



STANDARD PURCHASE ORDER TERMS AND CONDITIONS

1. Definitions:

- Seller - As used herein, the term "Seller" refers to the entity selling goods or services to 901D.
- Buyer - As used herein, the term "Buyer" refers to 901D, LLC and any of its subsidiaries or affiliates.

2. Acceptance: Any of the following acts by Seller shall constitute acceptance of this Purchase Order (PO) and all of its terms and conditions: (a) Signing and returning a copy of this contract, (b) Returning Seller's own form of acknowledgment. (c) Delivery of any of the items ordered, or (d) Informing Buyer in any manner of commencement of performance. Any term or condition stated by the Seller in any prior proposal or in acknowledging or otherwise accepting this contract shall be a proposal for addition to the contract and shall not become part of the contract unless specifically accepted in writing by 901D's authorized Purchasing agent.

3. Technical Representatives: The issuance of advice, approvals, or instructions by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's or Seller's rights and obligations hereunder. The Seller SHALL not make any changes in the materials or services to be delivered, specifications and amendments thereto, or delivery requirements, or any other changes, unless directed in writing by 901D's authorized Purchasing Agent and authorized by an amendment to this contract.

4. Packing and Shipment: Shipment shall be in accordance with instructions specified in this Order and all material shall be suitably packed to secure lowest transportation costs and in accordance with the requirements of common carriers. No charge shall be made for boxing, crating, packing, storage, drayage, or other costs unless expressly incorporated on the face of this Order. Buyer's order numbers must be plainly marked on all invoices, packages, bills of lading and shipping orders. Packing list shall accompany each box or package shipment showing Buyer's Purchase Order number and description of material. Buyer's count or weight shall be final and conclusive on shipments not accompanied by packing lists. Goods shall be packed to assure against damage from weather or transportation. Shipments, comprised in whole or in part, of hazardous materials shall comply with the applicable laws and regulations in the code of Federal Regulations, Title 49, and Pt. 93•633. Invoices shall be mailed to the attention of Buyers Accounting Department immediately after each shipment.

5. Transportation: Except as otherwise provided on the face of this Purchase Order, transportation charges on Goods sold Free on Board (F.O.B) shipping point must be *prepaid* and invoiced to Buyer. Transportation charges on Goods sold F.O.B. destination must be *prepaid* in all cases. No insurance or premium transportation costs will be



allowed unless authorized by Buyer in writing. Risk of loss from any casualty to Goods ordered hereunder, regardless of cause, shall be Seller's responsibility until Goods have been delivered in compliance with the terms of transportation agreed upon herein. If Seller does not comply with Buyer's delivery schedule, Buyer may, in addition to any other rights which Buyer may have under this Order, and require delivery by best way. Charges resulting from premium transportation must be fully prepaid and absorbed by Seller. Unless otherwise provided. Orders that are designated to ship via "Best Way" should be shipped by the best way possible to comply with the delivery schedule.

6. **Over-shipment:** Unless explicitly specified in the face of the Purchase Order, over-shipments are not accepted. Over-shipped items will be discarded or returned at Seller's expense.
7. **Delivery:** Delivery shall be made strictly in accordance with the terms of this contract. Seller shall be excused for default hereunder only if and to the extent that failure to so deliver results from causes beyond its control and without it's, or its subcontractors, fault or negligence, and provided prompt written notice thereof is given Buyer, and that such default is promptly cured by the Seller.
8. **Warranty:** The Seller will, at the Buyer's request and option remedy, repair or replace any defective items free of charge under the Seller's warranty period. If Seller does not promptly repair or replace items when required, Buyer may have the items repaired or replaced and Seller shall reimburse Buyer for all reasonable expenses incurred thereby. The Seller shall keep the Buyer indemnified in respect of all losses, injury, liability, cost and expense, which result during proper use directly or indirectly in whole from defective Goods and/or Services. The Seller shall also keep the Buyer indemnified against any damages to the Buyer's (including without limitation any materials, tools or patterns sent to the Seller for any purpose against any claims for loss or injury to any person or death of any person or to the property of to the extent caused by the Seller's negligence or any act or omission on the part of the Seller's employees, sub-contractors or agents arising out of the performance of the Order.
9. **Prices:** Unless specifically agreed in writing otherwise all prices shall be firm fixed price and not subject to any form of surcharge or variation. Seller by acknowledging this contract represents that its prices as stated herein are no greater than those charged any other of its customers for the same products or services in like quantities, and shall include all applicable Federal, State, and Local taxes.
10. **Payments terms:** Payment terms are net, thirty (30) days, after the date of the Seller's invoice, unless otherwise specified by Purchase Order.
11. **Certificate of Compliance:** Unless otherwise specified in the Purchase Order, any supply provided by the Seller shall be shipped with a Certificate of Compliance (CoC) signed and dated by the Seller. Supplies provided without CoC will NOT be accepted and will be returned at Seller's expense.



12. **Material and Finish certification:** Except for Commercial-Off-The-Shelf (COTS) items, Vendor shall provide with Shipment all of the necessary Material and Finish certifications. Supplies provided without Material and Finish Certifications will NOT be accepted and will be returned at Seller's expense.
13. **Inspection and acceptance:** All supplies and services covered by this, contract shall be subject to final inspection and test by Buyer at destination designated herein notwithstanding prior payments, or inspection at source, it being expressly agreed that payment shall not constitute final acceptance. Upon rejection, the Buyer may, at its option, and in addition to any other available recourse, return at Seller's cost the Goods (a) for a complete credit (b) repair and return at no increase in price and on Buyer's schedule, or (c) an exchange on Buyer's schedule.
14. **Changes:** Buyer reserves the right, at any time, by written notice to suspend performance by Seller hereunder, whether in whole or in part, or to make changes in the drawings, specifications or shipping instructions. Any difference in price or time for performance resulting from such change, whether by way of increase or decrease, will be equitably adjusted and the contract modified in writing accordingly; provided any such claim by Seller, and the amount thereof, shall be made in writing within 5 days from receipt by Seller of notice of change or be conclusively deemed waived; provided further that nothing contained herein shall excuse Seller from proceeding with its performance under the contract as changed.
15. **Default:** Seller is in default upon the occurrence of any one or more of the following: (1) Seller fails to make delivery of supplies or services within the time specified on this Order; (2) Seller fails to perform in accordance with the provisions of this Order; or (3) Seller so fails to make progress as to endanger performance of this Order in accordance with its terms. In these cases, Buyer may, at its option and only in writing, provide a period within which Seller may cure its default prior to Buyer's terminating the Order for default.
16. **Remedies for Default:** Buyer, by written notice to Seller, may terminate this Order, in whole or in part, if Seller is in default. Upon such termination, Buyer may procure, upon such terms, as it shall deem appropriate, Goods similar to those so terminated, in which case Seller shall continue performance of this Order to the extent not terminated and shall be liable to Buyer for any excess cost for such similar Goods. As an alternate remedy, and in lieu of termination for default, Buyer, at its sole discretion, may elect (1) to extend the delivery schedule, and/or (2) to waive other deficiencies in Seller's performance, in which case an equitable reduction in the Purchase Order price, shall be negotiated. If the failure to perform is caused by the *default* of a Subcontractor at any tier and if such default arises out of causes beyond the control of both Seller and Subcontractor and without the fault or negligence of either of them, Seller shall not be liable for any excess costs for the failure to perform, unless the Goods or Services to be furnished by Subcontractor were obtainable from other sources in sufficient time to



permit Seller to meet the required delivery schedule. The rights and remedies of the Buyer provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by this Order or by law or equity. Failure of Buyer to insist on strict performance shall not constitute a waiver of any of the provisions of this Order or waiver of any other default of Seller.

17. **Specialty metals:** Compliance with DFARS 252.225-7014, “Preference for Domestic Specialty Metals” is required for all Items.
18. **Marking:** Except for COTS items, each part being delivered shall be clearly marked with the Buyer’s part number and revision level as it appears on the Purchase Order. Supplier shall not use non-removable adhesive labels. Items provided without proper marking will not be accepted and will be returned at Supplier’s expense.
19. **Personnel Qualification:** In accordance with the product requirements and accompanying documentation only qualified personnel will be used to perform required operations for any product or service.
20. **Anti-Kickback Procedure:** Vendor agrees to abide by the Anti-Kickback act of 1986 (41 U.S.C. 51 through 58) and FAR 52.203-7.
21. **Counterfeit Parts Prevention:**
 - a. **Definition:**
 - b. **Counterfeit Item:** Shall mean a component, part module or assembly whose origin, material, source of manufacture, or characteristics are misrepresented.
 - c. **Authentic:** Shall mean genuine, from the legitimate source claimed or implied by the marking and design of the product offered and manufactured to the standards of the manufacturer that has lawfully applied its name and trademark for that model/version of the material or goods.
 - d. **Requirements:** Seller represents and warrants each of the following to 901D:
 - i. That only new and authentic material is used in goods delivered to 901D.
 - ii. Seller agrees and shall ensure that counterfeit work is not delivered to 901D.
 - iii. Seller shall only purchase products to be delivered or incorporated as work to 901D directly from Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM) or through an OCM/OEM authorized distributor chain. Work or parts shall not be acquired from independent distributors or brokers unless approved in advance, in writing by 901D, in the event that 901D does not give written approval, the Seller must find another source, to provide the work or part required.
 - iv. Seller shall immediately notify 901D with the pertinent facts if Seller becomes aware or suspects that it has furnished counterfeit items or work.
 - v. Seller agrees upon request for up to 7 years from 901D receipt of goods to



promptly provide 901D with documentation authenticating all goods sold to 901D.

22. Conflict Material Policy

a. **Definitions:**

DRC - Democratic Republic of the Congo

a. **Scope:** (Dodd-Frank Act) The goal is preventing armed groups in the Democratic Republic of the Congo and adjoining countries from benefitting from the sourcing of Conflict Minerals From that region.

b. **Requirements:**

- i. Suppliers should not include any conflict minerals in products sold to 901D.
- ii. Suppliers are expected to source Conflict Minerals only from sources that are DRC Conflict Free.
- iii. Suppliers should develop Conflict Mineral policies and processes to prevent Conflict Minerals that are not DRS Conflict Free from being included in the products sold to 901D.
- iv. Suppliers are expected to implement procedures for the traceability of Conflict Minerals and work with their direct and indirect suppliers as applicable.
- v. Suppliers should make reasonable efforts to source Conflict Minerals from smelters and refiners validated as being DRC Conflict Free, and require their direct and indirect suppliers to do the same.
- vi. Suppliers are encouraged to report concerns or alleged violations of this policy to www.901d.com.

23. Order of Precedence: The following documents, where included, form part of these Purchasing Terms and Conditions. When the requirements of the present document and any referenced documents are in conflict the following precedence will apply:

- a. Purchase Order document
- b. 901D drawings (when applicable)
- c. Standard Purchasing terms and conditions
- d. Standard quality clauses
- e. Supplemental quality clauses for Tier-1 suppliers (when applicable)

24. Malpractice: All 901D suppliers will be held accountable, to assure that all products and services provided to 901D, have not in any manor, been arrived at thru the use of malpractice (Fraudulent practices). Supplier required to provide evidence of annual training of employees to assure compliance.