

Supplier Terms and Conditions

As a supplier to CERTEX USA LLC (the "External Provider"), it is understood when accepting our purchase orders, your organization agrees to meet the following AS9100/AS9110 requirements in addition to CERTEX USA LLC General Terms and Conditions of Purchase (the "Agreement"). EXTERNAL PROVIDER ENSURES, WITH THE ACCEPTANCE OF THIS PURCHASE ORDER, THAT PERSONS ARE AWARE OF THEIR CONTRIBUTION TO PRODUCT OR SERVICE CONFORMITY INCLUDING THEIR CONTRIBUTION TO PRODUCT SAFETY AND THE IMPORTANCE OF ETHICAL BEHAVIOR. The seller warrants that in the performance of this PO, seller shall comply with all applicable statutes, rules, regulations, and orders of the Government and any of the state or political subdivision thereof, and agrees to indemnify CERTEX USA LLC against any loss, damage, cost, or liability by seller's violation of this warranty.

Communication to CERTEX USA LLC should be made to the Buyer of Record on the Purchase Order. If communication is handled in a non-written/electronic format, for example telcon, it should be provided in a written/electronic format as requested. CERTEX USA LLC reserves the right of final approval of Product and services; methods, processes, and equipment; the release of final product and or services. All special processes required by this Purchase Order must be performed by qualified personnel. Key, critical, and special characteristics are to be identified and controlled as noted on the Purchase Order or specification.

RIGHT OF ACCESS

Right of access by CERTEX USA LLC, our customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records to include verification and validation on site, as defined on the Purchase Order and arranged with the supplier.

QUALITY MANAGEMENT SYSTEM

External Provider, including their sub-tier providers, must have implemented a Quality Management System (QMS) and shall maintain and operate a QMS that ensures all Goods and Services subject to this Agreement conform to the requirements and specifications outlines in the PO. External Provider must also maintain an up to date QMS according to all applicable statutory and regulatory requirements. CERTEX USA LLC reserves the right to review and approve the Quality Management System.

Customer Directed sources must operate in accordance with approved specifications and standards, as dictated and controlled by the customer in question. The Vendor shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and all other relevant technical data.

Product Conformity and Safety

External Provider shall ensure personnel are aware of their contribution to product/service conformity, their role in product safety. External Provider shall identify and manage any safety risks associated with the product or service throughout its lifecycle. This includes assessing hazards and implementing controls, managing safety-critical items and communicating safety concerns promptly to the CERTEX USA LLC.

Ethical Behavior

External Provider shall conduct business in a manner that upholds the highest standards of integrity, transparency, and professionalism. This includes avoiding conflicts of interest, prohibiting bribery, corruption, and fraudulent practices, respecting intellectual property and confidentiality.

TEST SPECIMEN

CERTEX USA LLC reserves the right to approve or specify any designs, tests, inspection plans, verifications, use of statistical techniques for product acceptance, and any applicable critical items including key characteristics. CERTEX USA LLC reserves the right to designate requirements for test specimens for design approval, inspection/verification, investigation, or auditing (where applicable). Any statistical techniques used for inspection sampling must be pre-approved, such as sample inspection plans.

NON-CONFORMING MATERIAL (OUTPUTS)

External Provider shall notify CERTEX USA LLC of non-conforming product within 24 hours of discovery of such non-conformity, regardless of whether it be prior, during, or after receipt of the product. CERTEX USA LLC does not grant disposition authority for non-conforming product. No known non-conforming product shall be shipped to us without our written authorization. External Supplier shall document and investigate all non-conforming product incidents assuring elimination of the root cause and provide CERTEX USA LLC the opportunity to inspect such documentation within thirty (30) days of the discovery.

External Provider shall obtain CERTEX USA LLC's approval for non-conforming product disposition.

SERIOUS FAILURES, MALFUNCTIONS OR DEFECTS

External Provider shall notify CERTEX USA LLC of any serious failures, malfunctions or defects found in the product within 24 hours of discovery via written communication.

CHANGES

External Provider shall notify CERTEX USA LLC of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations within 24 hours.

SUBCONTRACTORS

CERTEX USA LLC does not allow its suppliers to subcontract any product or process to a sub-tier supplier without prior written consent from CERTEX USA LLC. If a subcontractor is required, notification must be provided to CERTEX USA LLC in writing, stating the service to be provided and subcontractor(s) to be used.

FLOW DOWN

Flow down to the supply chain the applicable requirements including all Purchase Order requirements and key characteristics to the supplier's vendors of any approved outsourced products or services is required.

SUPPLIER PERFORMANCE MONITORING

Performance of suppliers is monitored using specific metrics data that includes but is not limited to:

Quality performance of parts and services and On-time delivery performance.

If CERTEX USA LLC's monthly supplier evaluation identifies a supplier with an on-time delivery rate less than 80%, a corrective action request can be issued for supplier response.

If CERTEX USA LLC's monthly supplier evaluation identifies a supplier with quality rejections exceeding 5% of their work orders, a corrective action request can be issued for supplier response.

If delivery cannot be met, the appropriate CERTEX USA LLC Buyer of Record must be notified in advance.

CORRECTIVE ACTIONS

Corrective Actions flowed to the External Provider shall be completed and returned in a timely manner. External Provider is required to flow down corrective action requirements to sub-tier providers when it is determined the sub-tier provider is responsible for the non-conformity.

INCOMING INSPECTION

CERTEX USA LLC performs an incoming inspection to ensure the purchased product meets purchasing requirements. These requirements may include:

Verification of the certificate of conformity, or other certifications.

Products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded when appropriate.

All special processes (plating, heat treat etc.) where the compliance cannot be verified by CERTEX USA LLC, inspection will require Certificate of Conformity or applicable certification documents.

RECORD RETENTION

External Provider shall retain all Records including disposition requirements associated with the Purchase Order as required by contract for a minimum period of 10 years and the records to be deliverable to the CERTEX USA LLC Buyer of Record within 48 hours after request.

FOREIGN OBJECT DEBRIS/DAMAGE (FOD) PREVENTION

Seller shall maintain a FOD prevention Program. FOD program shall include the review of the manufacturing process to identify and eliminate FOD entrapment areas through which foreign objects can migrate. Seller shall ensure work is accomplished in a manner to prevent FOD in deliverable items. Seller shall maintain work areas in a manner sufficient to preclude the risk of FOD incidents. Seller shall investigate each FOD incident and ensure elimination of its root cause.

PREVENTION OF COUNTERFEIT PARTS

External Provider shall plan, implement, and control their process for the prevention of counterfeit or suspect counterfeit parts from use or inclusion into the product in accordance with AS9100/AS9110/AS9120 clause 8.1.4 (Prevention of Counterfeit Parts)

Supplier Terms and Conditions

PREVENTION OF SUSPECTED UNAPPROVED PARTS

External Provider shall plan, implement, and control a process that identifies and prevents the release of unapproved and suspected unapproved parts or inclusion into the product in accordance with AS9100/AS9110/AS9120 clause 8.1.5 (Prevention of Suspected Unapproved Parts).

INTELLECTUAL PROPERTY

- (1) Where Supplier is providing to CERTEX USA LLC Products or Services under this Agreement or under PO involving the preparation, development or provision of any design, formula, specification or drawings or other intellectual property rights, the Supplier hereby assigns to CERTEX USA LLC absolutely:
 - a. all right, title and interest to the copyright or other intellectual property right in any work created by the Supplier or any of its employees, agents or contractors in the course of the Services and which is the subject of copyright; and
 - b. all right, title and interest in any practice, concept, product, and process design the Supplier or any of its employees, agents or contractors creates, develops, discovers or first reduces to practice in the course of the Services and which intellectual property rights are capable of being protected or registered.

The External Provider agrees to sign all documents and do all acts and things necessary to ensure that legal ownership of copyright and other intellectual property rights vests in CERTEX USA LLC.

- (2) Any design, formula, specification, drawings or other documents or information made available by CERTEX USA LLC for use by the External Provider for provision of Goods or Services to CERTEX USA LLC, for the purposes of this Agreement or any PO, always remains the property of CERTEX USA LLC. This Agreement does not give the External Provider any right, title or interest in CERTEX USA LLC's documents or information and the External Provider must use CERTEX USA LLC documents and information solely for the purpose of providing the Goods and or Services to CERTEX USA LLC under the terms of this Agreement or the PO.

CONFIDENTIALITY

Both parties agree to maintain confidentiality regarding any proprietary or confidential information exchanged during the performance of this Agreement or any PO, and to not disclose such information to any third party without prior written consent from the other party.

DATA SECURITY AND CYBERSECURITY

External Provider shall operate and maintain an information and cybersecurity program, including administrative, physical and technical safeguards, designed to protect against and prevent any unauthorized use, access, processing, destruction, loss, alteration or disclosure of Confidential Information and Personal Data ("Security").

Upon the request of CERTEX USA LLC, External Provider shall provide proof of External Provider's Security and submit its processing facilities for audit of the processing activities covered by the PO.

INSURANCE

- (1) Unless otherwise agreed in writing or contained in the relevant PO, the External Provider warrants that it has obtained and maintains throughout the duration of this Agreement or as set forth in the PO (including any Defects Liability Period), all applicable insurance cover(s) required by the law of the relevant jurisdiction, and meeting or exceeding the requirements set forth below:

Minimum Scope of Insurance – Coverage shall be at least as broad as the following:

General Liability \$1,000,000 each occurrence/\$2,000,000 general aggregate/\$2,000,000 products/completed operation aggregate.

- (2) Certex USA, LLC, owners and/or other contractually required parties shall be named as additional insureds on vendor's liability policy. The additional insured endorsement shall contain a provision that vendor coverage is "primary" and any other coverage carried by Certex USA, LLC. or owner is "excess" and non-contributory as respects to general liability.
- (3) Waiver of Subrogation on behalf of Certex USA, LLC owners shall be added for the general liability. A Waiver of Subrogation endorsement form shall be provided and so noted on certificate.
- (4) As and when requested by CERTEX USA LLC, the External Provider shall provide copies of the policies of insurance (Certificates of Currency) the External Provider is required to have in effect and evidence to CERTEX USA LLC's satisfaction of their validity.

TERMINATION

- (1) Termination for Convenience: Either party may terminate this Agreement or any purchase order by providing 90 days written notice to the other party.
- (2) Termination for Breach: CERTEX USA LLC may terminate this Agreement or any purchase order in the event of the External Provider's breach of this Agreement or any Purchase Order after providing 30 days to cure the breach provided the breach is curable.
- (3) Post-Termination: Upon termination, the External Provider shall cease the supply of raw materials, parts or services and cooperate in the return or disposal of any unsupplied materials and confidential materials as instructed by CERTEX USA LLC.

INDEMNIFICATION

The External Provider agrees to indemnify and hold harmless CERTEX USA LLC, its officers, employees, and agents from and against any and all claims, damages, liabilities, and expenses arising out of the External Provider's breach of this Agreement or any PO or the negligent or fraudulent provision of Goods and Services to CERTEX USA LLC .