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Purchase Order Terms and Conditions

R6.5 Rev.: 005

All Purchase Orders ("PO") issued to Suppliers by ThermOmegaTech Inc. are subject to the following Terms and Conditions:

1. Approved/Certified Suppliers

Suppliers shall maintain a ThermOmegaTech Inc. (TOT) approved Quality Management System (QMS) as follows:

1.1. Suppliers of non-aerospace products shall, as a minimum, maintain a quality system compliant with ISO 9001:2015 or NADCAP.

1.2. Suppliers of aerospace products shall, as a minimum, maintain a quality system compliant with AS9100D or AS9120B.

1.3. If a supplier does not maintain their QMS or repeatedly fails to respond to nonconformance issues they will be removed from the approved supplier list and given no new work.

2. Authority

All agreements between Supplier and TOT shall not be binding on either party unless documented by a new PO or amended PO.

2.1 Blanket POs

A Blanket PO may from time-to-time be supplied as a courtesy to Supplier to economically schedule Supplier's production and identify in advance any capacity constraints, shipment interruptions, raw material issues, etc. that may arise over the term of the Blanket PO. All Blanket PO's are forecasts derived from TOT's End-Customers' forecast(s) of their annual and monthly demand. If the End-Customer's forecast changes, TOT has the absolute right to change, at any time, the Supplier's forecasted demand and delivery dates found in Suppliers' Blanket PO(s). TOT retains the right to alter delivery quantities and/or delivery dates for parts due beyond the stated lead time from the date of notification, with no liability for excess finished stock, WIP or raw materials.

3. Code of Conduct

TOT has built a reputation on ethical, moral and legal business standards by conducting business with honesty and integrity. Additionally, TOT complies with the letter and spirit of all applicable local, state, and federal law or regulation. Violations of these laws or regulations can be extremely costly to TOT and can subject us to criminal penalties. We require our Suppliers to adhere to the same standards when conducting business with TOT.

4. Employment Laws

TOT is committed to providing a work environment that is free from all forms of discrimination, including sexual harassment and harassment based on race, color, religion, sex, national origin, age, disability or other protected status. We provide equal opportunity in all our employment practices and seek to ensure that each one of us is treated with fairness and dignity. In addition, TOT complies with all federal and state laws regarding child labor. We comply with all applicable employment and labor laws.

5. Compliance with Laws

Seller, in the performance of this purchase order warrants that it shall comply with all relevant laws, orders, rules, ordinances, and regulations (wither federal, state, local) including, but not limited to:

- All U.S. and regulations including:
  - The Fair Labor Standards Act of 1938, as amended (the FLSA), and the regulations and orders of the U.S. Dept of Labor under the FLSA
  - The Occupational Safety and Health Act of 1970 (OHSA), as amended
  - The U.S. Dept of Transportation regulations on hazardous materials and any other pertinent federal, state or local statutes, laws, rules or regulations
- The laws and regulations of Seller's place of performance
- The applicable domestic and international prohibitions of child labor, human trafficking, and slavery
- The U.S. Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA"), and other Anti-Corruption Requirements as defined in paragraph 19(b), below; and
- The Anti-Kickback Act of 1986

6. Export/Import

Seller hereby certifies that, in connection with the performance of this Purchase Order, it will comply with U.S. export and import control laws and regulations, including but not limited to the International Traffic in Arms Regulations ("ITAR") (22 CFR 120 et seq.), the Export Administration Regulations ("EAR") (15 CFR Part 730-774), the regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") (31 CFR Part 500-598), and all other applicable U.S. Government regulations relating to the importation of goods into the United States (including, but not limited to, the regulations administered by U.S. Customs and Border Protection ("CBP") at 19 CFR 0 et seq. and other import regulations promulgated by other U.S. agencies which may be enforced by CBP) (collectively "U.S. export and import control laws and regulations"). If Seller engages in the United States in the business of either manufacturing, exporting, or brokering in ITAR-controlled defense articles or furnishing ITAR-controlled defense services, Seller hereby certifies that it is currently registered with the U.S. Department of State Directorate of Defense Trade Controls ("DDTC").

7. ThermOmegaTech Gift Policy

TOT does not make or accept improper payments or gifts. Improper payments include anything of more than nominal value given to any person to obtain preferential treatment for either TOT or an employee. You may not solicit or accept gifts or favors of more than nominal value from persons who deal or seek to deal with TOT. Likewise, you may not give gifts or favors to these persons.

8. Conflicts of Interest

A conflict of interest exists when an individual's duty of undivided commercial loyalty to TOT is or is perceived to be prejudiced by actual or potential personal benefit from another source. Conflicts of interest may result directly through our activities or indirectly through the activities of a family member, person sharing our household or person with whom we are associated. You may not solicit or accept salaries, fees, commissions, or any other type of compensation from any individual or organization that conducts or seeks to conduct business with TOT or one of our competitors, and you may not have a financial or other interest in those who deal with TOT. You may not make a loan, extend credit to, or receive a loan

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or credit from those who deal with TOT.

9. Flow Down Requirements
Supplier shall flow down the requirements of this PO to Supplier's Sub-Tier suppliers. This includes appropriate controls to assure compliance to requirements in designs and specifications.

10. Prohibited Sources
Suppliers and/or sub-tier suppliers are prohibited from using any source listed on the U.S. Government Excluded Parties List (EPLS) (ref: https://www.sam.gov-AdvancedSearchExclusion) in the production of products to be delivered to TOT.

11. On-Site Survey & Surveillance (Right of Access)
TOT, their end-customers and/or regulatory authorities (e.g., FAA or DOD) shall have the right of access to Supplier's and all sub-tier suppliers' applicable facilities and/or records, to evaluate capability to comply with PO and/or quality requirements. Supplier will be required to support TOT's, their customer's and the third-party authority's representative with adequate facilities, equipment and responsible Supplier personnel.

12. Source Inspection
TOT's Quality Assurance personnel shall have the right to inspect product at Supplier's facility as part of, or in addition to, its incoming inspection activity. Acceptance of parts by source inspection does not preclude subsequent return of the product if further inspection detects nonconformances. TOT shall notify Supplier 24 hours prior to a source inspection request.

13. Supplier's Incoming Material
Supplier's procured material and details used in parts supplied to TOT shall be subject to a system that will assure conformance to drawings and specification requirements. The system will use test reports, specifications and inspection verification as appropriate, as well as the physical and chemical properties of the materials. Raw material shall be clearly identified as to the composition, heat treatment, source location, specification number (including revision), and any other characteristics imposed upon us by our End-Customers and regulatory agencies.

14. Certificate of Conformance
Supplier must submit a Certificate of Conformance (COC), in an acceptable industry-standard format to certify that the material and processes used to fulfill the PO meet all specified requirements. The necessary documentation and test data must be on file to substantiate the COC. The COC must include as a minimum and as applicable: Supplier's Name, Supplier's address, TOT PO number, Supplier part number, batch/heat number(s), quantity in shipment, authorized name and title (typed and signed), COC date of issue, Country of Origin, and Statement of Conformance referencing the specification (including revision). Supplier must ensure that all certifications (COC, Test Reports, Process Certs, Raw Material, etc.) for a part are traceable to one another either by a lot number, date code, heat number, job/work order number or material PO number and are available upon request by TOT. If Supplier is not the manufacturer, all paperwork necessary to provide "full traceability" back to the manufacturer shall be provided.

15. Control of Suppliers' Sub-Tier(s)
Supplier shall be wholly responsible for conformance to requirements of materials and services purchased from Supplier's Sub-Tiers. Supplier shall assure and certify their Sub-Tiers' performance via inclusion in Supplier's COC to the requirements of applicable specifications found in all drawings and part documentation.

16. Revision Levels (Supplier Changes)
Supplier shall not make any changes to the specified requirements on the approved PO of the product or service, unless TOT provides, in writing, official revised documentation. Supplier shall maintain a Change Control System to ensure all changes to drawings, specifications and/or test methods are incorporated per the AS9100 requirements. When the Supplier's drawing number and revision change level are specified on a TOT drawing, products must conform to both Supplier's and TOT's drawings at the revision change levels shown. Supplier's requested changes to drawings and processes must be transmitted to TOT with sufficient data to enable a complete evaluation of the request. Changes shall not be incorporated until authorized, in writing, by TOT.

17. Supplier Required Notifications
Supplier shall notify TOT of nonconforming product and return the material clearly identified with defect information for evaluation. The Supplier shall notify TOT of any changes they would like to make to the product, processes, suppliers, and facilities before the changes are implemented. The Supplier shall wait for approval from TOT (and TOT's Customers where necessary) before processing any approved parts with the proposed changes. Supplier shall notify TOT of any Major audit findings by any Customer or Regulatory body.

18. Process Control
Specific controls shall be established, defined in writing, maintained and recorded by Supplier on all manufacturing processes. Supplier shall not make any changes to any of the operating or control parameters associated with the processes without written approval from TOT. These processes shall include, but are not limited to, anodizing, heat treating, passivating, plating, mechanical testing, tinning and conformal coating and chemical composition analysis.

19. Tooling, Gauging & Test Equipment
Supplier shall maintain suitable tools, gauges and test equipment for fabricating, measuring and testing for conformance. Supplier shall maintain a system for periodic inspection & calibration of the test equipment traceable to the National Institute of Standard Technology (NIST). Supplier must also have a positive recall system in place as well as a positive action taken for equipment received out of tolerance that could compromise the quality of the finished product.

20. Castings, Molds, Cavities, Forging Tools
One sample piece, representative of each casting, mold or forging/forming tool or die/mold cavity(s), in any stable material, accompanied with a copy of Supplier's FAIR, must be submitted for TOT written approval of supplier produced tooling. When a casted part includes cored passages or other dimensional design features requiring sectioning of the product for evaluation, Supplier must submit their sectioned layout sample for TOT's evaluation with written approval as well. TOT will <u>not</u> be responsible for quantity production commenced prior to TOT's approval of Supplier's tooling/sample product, despite approval (including First Article approval) by our End-Customer. TOT's acceptance of a tooling sample(s) <u>does not</u> constitute acceptance of casting Supplier's subsequent production pieces.

21. Approved Special Process Sources
When required by Purchase Order, Suppliers performing special processes may be required to be NADCAP accredited and approved by end user (if applicable). This requirement applies whether the process is performed by the Supplier or by the Supplier's sub-tier sources. Special Processes include, but are not limited to; NDT, Non-Conventional Machining, Heat Treat, Plating/Coating, Welding, and Chemical Processing. Contact TOT for approved sources, if required.

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22. Corrective Action and Process Improvement
Suppliers of commercial and aerospace products shall have a documented process for generating Corrective Actions and Process Improvement. The Corrective Action Process shall minimally include: a Problem Statement, Containment, Root Cause Analysis and Corrective Action Resolution. The resolution shall include Mistake Proofing to ensure the Corrective Actions put in place will reduce the risk of reoccurrence or at best eliminate the Problem. Corrective Action Resolution shall be reviewed at established intervals. Suppliers may use their own Corrective Action Form or request the TOT form.

23. Test, Inspection and Verification System
Suppliers shall develop inspection procedures and maintain records of inspection. Records shall include evidence of inspection for all attributes (i.e., first article inspection, acceptance test data) of products/processes supplied to TOT, show the product has been inspected and/or tested during all stages of manufacturing, identify the name of the individual (i.e., with stamps, etc.) who certified the results, and where applicable, include the results of the inspections and tests.

24. Traceability
When required by Purchase Order, all aerospace products shall have a unique traceability number in the form of a lot/batch number or serialization.

25. Quality Control Records Retention
For Non-Aerospace products, Supplier shall maintain all quality records on file for a minimum of (10) years from the date of manufacture. These quality records include but are not limited to: Manufacturer's Certificate of Conformance, Raw Material Certification, Test Reports, First Article Inspection Reports, and Process Certifications. Applicable specification and part revision level must be present on certification and test reports.

For Aerospace Products NOT identified as Flight Safety/Critical, Supplier shall retain Quality records for a minimum of (15) years from the date of shipment unless a longer period is otherwise specified.

For Aerospace Products identified as Flight Safety/Critical, Supplier shall maintain all quality records on file for a minimum of (40) years from the date of manufacture. Quality Records shall be available for review by TOT personnel, our customers and/or regulatory agencies.

26. Sampling Procedures
When performing less than 100% inspection, sampling procedures shall be based upon ASQ Z1.4 or an equivalent statistically based plan approved by TOT Quality Assurance unless otherwise specified by customer requirements.

27. First Article Inspection Report (FAIR)
Supplier shall have on file a First Article Inspection Report (FAIR) in accordance with the requirements of the current revision of SAE AS9102. When required by Purchase Order, a FAIR shall be provided. Once the ordered FAIR is provided, the Supplier is required to provide a new and/or updated FAIR
to TOT when any of the following events takes place:
- Engineering changes
- Manufacturing process/source changes
- Tooling changes
- Change of manufacturing location
- A lapse in production of two years

There is no charge to TOT for Supplier's First Article(s).

28. Nonconforming Material
Supplier shall identify nonconforming parts clearly with tags, including statement of drawing characteristic, location and actual description of the nonconformity. Supplier is NOT allowed to dispose of nonconforming product without written approval from TOT. Supplier shall maintain a system for the control, segregation, and identification of nonconforming product. Requests for corrective action must be answered within the time specified in the "Supplier Rejection Notice E-mail."

29. Hazardous Material
The supplier must supply a Safety Data Sheet (SDS) with the material, if applicable. If data is not immediately available, forward SDS data form to TOT within 10 days of receiving the order. Supplier shall comply with requirements of ROHS and REACH as applicable.

30. Marking/Labeling
All product supplied to TOT shall be identified in accordance with PO and/or drawing requirements. If serial numbers are required by TOT specifications or drawings, they shall be nonrecurring, and the Supplier shall maintain records of their application.

31. Packaging & Preservation
Supplier shall package shipments in accordance with the TOT Shipping Manual. Damages resulting from packaging deviating from these instructions will be the responsibility of the supplier.

32. Shelf Life
All material furnished to support the PO must be clearly marked and identified with the respective cure date, manufacturing date, shelf life, and expiration date, if applicable. All perishable or limited shelf life items requiring controlled storage temperatures must be supplied in containers noting the special storage requirements. Material shipped to TOT shall have a minimum of 75% remaining on the specified shelf life.

33. Foreign Object Debris/Damage (FOD)
Supplier shall ensure that Foreign Object Debris/Damage (FOD) is prevented and/or removed before shipment. In addition, this requirement shall be flowed down to Sub-Tier Suppliers.

34. Shipping Requirements
The preferred shipping method is via 3rd party carrier (UPS). Supplier must use the carrier and mode of transportation identified on the PO or unless otherwise authorized, in writing, by TOT.

35. On-Time Delivery
Time is of essence in the performance of the PO. The due date on the PO is the expected on-dock date for the product with required documentation (e.g., packing list, certifications, test reports, FAIs, etc.) +/- 7 days. Supplier on-time delivery performance will be measured based on the date the product is delivered on-dock at TOT. Should TOT identify a negative trend in performance (less than 95%), TOT may request Corrective Action of the Supplier.

36. Acceptance
Acceptance shall be at TOT's facility or otherwise specified on the PO. Any parts determined as nonconforming may be returned to Supplier for rework at the supplier's expense.

37. Statement of Condition
Please certify the parts are in "new" condition.

38. Counterfeit Parts
Supplier shall plan, implement, and control processes, appropriate to the organization and the product, for the prevention of counterfeit

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or suspect counterfeit part use and their inclusion in product(s) delivered to TOT. Supplier is responsible for the flow-down of this requirement to its sub-tier contractors and their compliance to it.

NOTE: Counterfeit part prevention processes should consider: training of appropriate persons in the awareness and prevention of counterfeit parts; application of a parts obsolescence monitoring program; controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources; requirements for assuring traceability of parts and components to their original or authorized manufacturers; verification and test methodologies to detect counterfeit parts; monitoring of counterfeit parts reporting from external sources; quarantine and reporting of suspect or detected counterfeit parts.

39. Software Control

Supplier shall establish and implement a "Software Quality Assurance Plan" (SQAP), as applicable, to assure that deliverable and non-deliverable software used directly for design, fabrication, inspection, test or operation of deliverable articles is controlled and complies with the intent of AS9100 requirements.

40. Mercury Free Material

Material furnished under the PO must be certified as "Free of Mercury" in any form. Mercury bearing instruments and/or equipment, which may cause contamination, shall not be used in the manufacture, assembly or testing of these materials. This requirement must be passed on to Sub-Tier suppliers.

41. Conflict Mineral Requirement

All parts must comply with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") regarding the sourcing of tantalum, tin, tungsten and gold from certain mines within the Democratic Republic of Congo (DRC)
or adjoining countries as defined in the Act. All necessary steps must be taken to implement conflict-free sourcing wherever possible.

42. Personnel Awareness

Supplier will have program and/or training in place to assure Supplier personnel are aware of:

a) Their contribution to product or service conformity.
b) Their contribution to product.
c) The importance of ethical behavior.

43. Termination for Convenience

(a) TOT reserves the right to terminate this Contract, or any part hereof, for its convenience. TOT shall terminate by delivering to Supplier a Notice of Termination specifying the extent of termination and the effective date. In the event of such termination, Supplier shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this Contract, Supplier shall be paid a percentage of the Contract price reflecting the percentage of the Work performed prior to the notice of termination, plus reasonable charges Supplier can demonstrate to the satisfaction of TOT using its standard record keeping system have resulted from the termination. Supplier shall not be paid for any Work performed or costs incurred following such termination that reasonably could have been avoided.

(b) In no event shall TOT be liable for lost or anticipated profits, or unabsorbed indirect costs or overhead, or for any sum in excess of the total Contract price. Supplier's termination claim shall be submitted within forty-five (45) days from the effective date of the termination.

(c) Supplier shall continue all Work not terminated.

44. Force Majeure

TOT and Supplier should advise the other party within 30 days of any event that is deemed a Force Majeure Event. Neither Party should be responsible or liable nor be deemed to be in default on account of any breach of any obligation directly attributable to a cause that is at the same time compelling, unpredictable, unavoidable and beyond its control and not occasioned by its fault or negligence (Force Majeure Event).

Following cessation of the Force Majeure Event and to the extent possible in anticipation thereof, the parties should resume the performance of their obligations under this Purchase Order.

In the event Supplier fails to deliver or has informed TOT that it should not be able to deliver the Product on-time due to a Force Majeure Event, then the delivery of the Product should be suspended until such circumstances of the Force Majeure Event have been adequately addressed. The due date of Product should be extended by mutual agreement of the parties. If, however, the Force Majeure Event causes delivery to be delayed more than thirty (30) days, TOT will be entitled to cancel the Purchase Order in whole or in part without a further notice being required or judicial intervention and without incurring any liability whatsoever.

45. Vendor Cost Recovery Policy and Compliance Terms

This policy allows ThermOmegaTech' to collect costs from vendors to maintain fair and accountable business relationships. Vendors are required to reimburse expenses incurred on their behalf, such as shipping, handling, and special packaging, with specific administrative fees applied to each. Penalties or fines may be imposed for non-compliance with agreed terms, including delivery delays and substandard products, with detailed percentages outlined for each scenario. Costs will also be collected for damage or loss of property caused by vendors, including administrative fees for repairs or replacements. Additionally, vendors must cover administrative costs related to contract management, quality checks, and coordination efforts. Please review Document R6.5.1 for full details.

46. Acknowledgement

Supplier accepts and agrees to TOT Purchase Order Terms and Conditions (doc# R6.5)

Company Name: _____

Name: _____

Signature: _____

Date _____

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