

Ohio Aluminum Industries, Inc. Purchase Order Terms and Conditions

- 1. CASH TERMS** The purchaser's standard cash terms are stated in the body of the purchase order.
- 2. QUANTITY** The quantity on the face of the purchase order shall not be increased or decreased without the written consent of the buyer. When normal industry tolerances apply to any goods being purchased, the seller shall submit these thresholds to the buyer for insertion in the purchase order.
- 3. WARRANTY** The seller expressly warrants that (1) all work, including products, material and designs supplied by them, conforms to these specifications, drawings, samples or other descriptions set forth in the order, and (2) all furnished goods have been made from flawless material with excellent workmanship and are free from defects. All work is subject to inspection and acceptance at the purchaser's plant. Both parties understand that payment for such goods does not constitute acceptance. Any work, which is found defective, either before or after acceptance may be rejected or returned to the seller at the seller's risk and expense for repair or replacement. If the seller cannot make repair or replacement in the time required by the purchaser to meet its delivery schedules, the seller shall grant full credit at the purchaser's option. When the purchaser finds it impractical to return defective work for repair or replacement within a reasonable time, the purchaser may perform the necessary repairs and charge the reasonable cost thereof to the seller. The seller agrees to immediately refund to the purchaser any payments made on any rejected work.
- 4. PRICE WARRANTY** The seller warrants that the prices of the items set forth in the purchase order are the lowest prices charged by the seller to any other customers including local, state and federal governments, for the same items in like or lesser quantities supplied in total over the life of this agreement.
- 5. CHANGES** The purchaser may at any time, by written request, make changes of additions to the drawings, specifications, statements of work and other instructions pertaining to the purchase order, which increase or decrease the work scope of the seller. The seller agrees to proceed with the new work scope per the written directions of the purchaser. The seller shall submit within thirty days a cost breakdown and written description concerning the specific impact of the change. Price adjustments, upward or downward, and schedule modifications shall be negotiated within thirty days after the purchase receives the required data from the seller.
- 6. STOP WORK** The purchaser may, at any time, require the seller by written notice to stop all or part of the work on its purchase order for up to ninety days. Immediately after receiving notice of the purchaser's stop work request, the seller shall comply and take all necessary steps to eliminate any additional incurred costs on the work on the items covered in the purchase order. Either, or both, the purchase order price and delivery schedule may be changed, provided the facts justify such an action and the seller asserts a claim for such adjustment within thirty (30) days after the end of the work stoppage.
- 7. TERMINATION** At any time, the purchaser may partially or totally terminate this purchase order for its convenience by written notice to the seller. Immediately after receiving a termination notice, the seller shall stop all work and terminate all purchase orders related to the

performance of this purchase order. When the terminated item or items are standard products sold without modification to other customers, no termination costs shall accrue to the purchaser. Whenever the item or items terminated are special products specifically for the purchaser, the seller shall submit any claims arising out of such termination within thirty days in the form specified by the purchaser.

- 8. PACKING** The purchaser will not allow any charges for packaging, boxing, or cartage, unless agreed upon at the time of purchase. The seller is fully responsible for providing adequate packing for transit. The purchaser will charge the seller for any damage caused by negligent packing or packaging. Each package must contain a document showing the seller's name, address, contents of the package, and the purchaser's purchase order number.
- 9. SHIPMENT AND INSURANCE** The seller shall not insure any shipments or declare any excess valuation on any shipments for the purchaser's account, unless the purchase order specifically requests it. The purchaser will deduct any such costs from the seller's invoice for failure to conform to these instructions.
- 10. DELIVERY** If the seller fails to deliver the material per the schedule specified herein, the purchaser may partially or totally terminate this purchase order. The purchaser expressly retains all its rights and remedies provided by law in case of such default and no action by the purchaser shall constitute a waiver of any right or remedy. The seller shall not be liable by reason of any failure to deliver or delay in delivery due to any cause beyond the seller's reasonable control and without the fault or negligence of the seller. The purchaser, in the case of material and/or equipment to be furnished by the purchaser to the seller, shall not be reliable by reason of any failure to deliver or delay in delivery due to causes beyond the purchaser's reasonable control and without fault or negligence of the purchaser.
- 11. ACCEPTANCE** This purchase order, together with any specifications, schedules, exhibits, riders, or other writings attached hereto or provided for hereunder and by reference made a part hereof, sets forth the complete and final agreement between the purchaser and seller in respect to the subject matter hereof. No amendments or modifications of or supplements to the provisions of the purchase order will be valid and binding to the purchaser unless in writing and signed by an authorized representative of the purchaser. In the event of any supplement attached hereto, the provisions contained on the face hereof or on such supplement shall control. The seller's acceptance or, at the election of the purchaser, seller's commencement of performance of this purchase order shall constitute acceptance by the seller of all the terms and conditions of this purchase order.
- 12. CERTIFICATE OF COMPLIANCE** The seller expressly certifies that all work, including products, material and design, supplied by the seller, will have been inspected and will comply in all respects with the pertinent specifications and/or drawings, in accordance with the requirements of this order. The seller further attests that all inspection and/or test results will be available for examination upon request and that where materials or processes are to be procured from others, that evidence of compliance will be contained and that this evidence will be available for examination upon request.
- 13. VERIFICATION OF PURCHASED MATERIAL** The Purchaser's Quality Organization and Customer retains the right to visit the seller's facility to review their product quality, systems, processes,

procedure, policies, and other actions to deliver the required quality products. This review may include an investigation of the seller's overall system in addition to how product responsibility for the quality and reliability of the delivered product.

- 14. INVOICES** The seller's invoices and original bills of lading or express receipts shall be mailed not any later than the day after each shipment is made. Separate invoices shall be issued for shipments applying against different purchase orders. Invoice payment dates will be computed from the date of shipment or from the date invoices received by the purchaser, whichever is later. Any applicable sales tax, duty, excise tax, use tax, or other similar tax or charge, for which the purchaser has not furnished an exemption certificate, must be itemized separately on the seller's invoice.
- 15. PATENTS** The seller warrants that the goods furnished hereunder, and the use thereof, does not infringe on any patent, trademark, or copyright. The seller agrees, at its own expense, to defend any suit that may arise in respect thereto, provided seller is notified thereof, and the seller will indemnify and hold harmless the purchaser from all loss and expense incurred on account of any alleged or actual infringements.
- 16. UNPATENTED KNOWLEDGE OR INFORMATION** Any unpatented knowledge or information, concerning the seller's products, methods, or manufacturing processes, which the seller may disclose to the purchaser with respect to the manufacture of the goods covered by this order shall, unless otherwise specifically agreed in writing, be deemed to have been disclosed as a part of the consideration for this order, and the seller's not to assert any claim (other than a claim for patent infringement) against the purchaser by reason of the purchaser's use or alleged use thereof.
- 17. PROPERTY** Whenever the purchaser furnishes the seller with its Property for use on this purchase order, the seller shall be responsible for its safe return to the purchaser. The seller shall segregate, clearly mark, and maintain a complete inventory of all such property. The seller shall immediately notify the purchaser of any loss, destruction, or damage to such property. The sell, also, shall be liable to the purchaser for all losses caused by the seller's failure to furnish timely written notice to the purchaser of loss, destruction, or to the purchaser's property suffered in transit or prior to receipt by the seller. Upon termination or completion of this purchase order, the seller shall deliver such property, to the extent it's not incorporated in the deliverable product, per the purchaser's instructions to the purchaser in good condition subject to ordinary wear and tear and normal manufacturing losses.
- 18. ASSIGNMENT** The seller shall not assign this order or enter into any purchase order for completed or substantially completed products covered hereby without the written consent of the purchaser.
- 19. APPLICABLE LAW** This contract shall be constructed in accordance with the applicable laws of all government agencies and safety regulations.
- 20. AS-9100** Products and services supplied shall adhere to the requirements as established by the standards of AS-9100.

Corrective Action Clause: Ohio Aluminum shall have the authority to issue corrective actions in the event, a nonconformance is discovered, which will require timely response.

- 21. PROPRIETARY DISCLOSURE** Ohio Aluminum shall not disclose proprietary information unless authorized by an official cognizant party. This shall include but is not limited to, electronic data, customer blueprints, internal customer specifications, and test results.
- 22. SUBCONTRACTOR CONTROL** Subcontractors shall be expected to establish quality systems which meet flow down requirements mandated within the Quality Clauses established by the Approving Prime Contractor.
- 23. RIGHT OF ENTRY** Right of access by Ohio Aluminum, 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.
- 24. RECEIPT OF NON-CONFORMING PRODUCT** Provide notification to customers regarding nonconforming product. Obtaining approval for nonconforming product disposition.
- 25. RECORD RETENTION** Record retention shall be a minimum of 10 years. With the exception of ITAR sensitive material, which shall not be destroyed.
- 26. FOREIGN OBJECT DEBRIS (FOD) PROGRAM** Shall have a procedure implemented to prevent foreign objects or material in purchased products. Shall maintain handling, in process protection, housekeeping, work area accountability, parts and by products in a manner to prevent the risk of FOD occurrences. The FOD program shall be subject to audit by Ohio Aluminum or our Customers for review and approval as applicable.
- 27. COUNTERFEIT MATERIAL AVOIDANCE** Shall maintain a counterfeit material avoidance and mitigation process using AS 5553 as a guide and be able to produce for review by Ohio Aluminum Industries. If counterfeit product is detected Ohio Aluminum shall be notified immediately.
- 28. PRODUCT SERVICE CONFORMITY, SAFETY AND ETHICAL BEHAVIOR** By acceptance of this purchase order, the recipient acknowledges their awareness of their contributions to product and service conformity, product safety and ethical behavior listed in A) B)& C) below and shall communicate this information and requirements to all employees within the organization that have an impact on product conformity.
- A)** The materials supplied under this purchase order will be used in aerospace products.
 - B)** The materials supplied under this purchase order have safety impacts on the final products produced.
 - C)** The materials supplied under this purchase order must be produced at the highest possible standards of responsible, sustainable and socially aware business practice