

PURCHASE ORDER GENERAL TERMS & CONDITIONS

Acceptance of Purchase Order. Acknowledgement of the Purchase Order, shipment of any material, or commencement of work pursuant to the Purchase Order shall be deemed an acceptance of these General Terms and Conditions. No modification of or release from this Purchase Order shall be binding unless agreed in writing. In case of any conflict between these Terms and Conditions and the Terms and Conditions put forth in Seller's Conditions of Sale, these terms prevail except where Buyer expressly accepts conflicting terms.

Assignment. Seller may not assign, transfer, or sub-contract this Purchase Order or any right or obligation hereunder without the Buyer's consent.

First Article Inspection Requirement. Where products are produced to Buyer's drawing, first article inspection requirements must be performed prior to shipment when required (See QAP3410 - Supplier Quality Requirements). At Seller's cost, the first article inspection requirement will consist of the AS9102 inspection form, or, to the extent Seller is unable to produce said form, will objectively provide evidence that all engineering, design and specification requirements are correctly understood, accounted for, verified, and recorded. No nonconforming product is to be shipped without prior written authorization, and acceptance of a First Article Inspection Report by Buyer shall not waive the Warranty and Inspection requirements.

Packing and Shipping. All items must be suitably packed and prepared for shipment. Seller is expected to obtain the most favorable freights in anticipation of further orders from Harper Engineering. No charges will be paid by Buyer for packing, crating, or cartage unless stated in the Purchase Order. Freight should be billed to Buyer's UPS provided account number for goods unless other terms have been formally agreed to by both Buyer and Seller. Seller shall not insure shipments without prior written approval. All goods must be forwarded in accordance with Buyer's shipping instructions, otherwise the difference in freight will be charged to the Seller. Material and Processing Certifications, Certificates of Compliance, and any other required documentation will also be included with the product.

Shipment and Delivery. Shipments or deliveries shall be strictly in accordance with the quantities and schedule specified in the order. Goods supplied in excess of quantities called for herein may be returned to Seller at its expense and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking and reshipping such goods.

Delay. If at any time it appears Seller will not meet the order schedule, Seller shall promptly notify Buyer of the estimated duration of delay and, if requested by Buyer, ship via air or expedited routing to avoid or minimize delay. Such added costs will be borne by Seller as requested. Any special shipping requirements including, but not limited to, UPS RED, UPS BLUE, etc. shall not be charged to the Buyer without prior authorization.

Price. Price is set forth on the face of this order. Seller warrants that prices shown on this purchase order shall be complete, and no additional charges of any type shall be added without Buyer's express written consent. Such additional charges include, but are not limited to: shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, and crating. Seller specifically and expressly assumes the risk of any foreseen or unforeseen event or cause affecting price occurring subsequent to the date of this order.

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Invoice and Payment. Buyer will pay invoices no more than thirty days after receipt of invoice; receipt of product; or the date which a non-conformity or billing error is resolved, whichever is later. A separate invoice shall be issued for each shipment. Unless otherwise specified in the order, no invoice shall be issued prior to shipment of goods and no payment will be made prior to receipt of conforming goods and correct invoice. Depending on whichever is later, the invoice date or receipt date will be used to determine Special Payment Plans. The Supplier is subject to special payment plans, such as, but not limited to, 2% (10) Net (30), when agreed to in writing.

Special Payment Plans. Supplier is subject to any special payment plans agreed upon between Buyer and Seller.

Warranties. In addition to any other expressed or implied warranties, Seller warrants that all items delivered under this order will be (i) merchantable; (ii) free from defects in materials and workmanship; (iii) that all items will conform to the requirements of the Purchase Order, including but not limited to the applicable descriptions, specifications, and drawings; (iv) to the extent such items are not manufactured pursuant to detailed designs furnished by Buyer, all items will be free from defects in design and suitable for the purposes intended by Buyer. Seller's liability under this warranty shall include, at the Buyer's election: repair, replacement, or return for credit all defective or nonconforming items, and the payment of all packing and transportation costs attributable to accomplishment of the above, all at Seller's expense. Seller warrants that goods or services covered by this order shall not infringe any patent, design, mask work, copyright, or trademark of any third party, either directly or indirectly. Seller agrees to indemnify Buyer and hold Buyer harmless from and against all liability, loss, damages, and expenses, including counsel fees and costs of litigation, resulting from any claim of infringement and litigation relating thereto. Where applicable, the Seller warrants that the goods covered in this order are in compliance with all laws, regulations, rules, and orders relating to the importation of goods into the United States, the exportation of goods out of the country of origin, the transit of goods through intermediate countries, and the use of foreign made goods in the United States.

New Materials. The work to be delivered hereunder shall consist of new materials: no used or reconditioned materials, or materials of such an age as to impair its usefulness or safety (also see QAP3410, for life-limited materials requirements).

Inspection. All goods and services furnished will be subject to inspection and test by Buyer at all times and places and will be subject to Buyer's final inspection and approval within a reasonable time after delivery. It is the Seller's responsibility to ensure that all products, assemblies, material and process specifications reflect the latest revision levels. If Seller delivers non-conforming goods, Buyer may at its option and Seller's expense: (i) reject and return goods for credit or refund; (ii) require Seller to promptly correct or replace goods; or (iii) obtain replacement goods from another source. Among those options that meet Buyer's need date and other applicable requirements, Buyer will prefer options that cause least expense to Seller. Seller shall not redeliver corrected or rejected goods without disclosing the former rejection or requirement for correction. All rejections deemed the fault of Seller shall incur a minimum processing fee of \$250.

Seller shall disclose any corrective action taken. Repair, replacement, and other correction and redelivery shall be completed within the original delivery schedule or such later time as the Buyer may reasonably direct. All costs, expenses and loss of value incurred as a result of or in connection with

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non-conformance and repair, replacement, or other correction may be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this order or another. Payment for any goods or services shall not be deemed acceptance, and in no event shall Buyer incur any liability for payment for rejected goods or services.

Quality. Parts furnished shall meet the latest revision of QAP3410 - Supplier Quality Requirements, which is available at the Harper Engineering website.

Changes. The Buyer reserves the right at any time to change any of the following, provided that the affected delivery date is further out than the standard lead time: (i) specifications, drawings, and data incorporated in the order where the items to be furnished are to be specially manufactured for the Buyer; (ii) quantity; (iii) methods of shipment or packaging; (iv) place of delivery; (v) time of delivery; or, (vi) any other matters affecting the Purchase Order. If Buyer desires to change any of the previous items, Buyer shall provide Seller with a written Purchase Order Change specifying the desired changes. Any PO change is subject to the same terms as a new order.

Termination. Buyer may terminate the Purchase Order, in whole or in part, at any time prior to shipment by notice to Seller if any of the following circumstances occur: (i) Seller fails to deliver the supplies or to perform the services required by this order within the time specified herein, or any extension thereof granted by the Buyer in writing; (ii) Seller fails to perform any of the other provisions of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms; (iii) Seller becomes insolvent either filing for or against a petition of bankruptcy. Upon receipt of such termination notice, Seller shall promptly comply with the directions contained in such notice and shall, as required: (i) take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work, and (ii) continue the performance of any part of the work not terminated by the Buyer. Prior to any termination, Buyer and Seller shall work in good faith to come to a mutually agreeable solution.

Resolution of Conflicts or Inconsistencies. It is the Seller's responsibility to comply with the Purchase Order and all referenced documents, and to clarify with Buyer any inconsistencies or conflicts in any parts of the Purchase Order or referenced documents. Should Seller fail to contact Buyer with conflicts or inconsistencies, Seller will be solely responsible for errors resulting from said conflicts or inconsistencies.

Tools, Equipment, and Material. All tooling, equipment and material furnished to Seller by or specifically paid for by Buyer will remain property of Harper Engineering. Any Buyer owned tooling held at Seller facility shall be marked with: 1) tool number, and 2) "Property of Harper Engineering". Such equipment while in the Seller's custody or control will be maintained in good working condition, held at Seller's sole risk and will be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer. Such equipment will be delivered in good working condition - reasonable wear and tear excepted - to Buyer immediately upon request. Equipment shall not be disposed of and no use of Buyer's equipment shall be permitted without prior written approval by Buyer. Seller shall not publish or display Buyer supplied equipment or any production pieces made with said equipment without prior written approval from Buyer.

Work Performed on Buyer's or Buyer's Customer's Premises. If Seller's work under the Purchase Order involves operations by Seller on Buyer's or Buyer's customer's premises, Seller shall take all necessary precautions and additional precautions as Buyer or Buyer's customer may prescribe to

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prevent the occurrence of any injury to persons or property during the progress of such work, and, except to the extent that any such injury is due solely to the Buyer's or Buyer's customer's negligence, shall indemnify Buyer against all claims, liability, damage, or loss.

Confidentiality. Unless otherwise agreed by Buyer in writing, Seller shall keep confidential and not disclose to any third party any proprietary materials provided by Buyer to Seller pursuant to the issued Purchase Order, including, but not limited to, any drawings, specifications, components, data, business information or plans, customer lists, pricing, or other customer information.

Indemnification. Seller agrees to indemnify, defend, and hold Buyer harmless from and against all losses, damages, liability, actions, judgments, costs, and expenses suffered, incurred, or asserted by or against Buyer by Seller's breach of warranty or by breach of Purchase Order terms.

Cumulative Remedies and Waivers. The remedies herein reserved to Buyer shall be cumulative, and additional to any other further remedies provided in law or equity. No waiver by Buyer of any term or condition of this Purchase Order shall be construed as a permanent waiver.

Anti-Kickback. Gratuities/Kickbacks. Seller agrees not to provide or offer any representative, officer, or employee of the Buyer, or any member of such person's family, any favors, gifts, gratuities, or favorable treatment for the purpose of securing this Purchase Order or any future transactions.

Conflict Minerals. Seller shall cooperate with any required conflict minerals reporting requirements and perform appropriate due diligence on its supply chain in order to fulfill reporting obligations. Seller agrees to communicate to its sub-suppliers its own commitment to responsible sourcing and legal compliance, and to cooperate with them to ensure traceability of conflict minerals (i.e. Tungsten, Tin, Tantalum, Gold). Seller will maintain all traceability documentation and provide such documentation to Buyer upon request. More information on conflict minerals reporting can be found at http://www.aia-aerospace.org/assets/AIA_Conflict_Minerals_FAQ.pdf. The Conflict Minerals Reporting Template can be found at www.conflictreesourcing.org.

FAR/DFAR. Seller shall comply with all applicable statutes and United States Government rules, regulations, and orders, including all contract clauses under the FAR and DFARS applicable to the goods and transactions. The contract clauses set forth below are incorporated by reference from the FAR and DFARS as if stated fully herein. The clauses set forth below may or may not apply to specific goods sold by Seller to Buyer or to specific transactions between the parties. Seller bears the sole responsibility of determining the applicability of specific FAR and DFARS clauses to specific Goods or transactions depending on the nature of the goods or the circumstances of the transactions. The following FAR and DFARS clauses potentially are applicable to commercial Goods sold by Seller to Buyer or to transactions between the parties:

| <u>Clause</u> | <u>Description</u> |
|--------------------|--|
| FAR 52.244-6 | Subcontracts for commercial items |
| FAR 52.209-06 | Protecting the government's interest when subcontracting with contractors debarred, suspended, or proposed for debarment |
| FAR 52.222-50 | Combating Trafficking of Persons |
| DFARS 252.244-7000 | Subcontracts for commercial items and commercial components |
| DFARS 252.204-7012 | Safeguarding of unclassified controlled technical information |
| DFARS 252.223-7008 | Prohibition of Hexavalent Chromium |

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- DFARS 252.227-7015 Technical Data- Commercial Items, applies if any technical data related to commercial items developed in any part at private expense will be obtained from Seller for delivery to the government
- DFARS 252.227-7037 Validation of restrictive markings on technical data
- DFARS 252.246-7003 Notification of potential safety issues
- DFARS 252.246-7007 Contractor counterfeit electronic part detection and avoidance system

Code of Basic Working Conditions and Human Rights. Harper (Buyer) is committed to providing a safe and secure working environment and advancement of basic human rights in its operations. Seller, via Boeing’s Code of Basic Working Conditions and Human Rights downloadable at <http://www.boeing.com/aboutus/culture/code.html>, is strongly encouraged to adopt and enforce concepts similar to those embodied in the Boeing Code. Seller will flow down the substance of this requirement in all subcontracts awarded by Seller for Buyer requirements.

Environmental Health and Safety. Seller will promote health and safety, environmental stewardship, and pollution prevention. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for Buyer requirements.

Severability. If any Term or Condition of this Purchase Order is deemed illegal or unenforceable by a court with competent jurisdiction, the court may sever such Term or Condition from the agreement. The remaining Terms and Conditions shall remain in full force and effect.

Choice of Law Forum. The Terms and Conditions of this Purchase Order shall be governed by and construed in accordance with the domestic laws of the State of Washington. Any dispute arising out of or in connection with this Purchase Order shall be determined by a court in King County in the State of Washington.

Entire Agreement. Unless superseded by a specific agreement between Buyer and Seller, this agreement shall include the Purchase Order, these General Terms and Conditions, and all attachments referred to in the Purchase Order, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein.

Revision History

| Revision | Changes | Date | By |
|----------|--|-----------|------------|
| NEW | Formalizing as Controlled Form | 4/10/18 | T. Egbert |
| A | Updated inspection rejection fee to \$250.00 | 9/20/23 | T. Egbert |
| B | Updated header/footer, minor formatting | 11/3/2023 | T. Commare |