the applicable Buyer Order. Whenever any actual or potential cause delays or threatens to delay the performance of a Buyer Order, Supplier shall immediately notify Buyer in writing. Such notice shall include all relevant information concerning such cause of delay and its background. Supplier shall keep Buyer advised during the period such actual or potential cause exists of its effect on the schedule or work and shipments or deliveries and of the measures being taken to remove it. Time is of the essence with Buyer Orders. Failure to tender conforming products and services by the delivery date specified in the applicable Buyer Order shall constitute a breach by Supplier, and Supplier shall indemnify, defend, and hold Buyer harmless from all damages sustained by Buyer as a result of Supplier's failure to meet the delivery dates.



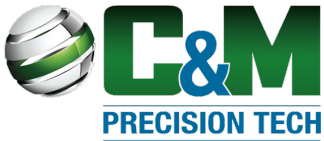
5. Shipping. All products shall be packaged and packed adequately by Supplier to ensure arrival at the destination in an undamaged condition. All export shipments must be protected to prevent damage in transit and meet all export shipping requirements. Shipping terms for international shipments are FCA and shipping terms for domestic shipments are FOB destination.

6. Changes. Buyer may at any time, by written request, make changes within the general scope of a Buyer Order in any one or more of the following areas: drawings, designs, or specifications pertaining to a Buyer Order, method of shipment or packing, place of delivery; and the number of products to be made available by Buyer for use by Supplier in performance of such Buyer Order. If any such change causes an increase or decrease in the cost of, or the time required for, performances of any part of the work, an equitable adjustment shall be made in the Buyer Order price, the delivery schedule, or both. Any claim by Supplier for adjustment under this clause must be asserted within sixty (60) days from the date of receipt by Supplier of the notification of change. Buyer will have the right to check all claims hereunder at any reasonable time or times by inspecting and auditing the records, facilities, work, or materials of Supplier relating to a Buyer Order. Supplier agrees to inform Buyer of any changes to the product or process used to manufacture the product.

7. Inspection.

(a) All materials and articles will be new unless otherwise specified, and all materials and workmanship shall be subject to inspection and approval by Buyer, its customers, or their assigned inspection agencies and/or a governmental or quasi-governmental body. Buyer shall have the right to inspect and test the materials and workmanship of all products at all times and places, including, when practicable, during manufacture; and if any such inspection or test is made on the premises of Supplier, Supplier shall furnish without additional charge all reasonable facilities and assistance for a safe and convenient inspection or test. Each Buyer Order will be subject to final inspection and acceptance by Buyer at the final destination specified by Buyer in the corresponding Buyer Order, notwithstanding that title may have been passed to Buyer, that Buyer may have made a prior payment or that Buyer or its customers may have performed some type of source inspection. Any inspection or approval at Supplier's plant or elsewhere during or after manufacture, whether or not such inspection or approval be provided for by the terms of this Buyer Order, shall be provisional only and shall not constitute final acceptance or be construed as a waiver of the forgoing right of inspection and approval or rejection after receipt of the materials or articles by Buyer. Should a source inspection be requested by Buyer, Buyer's customers, or regulatory authorities at a Supplier's facility, such source inspection shall be granted.

(b) Buyer and Buyer's customers, including the United States Government and regulatory authorities, shall have the right upon ten (10) days prior written notice during normal business



hours to audit and reproduce Supplier's records in instances including, but not limited to: (i) in the event of cancellation, termination, or default; (ii) in connection with any equitable adjustment request; (iii) to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of the Agreement; (iv) where the terms of the Agreement or any resulting Buyer Order or applicable law, regulation, or standard entitle Buyer and/or Buyer's customers to audit Supplier's records or facilities, including the records or facilities of Supplier's assignees and subcontractors, if any; (v) in connection with internal investigations of alleged violations of applicable law including, but not limited to, the United States Foreign Corrupt Practices Act; or (vi) in the event of any litigation. Supplier shall keep reasonably detailed records of all costs related to the performance of the Agreement and all Buyer Orders hereunder for a period of no less than six (6) years from the date of final payment or expiration of any product or services warranty or support, whichever is later. Supplier shall provide Buyer, Buyer's customers, and regulatory authorities' access to all applicable records and all facilities associated with the Agreement.

(c) Supplier shall maintain all records (including but not limited to all process, inspection, and testing records) for a minimum of seven (7) years. These records must be made available to Buyer or their customers upon request.

8. Sources. Upon Buyer's written request, Supplier shall provide a report of all sources outside the United States utilized by the Supplier and its lower-tier subcontractors in fulfilling the Agreement or any Buyer Order, including the names and locations of the sources and a description of the products or services obtained from such sources. Every article of foreign origin shall be marked in a conspicuous place stating the English name of the country of origin.

9. Rejection. In case any products delivered hereunder are defective in material or workmanship or otherwise do not conform with the drawings, specifications, samples, specified delivery schedule and/or other descriptions, Buyer shall have the right to return such products to Supplier for credit and/or refund and such products shall not be replaced or repaired by Supplier except upon written instructions from Buyer, excepting however, those products which Buyer and Supplier agree in writing shall be repaired by Buyer at Supplier's expense. In addition, should Buyer, in its sole discretion, need to sort or rework any products delivered hereunder, Buyer shall have the right to do so, and Supplier hereby agrees to pay any such amount within ten (10) days of receipt of such relevant invoice. Any and all returns shall be made F.O.B. Shipment, and Supplier shall have all risk of loss from and after the time of shipment. The inspection rights set forth herein are in addition to and not in limitation of any other rights and remedies, and the failure of Buyer to exercise its right to reject any products shall not by implication or otherwise cause a waiver of any such other rights or remedies. Any products returned to Supplier for credit or refund, and not repaired by Supplier pursuant to written instructions from Buyer, shall be



destroyed by Supplier. No products returned to Supplier by Buyer hereunder may be resold or disposed of to any other person or entity.

10. Quality Management System. Supplier shall maintain a quality management system that adequately ensures that all products and services will meet the specified requirements. Supplier must notify Buyer of any changes to its quality management system or certifications. Supplier shall permit Buyer to review procedures, practices, processes, and related documents to determine such acceptability. Supplier shall have a continuing obligation to promptly notify Buyer of any violation or deviation from Supplier's approved inspection/quality management system and to advise Buyer of the quantity and specific identity of any products or services provided to Buyer during the period of any such violation or deviation. If the Supplier learns of any violations of its obligations under this Section 10, Supplier shall, within forty-eight (48) hours, notify Buyer and, within sixty (60) calendar days, must rectify the non-compliance issues. If the violation is not corrected and certification has not taken place within this time frame, then Buyer, in its sole discretion, may terminate the applicable Buyer Order. Supplier will notify Buyer of any changes that affect quality within twenty-four (24) hours of that change. These changes include but are not limited to, changes in the source of supply of key materials, which impact quality, and changes in address or site configuration. Supplier and its suppliers and subcontractors shall establish and maintain a quality management, inspection, safety, and counterfeit parts program acceptable to Buyer and consistent with current industry standards (e.g., ISO9001, AS9100, AS9115, AS9120, AS5553, AS6496, and AS6174). Unless otherwise specified in a Buyer Order, Supplier shall comply with the requirements provided or made available to Supplier.

11. Compliance.

Supplier shall provide a test report or certificate of compliance verifying that all products and services meet all applicable commercial or military standards referenced in the applicable Buyer Order. Supplier shall indemnify, defend, and hold Buyer harmless from all damages resulting from Supplier's failure to meet all applicable standards.

12. Ownership. Supplier shall assign and transfer to Buyer all right, title, and interest in and to any and all inventions, discoveries, improvements, innovations, or new ideas or concepts (collectively, "Inventions") made or developed by Supplier pursuant to a Buyer Order. Supplier shall execute all documents necessary to perfect Buyer's interest in and title to Inventions, including, without limitation, assigning any and all right, title, and interest Supplier has in any such Inventions to Buyer. Supplier shall ensure that any third party with whom Supplier has subcontracted to furnish products or services, and Supplier's employees, also execute and assign any and all rights, title, and interest in any such Inventions to Buyer. Supplier shall promptly execute all written instruments, and assist as Buyer reasonably directs to file, acquire, prosecute, maintain, enforce and assign Buyer's Invention rights. Supplier hereby irrevocably appoints Buyer

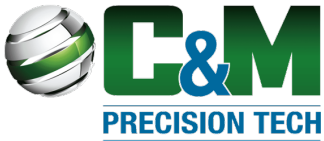


and any of Buyer's officers and agents as Supplier's attorney in fact to act on Supplier's behalf and instead of Supplier, with the same legal force and effect as if executed by Supplier, with respect to executing any such written instruments.

13. Third Party Software. This Section 13 only applies to products and services that include the delivery of software. As used herein, "Open Source Software" means any software, programming, or other intellectual property that is subject to (i) the General Public License ("GPL"), Lesser/Library GPL ("LGPL"), the Affero GPL ("AGPL"), the Apache license, the Berkeley Software Distribution ("BSD") license, the M.I.T. license, the Artistic License (e.g., Perl), the Mozilla Public License ("M.P.L."), or any similar license, including, but not limited to, those licenses listed at <http://www.opensource.org/licenses> or (ii) any agreement with terms requiring any intellectual property owned or licensed by Buyer to be (1) disclosed or distributed in source code or object code form, (2) licensed for the purpose of marking derivative works, or (3) redistributable. In the event Supplier provides any third-party software, including Open Source Software, to Buyer in connection with the Agreement ("Third Party Software"), the following shall apply: (i) Supplier shall specifically identify in writing to Buyer all Third Party Software and submit written copies of all third party license agreements applicable to Buyer; and (ii) Supplier warrants that (1) it has the right to license any Third Party Software licensed to Buyer under the Agreement; (2) to the best of Supplier's knowledge, the Third Party Software does not, and the use of the Third Party Software by Buyer as contemplated by the Agreement will not, infringe any intellectual property rights of any third party; and (3) unless specifically provided otherwise herein, Buyer shall have no obligation to pay any third party any fees, royalties, or other payments for Buyer's use of any Third Party Software. Supplier shall obtain Buyer's prior written consent, which may be withheld in Buyer's sole discretion, before using or delivering any Open Source Software in connection with the Agreement or any resulting Buyer Order. Supplier represents and warrants all Open Source Software used or delivered in connection with the Agreement: (i) does not require any software to be published, accessed, or otherwise made available without the consent of Buyer; or (ii) does not require distribution, copying or modification of any software free of charge.

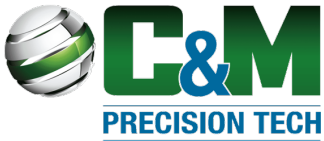
14. Warranty. Supplier warrants that it will perform all services in a professional and competent manner using properly qualified and trained personnel with the degree of skill and judgment normally exercised by recognized professionals delivering or performing the same or similar services.

Supplier also warrants that the products provided (including any software and firmware): (i) shall conform to all mutually agreed upon specifications, and, to the extent not inconsistent therewith, Supplier's documentation; and (ii) shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party; (iii) shall be free from security interests, liens or encumbrances.



This warranty shall begin upon delivery of products and shall survive inspection, testing, and payment for products and shall extend for a period of one (1) year thereafter. Buyer shall give Supplier prompt written notice after discovery of a defect or nonconformance in the products. In the event of any defect or nonconformance in the products, Buyer may, at its option and at the Supplier's expense, (i) require prompt correction or replacement of products, or (ii) return the products for a credit or a refund. Defective products will be returned to Supplier at Supplier's expense. Products required to be corrected or replaced shall be subject to the requirements of the Agreement in the same manner and to the same extent as products originally delivered under the Agreement, but only as to the corrected or replaced part or parts thereof.

15. Insurance. Supplier agrees to secure and carry at a minimum the following insurance with respect to all work to be performed under a Buyer Order: workers' compensation insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the laws of the United States, foreign country, state, or other governmental subdivision in which the work or any portion of the work is performed and employer's liability insurance in the minimum amount of two million dollars (\$2,000,000) for any one occurrence; commercial general liability insurance including premises liability and contractual liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of five million dollars (\$5,000,000) for any one occurrence. If Supplier vehicles are used on Buyer's or Buyer's customers' premises and/or used to accomplish work under a Buyer Order or otherwise on behalf of Buyer or Buyer customers, automobile liability insurance in which the limit of liability for property damage and bodily injuries, including accidental death, shall be a combined single limit of one million dollars (\$1,000,000) for any one occurrence. If Supplier carries a higher limit of liability, the higher limit must be certified to Buyer; if Supplier or its subcontractors have Buyer's or Buyer's customers' materials or equipment in their care, custody, or control, Supplier shall have and maintain all-risk property insurance in an amount sufficient to meet or exceed the value of such material. If Supplier is performing professional services on behalf of Buyer or Buyer customers Supplier shall maintain professional liability insurance with a limit of no less than five million dollars (\$5,000,000). The insurance coverages described above shall be in a form satisfactory to Buyer and shall contain a provision prohibiting cancellation or material change except upon at least thirty (30) days prior notice to Buyer. All such insurance policies will be primary in the event of a loss arising out of the Supplier's performance of work and shall provide that where there is more than one insured, the policy will operate, except for the limits of liability, as if there were a separate policy covering each insured and shall operate without right of contribution from any other insurance carrier by Buyer. Certificates evidencing such insurance and endorsements naming Buyer as additional insureds or, in the case of all risk property insurance, naming Buyer as loss payee, shall be filed with Buyer before providing products or the commencement of any work hereunder, and within thirty (30) days after any renewals or changes to such policies are issued. To the extent permitted by law,

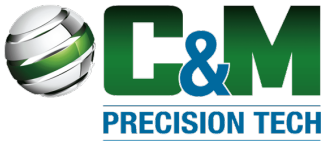


Supplier and its insurer(s) agree that subrogation rights are hereby waived. Supplier shall reflect such waiver in any policies required hereunder, shall advise Buyer of the amount of available policy limits, and shall identify to Buyer the amounts of any self-insured retention. Supplier agrees to insert the applicable substance of this provision in all permitted subcontracts entered into by Supplier to support work performed under this Buyer Order.

16. Confidential Information. All disclosures, drawings, specifications, patterns, technical or other information furnished to Supplier by Buyer or Buyer's customers (and all rights related thereto) are and shall at all times remain the property of Buyer or Buyer's customers as applicable and are submitted in confidence upon the understanding and agreement by Supplier that they shall not be disclosed or furnished to any third party, shall not be used by Supplier in whole or in part for any purpose not designated by Buyer and shall be returned to Buyer immediately upon Buyer's request.

17. Indemnification/Hold Harmless. Supplier shall defend, indemnify, and hold harmless Buyer and its officers, directors, customers, agents, employees, successors, and assigns against any and all claims, actions, awards, liabilities, damages, losses, and expenses, including attorneys' fees, expert fees, and court costs, arising out of or relating to: (i) Supplier's breach of any warranty contained in the Agreement or any resulting Buyer Order; (ii) death, personal injury, destruction, or damage to real or tangible personal property, contamination of the environment, and any associated clean-up costs caused or contributed to by Supplier or Supplier's agents, subcontractors, employees, or anyone acting on behalf of Supplier; (iii) any negligent act, omission, or willful misconduct of Supplier or any of Supplier's agents, subcontractors, employees, or anyone acting on behalf of Supplier; (iv) the violation by Supplier or Supplier's personnel of any applicable federal, state, or local law, including but not limited to export control, hazardous substance, toxic substance, and hazardous conditions laws; (v) any employment-related claims, including those arising from Worker's Compensation or Occupational Disease law, brought by Supplier's personnel against any indemnified party of Buyer; and (vi) Supplier's failure to keep its work, all products supplied by Supplier hereunder, and Buyer's premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance by Supplier or by any of its vendors or subcontractors.

18. Termination For Default. Supplier shall be deemed to be in default under the Agreement if: Supplier fails to deliver or perform as specified, or if Supplier breaches any of the terms and conditions or warranties hereof; or Supplier ceases to conduct its operations in the normal course of business (including inability to meet its obligations as they mature), or any proceeding is brought against or instituted by Supplier under bankruptcy or insolvency laws, or a receiver for Supplier is appointed or applied for, or an assignment for the benefit of creditors is made by Supplier. If Supplier does not cure such cause for default within a period of ten (10) days (or such



longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such cause, Buyer shall have the right, by written notice of default to Supplier and without waiving any other right of Buyer, to cancel the Agreement and any Buyer Order in whole or in part without any liability whatsoever; except for completed products delivered and accepted and except under that portion of this Buyer Order not canceled, subject, in each case, to set off of any claim Buyer may have against Supplier. Provided, however, that with respect to finished, in-process, or otherwise unfinished work under this Buyer Order, Buyer shall have the right to take full title to and possession of all or part of the work immediately upon notice to Supplier to that effect regardless of whether or not final price terms have been agreed upon. Additionally, Supplier shall reimburse Buyer for all costs incurred by Buyer resulting from any such default, such as price increases, lost profit, and any costs associated with the development and qualification of a new source of supply, including but not limited to duplicate tooling, engineering labor, travel expenses, expediting fees, and other costs.

19. Termination For Convenience. Buyer may, at any time, terminate a Buyer Order, Buyer Orders, or the Agreement, in whole or in part, for its convenience upon written notice to Supplier, in which event, upon receipt of such notice, unless otherwise directed by Buyer, Supplier shall immediately discontinue all work, and the filling of such Buyer Order or Buyer Orders, as applicable for materials and supplies in connection with the performance of the Agreement or the applicable Buyer Order, Buyer shall negotiate with Supplier an amount to be paid in full settlement for the reasonable and necessary expenses incurred directly incident to the Buyer Order, Buyer Orders, or the Agreement as applicable up to the date of cancellation. Buyer, however, shall not be liable for any loss of profits on this Buyer Order or the portion thereof so canceled. If such cancellation is caused by termination of a government contract, Buyer will reimburse Supplier solely to the extent that a portion of any reimbursement received by Buyer from the government on account of such termination is attributable to a Buyer Order.

The issuance of any blanket order constitutes an estimate by Buyer of the parts' usage on an annual basis. This is an estimate and does not constitute a binding offer by Buyer or an obligation to purchase any amount estimated on such blanket Buyer Order. The individual releases associated with a blanket Buyer Order will constitute the commitment and financial obligation to the Supplier. Supplier will maintain inventory quantities of an estimated two (2) months of finished products and one (1) additional months' worth of raw material.

Shipments will only be made at the request of Buyer. Suppliers will ship from stock on a "first in" and "first out" basis. To support Buyer's material system, the Supplier agrees to ship only the quantity as released by Buyer. Buyer reserves the right to change these quantities at any time as estimated demand changes unless the release quantity is noted on the blanket Buyer Order. Buyer reserves the right to cancel a blanket Buyer Order at any time for any reason. In the case



of products that are specific to Buyer (as identified as Non-Cancellable Non-Returnable), Buyer's sole obligation is to purchase an estimated two (2) months of finished products and one (1) additional months' worth of raw material.

20. Force Majeure. Buyer's performance is subject to termination or delay by Buyer in the event that an occurrence is beyond Buyer's reasonable control, including, but not limited to, acts of God, fires, accidents, strikes, government acts, pandemics, or other conditions, upon notification to Supplier, and without penalty to Buyer except that cancellation for such causes may not be made without reimbursement to Supplier for products previously delivered.

21. Use of Buyer's Name. Supplier shall not, without first obtaining the written consent of Buyer, in any manner publish the fact that Supplier has furnished or contracted to furnish Buyer the products and services, disclose the prices at which Supplier is offering to sell such products and services to Buyer, or use the name of Buyer or any of Buyer's customers in Supplier's advertising.

22. Government Contract Provisions. In all cases where Buyer is purchasing in furtherance of a United States Government contract, Buyer shall specify any Federal Acquisition Regulations (FARs), Department of Defense FAR Supplement (DFARS), NASA FAR Supplement (NFS), Federal Aviation Administration (FAA) Acquisition Management System (AMS) clauses or other Government agency supplemental clauses (collectively, "USG. Clauses") that shall apply to the Buyer Order. Supplier agrees to comply with applicable USG Clauses FAR 52.204-8, Annual Representations (or FAR 52.212-3, Offer or Representations and Certifications-Commercial Products and Commercial Services, if applicable), in Buyer order to be eligible for any award in support of a United States Government contract. This includes submission of representations and certifications that are effective until one (1) year from the date of submission or update to the System for Acquisition Management (SAM).

23. No Assignment or Subcontracting. The Agreement, or any rights hereunder, may not be assigned or hypothecated; and none of the work which Buyer contemplates being performed by Supplier shall be sub-contracted, without Buyer's prior written consent; and if and when subcontracting is allowed, Supplier shall continue to comply with, and be bound by, all provisions of the Agreement and be liable for the actions and omissions of its subcontractors. Suppliers agree to flow down Buyer Order requirements to any approved subcontractors.

24. Product or Service Changes and End of Life. Supplier agrees to notify Buyer of changes in products or processes that could impact Buyer Orders and any significant changes to the Supplier's facilities or organization. Supplier shall notify Buyer in writing if any products or any parts, subcomponents, components, assemblies, or subassemblies in the products delivered pursuant to the Agreement and any resulting Buyer Order, including those supplied by Supplier's lower-tier subcontractors, are or are expected to be going out of production or will no longer be



commercially available. Such notice shall, to the extent known to Supplier: (i) be provided to Buyer at least twelve (12) months prior to the anticipated date of discontinuance or unavailability, or if twelve (12) months' notice is not reasonable given the circumstances, as soon as practicably possible; and (ii) specifically identify the name and address of the Supplier and the part by name, part number, function, and the location in the product or service delivered.

25. Compliance. Supplier agrees that it will comply with all laws and regulations applicable to the production, sale, and delivery of the products or the furnishing of any labor or services called for by Buyer Orders and the Agreement.

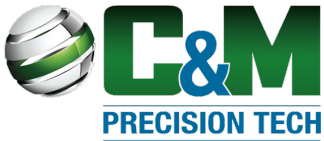
26. Cumulative Remedies. The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies available at law or in equity.

27. Waiver. The failure of Buyer in one or more instances to insist upon the performance of the Agreement or any Buyer Order or the waiver by Buyer of any breach of any terms or conditions of the Agreement or any Buyer Order, or the failure of Buyer to exercise any right or privilege contained herein, shall not be construed as thereafter waiving such terms, conditions, rights or privileges and the same shall continue and remain in force and effect.

28. Non-Discrimination. Unless exempt, Supplier and its subcontractor shall abide by the requirements of 41 C.F.R. §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status, or disability. If applicable, the contractor and subcontractor shall also abide by the requirements 41 C.F.R. § 61-300.10 regarding veterans' employment reports and 29 C.F.R. Part 471, Appendix A to Subpart A regarding posting a notice of employee rights.

29. Mercury-Free Environment. Supplier warrants that all products delivered hereunder are free of mercury and have been produced, tested, packaged, and shipped in a mercury-free environment.

30. Conflict Minerals. Supplier acknowledges that Buyer is required to comply with Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act ("the Dodd-Frank Act") and inter alia must file disclosures and reports with the United States Securities and Exchange Commission related to the use of tin, tantalum, tungsten, and gold ("Conflict Minerals"). Supplier represents and warrants that it will source and track the chain of custody of all Conflict Minerals contained in any products or materials provided by Supplier to Buyer in



accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (or such other internationally recognized due diligence standard as Buyer and Supplier may jointly agree upon). At Buyer's request (which may be as frequently as quarterly at Buyer's discretion), Supplier must execute and deliver to Buyer declarations in the form of the EICC-GESI Conflict Minerals Reporting Template as adopted by EICC-GESI from time to time, or (at Buyer's discretion) in any other form that Buyer reasonably requests. Supplier agrees and represents that all products and materials provided by Supplier to Buyer after December 31, 2014, shall be "Conflict Free" (as defined in the Dodd-Frank Act) and at Buyer's request from time to time Supplier shall execute and deliver to Buyer a written declaration to the same effect.

31. Country of Origin. Supplier shall mark all shipments with, and designate, and certify the country of origin and manufacture of products in accordance with all applicable United States laws and regulations, including applicable customs and Federal Trade Commission rules and regulations.

32. Foreign Purchases.

(a) If the Buyer is importer of record, the following applies to all transactions involving imported products: Anti-Dumping: Supplier warrants that all sales made hereunder are or will be made at not less than fair value under the United States Anti-dumping Law (19 U.S.C. Sec. 160 et seq.), and Supplier will indemnify, defend and hold Buyer harmless from and against any costs or expenses (including but not limited to any anti-dumping duties which may be imposed) arising out of or in connection with any breach of this warranty.

(b) If Supplier is the importer of record, the following apply to all transactions involving imported products: Supplier agrees that Buyer will not be a party to the importation of the products, that the transaction(s) represented by this Buyer Order will be consummated subsequent to importation, and that Supplier will neither cause nor permit Buyer's name to be shown as an importer of record on any customs declaration. Upon request and where applicable, Supplier will provide Buyer Customs Form 7543 entitled "Certificate of Delivery" properly executed.

33. Export Compliance. Supplier acknowledges that the products and any technical data related thereto is or may be subject to United States, European Union, or national export control laws, regulations or the like and agrees that it will not transfer, export, or re-export the products or any technical data, including without limitation any documentation, or information that incorporates, is derived from or otherwise reveals such, without complying with all applicable United States, European Union, or national export control laws, regulations and the like. Any subcontract, assignment, or other transfer of rights or obligations arising under the Agreement and made to a foreign person, as defined in the ITAR, EAR, or other export/import regulations,



must comply with this Section 33. Suppliers shall require their first-tier suppliers and subcontractors to obtain an agreement from lower-tier suppliers and subcontractors to comply with these regulations.

34. No Gratuities. No gratuities (in the form of entertainment, gifts, travel, or anything of value) or kickbacks shall be offered or given by Supplier or by any agent, representative, affiliate, subsidiary, or subcontractor of Supplier to any officer or employee of Buyer or Buyer's customers. This restriction specifically prohibits the direct or indirect inclusion of any kickback amounts in any invoices or billings submitted under the Agreement.

35. No Child Labor. Supplier shall comply with all local, state, and national laws relating to the prohibition of child labor and indentured prison or compulsory labor. Supplier shall comply with all applicable laws and industry standards relating to working hours, working conditions, and any collective bargaining agreements. If requested by Buyer, Supplier shall demonstrate, to Buyer's satisfaction, compliance with all requirements in this paragraph. Buyer or Buyer customers shall have the right to inspect any site of Supplier for compliance with this paragraph. Supplier shall include this provision in all of its lower-tier subcontracts.

36. No Human Trafficking. Supplier shall comply with all applicable local, state, and national laws in the countries where Supplier does business relating to the prohibition of slavery and human trafficking. Upon Buyer's request, Supplier shall provide Buyer or Buyer customers with a copy of its human trafficking compliance plan and/or other evidence of Supplier's compliance with this provision. Supplier shall include this provision in all of its lower-tier subcontracts.

37. Buyer's Property. Unless otherwise provided in writing, property of every description, including all tools, equipment, and materials furnished or made available to Supplier, title to which is in Buyer's or Buyer's customers' name, and any replacement thereof, shall be and remain the property of Buyer or Buyer customers, as applicable. Property other than materials shall not be modified without the written consent of the Buyer. Such property shall be plainly marked or otherwise adequately identified by Supplier as property of Buyer (by name) or Buyer customers and shall be safely stored separately and apart from Supplier's property. Supplier shall not use such property except for the performance of work hereunder or as authorized in writing by Buyer. Such property, while in Supplier's possession or control, shall be kept in good condition, shall be held at Supplier's risk and shall be kept insured by Supplier, at its expense, in an amount equal to the replacement cost with loss payable to Buyer or Buyer customers. To the extent such property is not materially consumed in the performance of this Buyer Order, it shall be subject to inspection and removal by Buyer, and Buyer shall have the right to enter for such purposes without any additional liability whatsoever to the Supplier. As and when directed by Buyer, Supplier shall disclose the location of such property and/or prepare it for shipment and ship



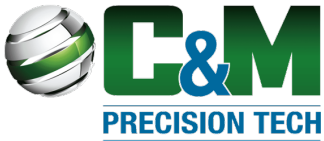
F.O.B. its plant to Buyer or Buyer customers in as good condition as originally received by Supplier, reasonable wear and tear accepted.

38. Government Furnished Property. With respect to United States Government-furnished property or property under the Agreement to which the United States Government may take title: (i) FAR 52.245-1 shall apply and is incorporated by reference; and (ii) Supplier shall provide to Buyer immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the United States Government of Supplier's property control system. Supplier shall include this Section 38 in all of its lower-tier subcontracts, notifying Buyer and obtain approval prior to passing furnished property to any lower-tier subcontractor. If any paid by Buyer or Buyer customers tools, gauges, appliances, or equipment (collectively "Tools") should be manufactured or procured by Supplier for producing or developing the products delivered under the Agreement, then such Tools shall become the property of Buyer or Buyer's customers, as applicable. Buyer shall have all right, title, and interest to such Tools irrespective of whether the Tools are a product under the Agreement. Supplier shall manage, maintain, and preserve the Tools in accordance with good commercial practice, and upon Buyer's reasonable request, provide Buyer written records of Supplier's management, maintenance, and preservation of the Tools, including any inventory lists. Buyer grants to Supplier a non-exclusive, non-transferable (except as expressly provided herein), royalty-free right during the term of the Agreement to use the Tools solely as necessary for Supplier to perform its obligations under the Agreement. All Tools shall be promptly provided to Buyer on request or upon completion or termination of the Agreement.

39. Cost Accounting Standards. When specifically set forth on the face of a Buyer Order, the Supplier shall comply with all applicable laws and all the rules, regulations, and standards prescribed by the Cost Accounting Standards Board, including Federal Acquisition Regulation (FAR) Chapter 99. Supplier agrees to indemnify and hold Buyer free and harmless from any and all liability, loss, or damage arising out of the failure of Supplier, or Supplier's subcontractors, if any, to comply with said law, rules, regulations, or standards, as the same may be revised or amended from time to time.

40. Cost Plus.

No subcontract placed under the Agreement shall provide for payment on a cost-plus-percentage-of-cost basis, and Supplier agrees to select subcontractors/suppliers on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Agreement.



41. Counterfeit Parts.

(a) Supplier shall not furnish counterfeit parts or suspect counterfeit parts to Buyer under the Agreement. Supplier shall plan, implement, and control processes appropriate to the organization and the products for the prevention of counterfeit or suspect counterfeit part use and their inclusion in the products. Supplier's counterfeit parts prevention processes shall comply with the most recent prevailing industry and United States Government standards and, at a minimum, address the following: (i) training of appropriate persons in the awareness and prevention of counterfeit parts; (ii) application of a parts obsolescence monitoring program; (iii) controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources; (iv) requirements for assuring traceability of parts and components to their original or authorized manufacturers; (v) verification and test methodologies to detect counterfeit parts; (vi) monitoring of counterfeit parts reporting from external sources; (vii) quarantine and reporting of suspect or detected counterfeit parts, including preventing reentry into the supply chain. If Supplier provides electronic, electrical or electromechanical (E.E.E.) parts or assemblies containing E.E.E. parts, Supplier shall implement a counterfeit electronic parts detection and avoidance system compliant with the requirements of SAE standard AS5553 (revision as of the effective date of the Agreement). Supplier bears responsibility for procuring authentic parts or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this Section 41.

(b) If Supplier becomes aware or suspects that it has furnished a counterfeit part to Buyer or Buyer customers under the Agreement or any resulting Buyer Order, Supplier shall promptly notify Buyer of such no later than forty-eight (48) hours after discovery. Supplier shall not invoice any counterfeit part or suspected counterfeit part. Any counterfeit part or suspect counterfeit part that has already been invoiced shall be deducted from the value of the Buyer Order. Buyer may, at Buyer's sole option, elect not to return the counterfeit part or suspect counterfeit part to Supplier. If Buyer chooses to return the products or part to Supplier for Supplier to remove the counterfeit part or suspected counterfeit part, Supplier shall provide a certification of destruction through an independent third party chosen by Buyer to prove Supplier's destruction of the counterfeit part or suspect counterfeit part. Supplier shall replace, at Supplier's own expense, such counterfeit part with a part from an original manufacturer or a Buyer-approved part that conforms to the requirements of the Buyer Order. Supplier shall be liable for all costs related to (i) the investigation and traceability of any counterfeit part or suspect counterfeit part, (ii) the replacement of any counterfeit part or suspect counterfeit part, and (iii) any testing or validation necessitated by the installation of authentic products or components of products after a counterfeit part or suspect counterfeit part has been replaced. Buyer's remedies shall not be limited by the warranty section in the Agreement and are in addition to any remedies Buyer may



have at law, equity, or otherwise under the Agreement or any resulting Buyer Order. Supplier shall include this Section 41 in all of its lower-tier subcontracts.

42. Standards of Conduct. Supplier shall comply with Buyer's Supplier Code of Conduct located at http://www._____, as may be amended from time to time.

43. Applicable Law. This Agreement shall be governed by New Hampshire law. Any proceedings arising out of or relating to the Agreement shall be brought in the state or federal courts of New Hampshire, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the proceeding shall be heard and determined only in any such court and agrees not to bring any proceeding arising out of or relating to the Agreement in any other court. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE AGREEMENT OR ANY OTHER DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

44. Miscellaneous. The Agreement shall constitute the complete Agreement between the parties with respect to its subject matter and supersedes all representations, warranties, promises, or proposals, whether they be oral or written, between the parties. These Terms and Conditions of Purchase may be modified by Buyer and made available to Supplier by posting the revised Terms and Conditions of Purchase to Buyer's website located http://www._____ ("Revised Terms and Conditions"). The Revised Terms and Conditions shall apply to Buyer Orders after the Revised Terms and Conditions are published on said website.

45. Severability. In the event that any one or more provisions contained in the Agreement should be held to be unenforceable, its unenforceability shall not affect any other provisions of the Agreement. The unenforceable provision shall be replaced by an enforceable provision most nearly effecting the intention of the parties.

46. Headings. The headings in the Agreement are for convenience only and shall not constitute a part of or be referred to in interpreting the Agreement.

47. Survival. Terms that by their nature should survive termination or expiration of the Agreement shall survive, including, but not limited to, Section 12. Ownership, Section 13. Third Party Software, Section 14. Warranty, Section 16. Confidential Information, Section 17. Indemnification/Hold Harmless, Section 2. Use of Buyers' Name, and Section 43. Applicable Law.



Supplier Terms and Conditions Reissued 1/26/2022 AS9100 / ISO9001 CERTIFIED

As part of any Purchase Order issued from C&M Machine Products, Inc., the following terms and conditions apply:

1. The supplier shall maintain a Quality Management System that adequately insures all products and/or services will meet the specified requirements. Suppliers must notify C & M of any changes to their Quality Management System or certifications.
2. Suppliers shall provide a Test Report or Certificate of Compliance verifying that the order meets all referenced standards as well as applicable commercial or military standards
3. Suppliers shall notify C&M of any non-conforming product.
4. Special process suppliers must utilize only qualified personnel to perform special processes and maintain all process, inspection and test records for a minimum of 7 years. These records must be made available to C & M or their customers upon request.
5. Suppliers shall be responsible for all associated costs of non-conformances.
6. C&M Machine Products will have right of access to non-proprietary records which are related to the processing of C&M's product.
7. Should a source inspection be requested by C&M Machine Products, C & M's customer or regulatory authorities at a supplier's facility; this arrangement shall be granted. Source inspection shall not preclude subsequent rejection.
8. Suppliers shall not subcontract any part of the order without the knowledge and approval of C&M.
9. Suppliers agree to flow down applicable order requirements to any approved subcontractors.
10. Suppliers agree to notify C&M Machine Products of changes in product or process that could impact this order and any significant changes to the supplier's facilities or organization.
11. Suppliers shall periodically review the above terms and Conditions as these may be modified without additional notification.
12. C&M's payment terms are net 45.
13. Suppliers (and supplier employees) are required to prevent the use of counterfeit parts by the following when applicable:
Ensuring that persons are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
14. Control and monitoring of the supplier performance will apply per section 8.4.3e of AS9100.



FAR 52.203-13 Contractor Code of Business Ethics and Conduct (Nov 2021)

(a) *Definitions. As used in this clause—*

Agent means any individual, including a director, an officer, an employee, or an independent Contractor, authorized to act on behalf of the organization.

Full cooperation-

(1) Means disclosure to the Government of the information sufficient for law enforcement to identify the nature and extent of the offense and the individuals responsible for the conduct. It includes providing timely and complete response to Government auditors' and investigators' request for documents and access to employees with information;

(2) Does not foreclose any Contractor rights arising in law, the FAR, or the terms of the contract. It does not require-

(i) A Contractor to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine; or

(ii) Any officer, director, owner, or employee of the Contractor, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; and

(3) Does not restrict a Contractor from-

(i) Conducting an internal investigation; or

(ii) Defending a proceeding or dispute arising under the contract or related to a potential or disclosed violation.

Principal means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (*e.g.*, general manager; plant manager; head of a division or business *segment*; and similar positions).

Subcontract means any contract entered into by a *subcontractor* to furnish *supplies* or services for performance of a prime contract or a *subcontract*.

Subcontractor means any supplier, distributor, vendor, or firm that furnished *supplies* or services to or for a prime contractor or another *subcontractor*.

United States, means the 50 States, the District of Columbia, and *outlying areas*.

(b) *Code of business ethics and conduct.*



(1) Within 30 days after contract award, unless the *Contracting Officer* establishes a longer time period, the Contractor *shall*—

(i) Have a written code of business ethics and conduct; and

(ii) Make a copy of the code available to each employee engaged in performance of the contract.

(2) *The Contractor shall*-

(i) Exercise due diligence to prevent and detect criminal conduct; and

(ii) Otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

(3)

(i) The Contractor *shall* timely disclose, *in writing*, to the agency Office of the Inspector General (OIG), with a copy to the *Contracting Officer*, whenever, in connection with the award, performance, or closeout of this contract or any *subcontract* thereunder, the Contractor has credible evidence that a principal, employee, *agent*, or *subcontractor* of the Contractor has committed-

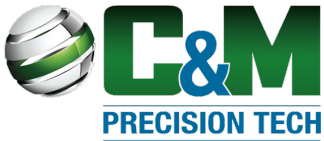
(A) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the *United States Code*; or

(B) A violation of the civil False *Claims Act* ([31 U.S.C. 3729-3733](#)).

(ii) The Government, to the extent permitted by law and regulation, will safeguard and treat information obtained pursuant to the Contractor's disclosure as confidential where the information has been marked "confidential" or "proprietary" by the company. To the extent permitted by law and regulation, such information will not be released by the Government to the public pursuant to a Freedom of Information Act request, [5 U.S.C. Section 552](#)

, without prior notification to the Contractor. The Government *may* transfer documents provided by the Contractor to any department or agency within the Executive Branch if the information relates to matters within the organization's jurisdiction.

(iii) If the violation relates to an order against a *Governmentwide acquisition contract*, a *multi-agency contract*, a multiple-award schedule contract such as the Federal Supply Schedule, or any other *procurement* instrument intended for use by multiple agencies, the Contractor *shall*



notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract.

(c) Business ethics awareness and compliance program and internal control system. This paragraph (c) does not apply if the Contractor has represented itself as a small business concern pursuant to the award of this contract or if this contract is for the *acquisition* of a *commercial product* or *commercial service* as defined at FAR [2.101](#). The Contractor *shall* establish the following within 90 days after contract award, unless the *Contracting Officer* establishes a longer time period:

(1) An ongoing business ethics awareness and compliance program.

(i) This program *shall* include reasonable steps to communicate periodically and in a practical manner the Contractor's standards and procedures and other aspects of the Contractor's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities.

(ii) The training conducted under this program *shall* be provided to the Contractor's principals and employees, and as appropriate, the Contractor's *agents* and *subcontractors*.

(2) An internal control system.

(i) The Contractor's internal control system *shall*—

(A) Establish standards and procedures to facilitate timely discovery of improper conduct in connection with Government contracts; and

(B) Ensure corrective measures are promptly instituted and carried out.

(ii) At a minimum, the Contractor's internal control system *shall* provide for the following:

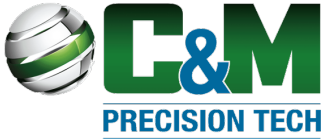
(A) Assignment of responsibility at a sufficiently high level and adequate resources to ensure effectiveness of the business ethics awareness and compliance program and internal control system.

(B) Reasonable efforts not to include an individual as a principal, whom due diligence would have exposed as having engaged in conduct that is in conflict with the Contractor's code of business ethics and conduct.

(C) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct and the special requirements of Government *contracting*, including-



- (1) Monitoring and auditing to detect criminal conduct;
 - (2) Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and
 - (3) Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.
- (D) An internal reporting mechanism, such as a hotline, which allows for anonymity or confidentiality, by which employees *may* report suspected instances of improper conduct, and instructions that encourage employees to make such reports.
- (E) Disciplinary action for improper conduct or for failing to take reasonable steps to prevent or detect improper conduct.
- (F) Timely disclosure, *in writing*, to the agency OIG, with a copy to the *Contracting Officer*, whenever, in connection with the award, performance, or closeout of any Government contract performed by the Contractor or a *subcontract* thereunder, the Contractor has credible evidence that a principal, employee, *agent*, or *subcontractor* of the Contractor has committed a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title [18 U.S.C.](#) or a violation of the civil False Claims Act ([31 U.S.C. 3729-3733](#)).
- (1) If a violation relates to more than one Government contract, the Contractor *may* make the disclosure to the agency OIG and *Contracting Officer* responsible for the largest dollar value contract impacted by the violation.
 - (2) If the violation relates to an order against a *Governmentwide acquisition contract*, a *multi-agency contract*, a multiple-award schedule contract such as the Federal Supply Schedule, or any other *procurement* instrument intended for use by multiple agencies, the contractor *shall* notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract, and the respective agencies' *contracting officers*.
 - (3) The disclosure requirement for an individual contract continues until at least 3 years after final payment on the contract.
 - (4) The Government will safeguard such disclosures in accordance with paragraph (b)(3)(ii) of this clause.



(G) *Full cooperation* with any Government agencies responsible for audits, investigations, or corrective actions.

(d) *Subcontracts*.

(1) The Contractor *shall* include the substance of this clause, including this paragraph (d), in *subcontracts* that exceed the threshold specified in FAR [3.1004\(a\)](#) on the date of *subcontract* award and a performance period of more than 120 days.

(2) In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False *Claims* Act or of Federal criminal law *shall* be directed to the agency Office of the Inspector General, with a copy to the *Contracting Officer*.

(End of clause)