

Horberg Industries, Inc.
TERMS and CONDITIONS of PURCHASE (Rev H, Effective 8/03/2023)

Price: If no price is specified in this order, Seller's price shall not exceed the price last quoted or charged to Horberg or the prevailing market price, whichever is lower, unless otherwise agreed in writing.

Order Acceptance: This Purchase Order constitutes Horberg's offer to the Seller, and confirmation or commencement of performance shall constitute acceptance of this order by the Seller. Conditions stated by Seller in a quotation or in a confirmation of this order which conflict with or add to the terms and conditions stated in this order shall not be binding upon Horberg unless agreed to by it in writing.

Changes: Horberg shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph.

Seller shall notify Horberg of changes to product, processes, Suppliers and facilities. Significant changes to Supplier's QA Program shall be provided to Horberg. Relocation of this work to a division, affiliate or subsidiary of the Seller's company shall also be reported in writing to Horberg prior to relocation of the work.

Insurance: In the event that Seller's obligations hereunder require or contemplate performance of services by Seller's employees, or persons under contract to Seller, to be done on Horberg's property, or property of Horberg's Customer, the Seller agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of Horberg. Seller shall maintain all necessary insurance coverage, including public liability and Worker's Compensation insurance. Seller shall indemnify and save harmless and defend Horberg from any and all claims or liabilities arising out of the work covered by this paragraph.

Setoff: All claims for money due or to become due from Horberg shall be subject to deduction or setoff by Horberg by reason of any counterclaim arising out of this or any other transaction with Seller.

Delivery: Deliveries are to be made in quantities and at the times specified by Horberg. Horberg shall not be liable for payment of goods shipped in excess of the quantities stated. Horberg may from time to time change delivery schedules or temporarily suspend scheduled deliveries. All goods shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation cost and no additional charge for transportation shall be made to Horberg unless otherwise stated herein.

Cancellation: Horberg may at any time terminate this order in whole or in part for its convenience upon written notice to the Seller in which event Seller will be entitled to reasonable expense (which shall not include lost profits) which amount shall in no event exceed the applicable pro rata portion of the contract price. Horberg may also terminate this order or any part hereof for cause in the event of any default by the Seller, or if the Seller fails to comply with any of the terms and conditions of this offer. Late deliveries, deliveries of products which are defective or which do not conform to this order, and failure to provide Horberg, upon request, reasonable assurances of future performance shall all be causes allowing Horberg to terminate this order for cause. In the event of termination for cause, Horberg shall not be liable to Seller for any amount, and Seller shall be liable to Horberg for any and all damages sustained by reason of the default which gave rise to the termination.

Modification: No waiver or modification of these conditions shall be binding upon Horberg unless agreed to by it in writing.

Inspection: All goods shall be received subject to inspection by Horberg. Defective goods or goods not in conformance with specifications will be returned at Seller's expense and risk.

Warranty: Seller guarantees that all goods called for in this order shall comply with the specifications herein and warrants that the goods are of merchantable quality and fit and safe for their intended use, and Seller agrees to reimburse Horberg for all losses or damages sustained by it by reason of Seller's breach of such warranties. Acceptance of this order shall constitute an agreement upon Seller's part to indemnify Horberg against all liability, loss and damage sustained by it by reason of the failure of the goods to conform to such warranties.

Indemnification: Seller shall defend, indemnify and hold harmless Horberg against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting from any defect in the goods purchased hereunder, or from any act or omission of the Seller, its agents and/or its employees. This indemnification shall be in addition to the warranty obligations of the Seller.

Patent, Trademark, and Copyright Indemnity: Except to the extent that this order calls for goods to be supplied in accordance with Horberg's drawings or specifications, Seller shall indemnify Horberg against any loss, damages, costs, claims, or judgments for actual or alleged infringement of any patent, trademark, or copyright arising from the purchase, use, sale, or lease of any goods purchased by it pursuant to this order.

Assignment and Subcontracting: This order may not be assigned or subcontracted in whole or in part without the prior written consent of Horberg.

Waiver: Horberg's failure to demand performance of any of the terms or conditions herein or to exercise any of its rights or privileges or any waiver of a breach hereunder shall not be deemed a waiver of any other terms, conditions, privileges, or occurrence of the same or similar type.

The following requirements are an integral part of the foregoing document unless specifically excluded by the Purchase Order:
AS9100D Supplemental Requirements for External Providers:

- a) Horberg requires its Suppliers to maintain the proper identification and revision status on specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
- b) Horberg reserves the right of final approval of product and services, methods processes and equipment, and the final release of products and services, based upon compliance to drawings, standards, and raw material certification requirements.
- c) All Suppliers are required to ensure that their personnel are trained to the requirements of the drawings, standards, and Purchase Order requirements supplied by Horberg. All special processes required by this Purchase Order must be performed by qualified and competent personnel.
- d) Regarding Supplier Interactions with Horberg:
 - o Suppliers shall ensure that the latest revision of the specification or drawing is used in manufacture and inspection unless specific written instruction requesting a previous revision is specified.
 - o The Supplier shall comply with any special requirements requested by Horberg regarding the control of drawings and specifications (i.e., ITAR and EAR compliance).
 - o Suppliers shall ensure that materials and processes supplied under the Purchase Order shall be or have been controlled and inspected in accordance with Horberg's Purchase Order and they meet the specified order requirements, referenced specifications, and drawings. Supplier must provide a Certificate of Conformance for materials used and/or the process performed for all orders and lots, verifying that all products and lots meet those requirements.
 - o All products and lots must be clearly identified and labeled and must be traceable to and linked to the Certificate of Conformance, which shall accompany all material/lots shipped against this Purchase Order.
- e) Horberg reserves the right to monitor our Suppliers' quality and on-time delivery performance in order to assess Supplier risk and determine inclusion and status on Horberg's approved Supplier list.
- f) Horberg and/or Horberg's Customer reserves the right to perform verification and validation activities at supplier's and/or sub-tier seller's premises.
- g) Horberg maintains no design authority and does not transfer any product design responsibility to its Supplier(s).
- h) Suppliers must follow all Purchase Order instructions, including special requirements, critical items, and key characteristics as designated by the applicable controlling documents(s), in their order of precedence:
 - 1) Purchase Order
 - 2) Drawing referenced by the Purchase Order,
 - 3) Specifications referenced by the Drawing.
- i) Horberg reserves the right to perform verification at the Seller's facilities including, but not limited to, such activities as witnessing operations in progress, reviewing quality assurance documents and records and performing audits.
 - o Upon request, Seller shall provide Horberg any and all quality information, documents and records as required. Personnel representing the Horberg Customer shall be accorded similar rights when accompanied by a Horberg representative.
 - o If government source inspection (GSI) is required on this order, the Seller shall notify the cognizant DCMA office (14) working days prior to when inspections will be required. GSI may include product reviews, storage, in-process and final inspection areas. Horberg's intention is to schedule GSI on a non-interference basis and in conjunction with the Horberg's source inspections/surveillance whenever possible.
- Inspection or authorization by Horberg or GSI does not relieve Seller of its obligation to provide items that are in compliance with the requirements of the Purchase Order.
- j) Horberg reserves the right to designate requirements for first article reports, tests, inspections, and verification sampling, statistical techniques, and/or key characteristics.
 - o Unless otherwise specified, the use of sampling techniques for product acceptance must incorporate statistically-valid concepts and plans. Any sampling shall be in accordance with "C=0" plans.Additional requirements above and beyond the normal deliverable items are specified on the Purchase Order through statement of requirements.
- k) All Horberg Suppliers are required to:
 - o Maintain compliance to a Quality System standard and notify Horberg of changes to certification status (e.g., latest revisions of ISO9001-2015, AS9100, ISO17025, AS9120, etc.)
 - o Ensure that Customer directed sources operate in accordance with approved specifications and standards as directed and controlled by the Customer in question. Any processor or Supplier requirements defined by Horberg's Customers will be stated on the Purchase Order as applicable.
 - o Notify Horberg of any nonconformances in products, processes, or services and obtain Horberg's written approval prior to their disposition.
 - o Establish a process to prevent the use of counterfeit parts and their introduction into the supply chain. In the event that suspect fraudulent and/or counterfeit parts are found and there is a possibility that they have been received by Horberg, the Supplier shall contact Horberg so that appropriate containment activities can be determined and implemented accordingly.
 - o Notify Horberg of any modifications in processes, products, or services (including changes of external providers or locations of manufacture) to any established requirements and obtain Horberg's written approval.
 - o Establish in sub-tier Purchase Orders those requirements necessary to assure that each item delivered has been controlled, manufactured and inspected in compliance with instructions and requirements, including Customer requirements, as set forth in Horberg's Purchase Order.
 - o Provide test specimens for inspection/verification, investigation, or auditing, as required.
 - o Provide, and adequately maintain, documented quality records for a minimum of eleven (11) years after delivery of the procured item(s). Prior to disposing of quality records, Supplier must notify Horberg or, alternatively, forward all quality records to Horberg upon completion of the contract.
- l) Horberg shall have limited, escorted, prescheduled access to all facilities of the Seller, and its sub-tier Sellers, involved in the order. This access shall also be accorded to Horberg's Customer and authorities. This access applies to all facilities and to all applicable records used for engineering, production, and testing.
- m) Suppliers are expected to act ethically, honestly, and with the highest standard of personal integrity at all times in the performance of work for Horberg. Horberg's Suppliers contribute directly to our product conformity and safety and as such all Suppliers are valuable contributors to successful product manufacturing and performance.