



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

1. Acceptance:

- a. If DPAS rating is listed on this order, then this order is certified for national defense use. You are required to follow all the provisions of the defense priorities and allocation system regulation (15 CFR Part 700).
 - I. "DO" Rated PO's must be accepted or rejected in writing (hardcopy), or in electronic format, within 15 working days after the order receipt.
 - II. "DX" Rated PO's must be accepted or rejected in writing (hardcopy), or in electronic format, within 10 working days after order receipt.
 - III. Rejection of "DO" or "DX" orders must be in writing (hardcopy), or in electronic format, giving the specific reason for the rejection.
 - IV. If, after acceptance of this order, seller subsequently finds that shipment or performance will be delayed, seller must notify the buyer immediately in writing (hardcopy), or in electronic format, give reasons for the delay, and advise of a new shipment or performance date.
- b. With the exception of work under DPAS rated orders, commencement of performance of the work called for this PO in the absence of seller's written acknowledgement thereof shall be deemed acceptance of this PO as written.

2. Export/Import Controls:

- a. If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services Seller hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR").
- b. Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Seller agrees that no technical data, information or other items provided by Buyer in connection with this Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR-controlled technical data or items. It shall be the sole responsibility of Seller to determine whether the information provided by Buyer is technical data as outlined in the ITAR (22 CFR 120-130) prior to any release to a third party abiding by the terms outlined herein. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.
- c. Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended or revoked.
- d. In accordance with DFARS 252.204-7008 "Compliance with safeguarding covered defense information controls" seller shall indicate whether deviation from any of the security requirements in the national



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

institute of standards and technology (NIST) special publication (SP) 800-171, "protecting controlled unclassified information in nonfederal information systems and organizations, that is in effect at the time the prime contract solicitation is issued is anticipated in the performance of the purchase order by seller or contractors at any tier.

- e. Cybersecurity and Protection of Controlled Unclassified Information (CUI):
 - I. Seller shall comply with all applicable cybersecurity requirements for the protection of Controlled Unclassified Information (CUI), including but not limited to NIST SP 800-171 and CMMC 2.0, as required by contract.
 - II. Seller shall implement and maintain adequate security measures to protect CUI from unauthorized access, disclosure, alteration, or loss.
 - III. Seller shall ensure that any information systems used to process, store, or transmit CUI meet applicable security requirements and that access is limited to authorized personnel.
 - IV. Seller shall flow down applicable cybersecurity and CUI protection requirements to all sub-tier suppliers.
 - V. Seller shall notify Buyer within 72 hours of discovery of any cybersecurity incident affecting CUI related to this Purchase Order.
 - VI. Seller shall maintain a current System Security Plan (SSP) and Plan of Action and Milestones (POA&M) where applicable.

3. **Delivery; Notice of Delay; Obsolescence:**

- a. Time is of the essence and failure to deliver in accordance with the delivery schedule under this Purchase Order, if unexcused, shall be considered a material breach of this Purchase Order. No acts of Buyer, including without limitation modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller's risk any expense shipments made in excess of this Purchase Order or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.
 - b. Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule but such notice and proposal or Buyer's receipt or acceptance thereof shall not constitute a waiver to Buyer.
 - c. During performance of this Purchase Order, Seller shall notify Buyer of any planned obsolescence of the good(s) set out in this Purchase Order.
4. **Termination for Default:** Buyer may, by notice in writing, terminate this Purchase Order in whole or in part at any time for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance. Buyer



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

may also terminate this Purchase Order in whole or in part in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.

5. Inspection:

- a. All goods and services shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods or Buyer may accept any goods and upon discovery of nonconformance, may reject or keep and rework any such goods not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or reinspection by Buyer shall be at Seller's expense. Buyer's acceptance of goods or services shall not be deemed to diminish Buyer's rights or be final or binding on Buyer if latent defects, fraud, or misrepresentation on the part of Seller exists.
- b. If inspection and test are made on the premises of Seller or Seller's lower-tier subcontractors, Seller shall furnish without additional charge all reasonable facilities, information and assistance necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty.
- c. Neither Buyer's inspection nor Buyer's failure to inspect shall relieve Seller of any responsibility to perform according to the terms of this Purchase Order. Notwithstanding any other provision of the Purchase Order, the risk of loss of, or damage to, nonconforming goods remains with Seller until cure or acceptance.
- d. It is the supplier's responsibility to fully comply with all the instructions listed on the Camtron Purchase Order. Lack of written approval shall not relieve the supplier of the responsibility to fully comply with all of the requirements of the purchase order. The supplier shall not receive compensation in any form from Camtron for unauthorized activity.
- e. Provide test specimens for inspection/verification, investigation or auditing, when requested from the Buyer.
- f. The use of statistical techniques may only be utilized with the permission of the Buyer.

6. Right To Audit:

- a. Seller shall grant the buyer the right to audit
 - I. Camtron reserves the right to perform inspections, audits, evaluations, reviews, and/or witness the execution of the processes being performed at the supplier's facilities in support of this purchase order.



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

- II. Camtron reserves the right to bring our customers or government representatives to the above said activities.
- III. This requirement applies to the supplier's sub-tiers and shall be flowed down accordingly

7. **Nonconforming Material Control:**

- a. The seller shall have a nonconforming material system that includes provisions to identify, segregate, and control nonconforming material to ensure the seller shall not ship nonconforming material to Camtron
- b. Seller is authorized to make the following dispositions:
 - I. Rework to product requirements
 - II. Return to vendor
- c. Seller is not authorized to make the following dispositions
 - I. Use as is (UAI)
 - II. Repair
- d. If the seller determines that a UAI or Repair disposition is needed, the seller shall contact Camtron Buyer for an Authorization to Ship or for Camtron to submit for Material Review Board disposition.

- 8. **RIGHT OF ENTRY:** At times it may be necessary for Camtron Inc., our customers and/or regulatory authorities to visit supplier's facilities and/or their sub-tier suppliers for the purpose of verifying contract compliance and product conformity. Arrangements for such visits will be coordinated through the cognizant buyer.
- 9. **Assignment:** Seller shall not assign, transfer or hypothecate this Purchase Order or any part hereof or any monies payable or to become payable hereunder without in each case obtaining the prior written consent of Buyer, which may not be unreasonably withheld.
- 10. **Confidentiality:** The contents of this order and all related commercial and technical information shall be kept secret and confidential by Seller and will not be divulged by Seller to any third party or utilized by Seller otherwise than in connection with this order. Unless otherwise agreed in writing, no commercial or technical information disclosed in any manner or at any time to Buyer by Seller shall be deemed secret or confidential and Seller shall have no rights against Buyer with respect thereto except such rights as any exist under any applicable patent law.
- 11. **Changes:** Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost or the time required for the performance, an equitable negotiated adjustment shall be made and the agreement created by the acceptance of this Purchase Order shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph. Seller shall undertake no work on any such change, addition or omission unless and until Seller delivers a Quote and Buyer issues a written change order.
- 12. **Force Majeure:** Buyer or Seller may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such goods at the direction of Buyer and shall deliver them when the cause affecting the delay has been removed. Causes beyond the control of Buyer or Seller shall include government action or failure of the government to act where such action is required, acts of god, strikes, fires, accidents, or other such causes not due to Buyer's fault or negligence.



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

13. **Indemnification:** To the fullest extent permitted by law, Seller shall save and hold Buyer, its directors, officers, employees, agents and representatives harmless from and indemnify, defend, and protect such parties against all liability, loss, claims, demands, damage (including damage to property or bodily injury), and expense (including reasonable attorney's fees) arising out of or in any way resulting from Seller's performance or non-performance hereunder, including any defect or nonconformity with Seller's warranties of the goods and services delivered hereunder, any act or omission of Seller, its agents, employees, or subcontractors; any act or omission of any carrier selected and employed by Seller to deliver goods ordered hereunder to Buyer; any failure by Seller, its agents, employees, carriers, or subcontractors to comply with the terms hereof; any infringement or claim of infringement of any patent, unpatented invention, copyright, design process, trademark, trade name, brand, slogan, unfair competition, or other adverse rights; or any litigation based on or arising out of the foregoing.
14. **Risk of Loss:** All risk of loss shall be upon Seller from the time the goods first come under Seller's control until such time as the goods shall be delivered to the destination specified herein and there accepted by Buyer. Seller agrees to indemnify and hold Buyer harmless for any and all loss, cost, damage, and expense which Buyer shall sustain as a result or in consequence of the loss of or damage to the goods during such period of time.
15. **Warranties:** Seller expressly warrants that it will convey good title to all goods furnished hereunder and that all goods and/or services furnished hereunder will conform to all specifications and appropriate standards, will be free from defects in material and workmanship, will be merchantable, and will be safe and appropriate for the purpose for which goods of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Buyer intends to use the goods, Seller warrants that such goods will be fit for such particular purpose. The warranties of Seller shall run to Buyer, its successors, assigns, and customers and users of products sold by Buyer. Seller hereby assigns to Buyer any warranties or guaranties provided by manufacturers or sellers of products incorporated into goods or services provided by Seller hereunder and shall upon request enforce any such warranty or guaranty on behalf of Buyer. NO ATTEMPT BY SELLER TO DISCLAIM, EXCLUDE, LIMIT, OR MODIFY ANY WARRANTIES OR SELLER'S LIABILITY OR CONSEQUENTIAL DAMAGES SHALL BE OF ANY FORCE OR EFFECT.
16. **TRACEABILITY:** The supplier shall establish and maintain traceability of all Goods delivered to Camtron.
 - a. Seller shall not deliver counterfeit parts. Seller shall maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all supplied parts (ie Raw Material, Hardware, electronics, etc...) being delivered per this Order. This traceability method shall clearly identify the name and location of all the supply chain intermediaries from the manufacturer to the Seller, and shall include the manufacturer's batch identification for the item(s) such as date codes, serializations, or other batch identifications. Seller shall promptly replace goods found to be counterfeit with such items acceptable to Buyer.
 - b. Sellers shall maintain all data which provides traceability of each component to the raw material from which it was made, including all processing, testing and inspection operations performed during manufacturing operations for a period of 15 years.
 - c. Lot traceability number(s) shall be noted on the certificate of conformance provided with each delivered lot.



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

- d. If more than one manufacturing lot is delivered, parts will be segregated by lot and identified accordingly to assure lot traceability is maintained.
17. **LIMITED SHELF LIFE MATERIAL:** Limited shelf life Goods shall be clearly identified with a shelf life expiration date. Goods with a limited shelf life shall be delivered with a minimum of 50% of available shelf life remaining. Limited shelf life Goods delivered in multiple quantities shall be from the same batch or lot and have the same expiration date.
18. **PACKING AND SHIPPING:** Seller shall carefully pack the Goods to prevent damage and deterioration. Buyer will charge Seller for damage to or deterioration of any Goods resulting from improper packing. Shipments by Seller must include packing sheets containing Buyer's Order number, Buyer's part number and revision number, line item number, description and quantity of Goods shipped, manufacturer's part numbers and specifications as applicable. Buyer will select the carrier and mode of transportation for shipments where freight costs will be charged to Buyer.
19. **Counterfeit Items:** By seller's acceptance of this purchase order, seller acknowledges its counterfeit risk mitigation obligations to this PO. The goods to be delivered hereunder shall be and only contain materials obtained directly from the original equipment manufacturer (OEM) or an authorized OEM reseller or distributor, further, seller shall notify buyer in writing immediately in the event that any material to be delivered cannot be procured in accordance with this requirement and seller must obtain buyer's prior written authorization if an alternate source is required and for any deviation from the counterfeit risk mitigation requirement applicable to this purchase order.
- a. If Seller is providing goods to buyer under this purchase order, seller agrees to review and comply with buyer's conflict minerals policy/public and to use commercially reasonable efforts to:
- I. Identify whether such goods contain tantalum, tin, tungsten or gold;
 - II. Conduct a reasonable country of origin inquiry regarding the origin of such minerals in such goods to determine whether such minerals originated in covered countries, as defined in section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and
 - III. If such minerals originated in covered countries, conduct due diligence on the chain of custody of the source of such mineral for the purpose of identifying the smelter of said minerals; and
 - IV. Assist buyer in conducting reasonable due diligence concerning the smelters of such minerals. Seller shall include the substance of this section (15) conflict minerals in any agreement between seller and its lower tier suppliers. Seller shall provide buyer with reasonable documentation of seller's and its lower tier suppliers' due diligence efforts, in a format prescribed by buyer, when requested by buyer.



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

20. **Purchasing Information Flowdown:** Suppliers will flow down all applicable requirements of the purchase order to their suppliers to insure conformance with all specification, drawings, quality requirements (ie ISO9001, AS9100, or other), regulations, public laws and other requirements as may be specified in the purchase order.

21. **No Changes Without Approval:**

- a. All communication, technical guidance and instructions having contractual impact shall be accomplished directly between the buyer and the supplier's authorized representative. No contract or specification deviations shall be made without the written authorization of the Camtron Buyer.
- b. No changes in materials, processes, procedures, design interfaces or software which affects the form, fit, function, safety, weight, maintainability, service life, reliability, replaceability, or interchangeability of the items to be delivered to Camtron shall be made without prior written approval/acknowledgement from the Camtron Buyer.
- c. Listed below are examples (not all inclusive) of events which the supplier shall evaluate for product impacts as defined above.

- | | | |
|--------------------|-------------------------|----------------------------|
| • Plant Relocation | • Name/Cage Code Change | • Design Change |
| • New Equipment | • Equipment Relocation | • Drawing conflict |
| • Material Change | • Process Change | • Sub-Tier Supplier Change |

22. **Certificate of Conformance (COC):**

- a. Seller's delivery of product certifies that the Manufacturer and Seller have performed all required inspections and tests. The Seller certifies delivered items meet all requirements identified on the Camtron Purchase Order and all associated reference documents. The Seller shall provide a Certificate of Conformance with each shipment. The Seller shall insure that the person in their organization issuing the Certificate of Conformance has been authorized by the Seller to do so.
- b. Format: The exact format of the Certificate of Conformance may vary from Seller to Seller. Requirements can be identified within the Certificate of Conformance, Packing Slip, and/or material packing but shall contain the following minimum information:
 - I. Seller's name.
 - II. Manufacturers' name when different than Seller.
 - III. Camtron's Part number as specified on the purchase order.
 - If no Camtron Part number is specified on the purchase order, use Seller's Part number.
 - If no Seller's Part number is specified on the purchase order, use material descriptor.
 - IV. Camtron's drawing revision (including change notices, if not part of revision level) when specified on the purchase order.



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

c. Sellers shall supply all data which provides traceability of raw material from which it was made.

23. MRB Authority Withheld:

a. MRB authority is not in effect unless specifically granted in writing by Camtron. Non-conforming material shall not be shipped unless approved by Camtron in writing.

24. Certificate of Analysis (C of A):

a. The supplier shall provide a Certificate of Analysis test report, with the shipment, that complies with the requirements of the material specification.

b. The Certificate of Analysis shall include the following information:

- I. Original manufacturer's name
- II. Purchase order number
- III. Part number
- IV. Drawing(s) and/or specification number(s) and revision.
- V. Traceability of material to the C of A, including: Serial numbers, date code, lot number or batch code.
- VI. A signature, company name, and title by a person in the supplier's organization who has been authorized by the supplier to sign the Certificate.

c. Test data as required: The supplier shall provide a C of A that includes actual discrete test data (e.g. - physical properties, chemical analysis, and other test results) which validate conformance for the lot or batch of material supplied. (In the absence of lot or batch conformance testing, the supplier shall have every requirement in the specification(s) tested and reported).

25. **Specialty Metals Compliance:** Seller shall comply with all applicable requirements of DFARS 252.225-7008, 252.225-7009, and 252.225-7014, as flowed down from Buyer contracts.

- a. Specialty metals, including but not limited to steels, stainless steels, titanium, and nickel alloys, incorporated into items delivered under this Purchase Order shall be melted or produced in the United States or a qualifying country in accordance with DFARS requirements.
- b. Seller shall maintain objective evidence of compliance, including mill test reports identifying the country of melt, and shall provide such documentation to Buyer upon request.
- c. Seller shall ensure full traceability of specialty metals from raw material to finished product and shall maintain records in accordance with Buyer requirements.

Seller shall flow down all applicable specialty metals requirements to all sub-tier suppliers.

26. **Foreign Object Damage (FOD) Prevention:** The Seller shall establish and maintain an effective Foreign Object Damage (FOD) Prevention Program to reduce FOD using NAS412 as a guideline. The Seller's program shall utilize effective FOD prevention practices. The program shall be proportional to the sensitivity of the design of the product(s) to FOD, as well as, to the FOD generating potential of the manufacturing methods. The written



Camtron Incorporated

Terms and Conditions of Purchase (QMF 53)

procedures or policies developed by the Seller shall be subject to review and audit by the Buyer and/or government representative, and disapproval when the Seller's procedures or policies do not accomplish their objectives.

27. **Drawing and Specification Revision:** The latest revision of specifications and drawings apply to this order unless a specific revision is called out on your PO. Any deviation or waivers from the requirements specified on your PO must have written approval from Camtron purchasing prior to shipping the product.
28. **Customer Designated Suppliers:** Suppliers are required to use customer approved providers, processors, and distributors unless otherwise specified within the purchase order.
29. **Supplier Personnel Requirements:** Seller shall ensure that personnel are aware of:
 - Their contribution to product or service conformity;
 - Their contribution to product safety;
 - The importance of ethical behavior.

Personnel shall be competent in their respective duties and maintain required qualifications of personnel performing special processes that require certification.

30. Seller is responsible for meeting Camtron's Supplier Performance Expectations of:
 - Supplier On-Time Delivery of 95% or higher
 - Supplier Quality of 98% or higher
31. **Quality Management System:** Seller shall be in compliance with the current version of AS9003 Quality Management System Requirements or buyer approved. Compliance to the requirements above shall be validated by any one of the following:
 - a. Seller shall submit a current 3rd party certification to AS9100, AS9110, AS9120, ISO 9001, ISO 13485, ISO 16949 or AC7004 issued by a registrar that is accredited by an International Aerospace Quality Group (IAQG), International Accreditation Forum (IAF) member, signatory or accreditation body or
 - b. Approved by Supplier Quality Assurance Survey, site visit, trial buy, or any combination of the four as deemed appropriate by the Buyer.