

### **Buyer**

When referenced, Buyer refers to Precision Enterprises, Inc.; Precision Fabricating & Cleaning Co., Inc.; or Precision Mechanical, Inc.

### **Acceptance of Order**

Unless superseded by a specific signed agreement between Buyer and Seller, this agreement shall include the Purchase Order, these General Terms and Conditions, and all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 or in the General Terms and Conditions, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein. All other prior or contemporaneous representations, warranties, covenants, or agreements between Seller and Buyer, or their representatives, with respect to the subject matter are hereby superseded; unless specifically agreed to otherwise by Buyer and Seller, these terms and conditions supersede any submitted by Seller in any proposal or acknowledgment. The term "Purchase Order" as used herein means the first and continuation pages of Buyer's completed Purchase Order form, including any special provisions contained therein. This agreement may not be modified except by mutual written agreement of the parties; no modification of or release from this Purchase Order shall be binding unless agreed to in writing by the parties and specifically labeled as a modification or release. Acknowledgment of the Purchase Order, shipment of any goods, or commencement of work pursuant to the Purchase Order shall be deemed an acceptance of these General Terms and Conditions.

### **Compliance with Prime Contract / Purchase Order Flow Down Requirements**

Supplier shall comply with all terms, conditions and provisions of the prime contract / purchase order as specifically identified on the purchase order.

### **Shipment and Storage**

A complete packing list must be enclosed with all shipments and must show the purchase order number, job number (if applicable, corresponding nomenclature and quantities of the items shipped. Seller shall mark all containers or packages with necessary shipping information. All items shall be suitably prepared for shipment in order to: (i) ensure safe and damage-free delivery, (ii) secure the lowest transportation rate and (iii) meet the carrier's and all applicable DOT requirements. No additional charges shall be made for packaging, delivery or similar costs unless expressly authorized by this Purchase Order. Buyer's weight and/or count will be accepted as final and conclusive on all shipments not accompanied by a packing list.

**IMPORTANT:** Shipments bypassing Buyer's Receiving Department for any reason not specified will result in delays in Buyer's acceptance and may cause late payment.

Deliveries will be accepted only during the normal hours of 7:30am to 3:30pm (ET) daily except Saturdays, Sundays and legal holidays.

### **Seller Data Required**

Seller shall supply sufficient data for preparation of operational and maintenance instructions. Seller data shall consist of, but not be limited to, the following: a) manufacturer's standard operation and maintenance instruction with assembly drawings, b) adjustment instructions and schematics, c) true manufacturer's name and part number for each replacement part.

### **Recommended Spares Documentation**

The seller shall prepare and submit a listing of recommended spare parts. The list shall include but not be limited to a) Manufacturer, b) Manufacturer's Part Number, c) Recommended Spare Quantity, if applicable, and d) Lead Time.

### **Variation in Quantity / Design / Methods / Processes**

No variations or substitutions in quantity / design / methods / processes / materials / accessories may be made unless specified in writing by the Buyer.

## Changes

The Buyer reserves the right at any time to issue a written change order or amendment to the Purchase Order concerning any of the following: (a) specifications, drawings, and data incorporated in the Purchase Order where the items to be furnished are to be specially manufactured for the Buyer; (b) quantity; (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery; or (f) any other matters affecting this Purchase Order.

## Notification of Seller Changes

Seller must notify Buyer of changes in products and/or processes, changes of suppliers, changes of manufacturing facility location, and, obtain Buyer approval.

## Inspection

Buyer and its customers reserve the right to inspect any and all of the work included in this order at any time and any place during the period of performance. If any inspection or test is made on the premises of the Seller, the Seller, without additional charge, shall provide all reasonable facilities and assistance for safety and convenience of the Buyer or Buyer's customer representative in the performance of their duties. Any inspection or test made prior to final inspection shall not relieve the Seller from responsibility of defects or other failures to meet the requirements of this Purchase Order. Final inspection of items shall be made by Buyer within a reasonable time after delivery at destination unless otherwise expressed in this Purchase Order. Buyer may reject goods and services not in compliance with Buyer's instructions, specifications, drawings, data, or Seller's warranty (expressed or implied), or for untimely delivery. Buyer may return rejected goods to Seller at Seller's expense and Buyer shall have no further obligation for such goods. 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.

For new designs or first-run items, the Buyer and/or its customer, at their discretion, may request a first article test and inspection prior to full completion of the order.

The Seller shall provide and maintain an inspection system, including all product acceptance documentation, in accordance with sound business practices, the Seller's quality program and as otherwise provided in this Purchase Order. Records of all inspection work by the Seller shall be kept complete and available to Buyer during the performance of this Purchase Order and for such longer periods as may be specified elsewhere in this Purchase Order.

## Non-conformance

At any time during performance or after delivery and acceptance of the items contained in the Purchase Order, Seller agrees to notify Buyer immediately of any non-conformances discovered in materials, processes, documentation, personnel qualifications or records. If the non-conformance issue cannot be rectified to the satisfaction of the Buyer and/or the Buyer's customer, Seller agrees to replace or rework non-conforming goods or services at no expense to Buyer and/or Buyer's customer.

If non-conformances are discovered, the Seller must obtain PFC approval for non-conforming product disposition.

## Warranty

By accepting this Purchase Order, Seller warrants that the goods and services furnished will be free from defects in materials and workmanship for a minimum of one (1) year or as specified in the manufacturer's written warranty. Seller also warrants that the goods and services furnished will be merchantable and in full conformity with Buyer's specifications, drawings, and data, and Seller's descriptions, promises, or samples, and that such goods will be fit for the Buyer's intended use, provided Seller has reason to know of such use, and that Seller will convey good title to the goods, free and clear from all liens, claims, and encumbrances. Upon Buyer's request, Seller shall furnish Buyer with a formal waiver or release of all liens by Buyer and/or Buyer's suppliers.

Seller warrants that goods or services covered by this Purchase Order shall not infringe any patent, design, mask work, copyright or trademark, of any third party, either directly or contributorily. Seller agrees to indemnify Buyer and hold Buyer harmless from and against all liability, loss, damage and expense, including reasonable counsel fees and costs of litigation, resulting from any claim of infringement and any litigation relating thereto. In the case where goods or a part thereof are held to constitute infringement and the use of the goods or a part thereof is enjoined, Seller shall, at the

expense of Seller, either (a) procure for the Buyer the rights to continue to using the goods, (b) replace the goods so that the goods become non-infringing, or (c) retake the goods and refund the purchase price and transportation and installation cost of the goods to Buyer. Such obligations shall survive acceptance of the goods or services and payment therefore by Buyer.

Where applicable, the Seller warrants that the goods covered by this Purchase 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 sale and use of foreign made goods in the United States. Seller further warrants that it has obtained all permits, licenses, and certifications necessary for the goods to be exported out of the country of origin, imported in the United States, delivered to Buyer and used or sold within the United States.

## **Production Processes**

If applicable, requirements for approval of product, procedures, processes, and equipment shall be specifically identified in the purchase order.

## **Personnel Qualification**

If applicable, requirements for qualification of personnel shall be specifically identified in the purchase order.

## **Quality Management System Requirements**

If applicable, requirements for a quality management system shall be specifically identified in the purchase order.

## **Revision Status**

If applicable, the identification and revision status of specifications, drawings, process requirements, inspection / verification instructions, and other relevant technical data shall be specifically identified in the purchase order.

## **Sub-tier Suppliers**

Seller agrees to flow down the requirements of this Purchase Order, General Terms and Conditions, and any other referenced or attached documents to the Seller's sub-tier suppliers.

## **Termination or Cancellation**

Buyer may terminate the Purchase Order for its convenience, in whole or in part, at any time prior to shipment by (written or electronic) notice to Seller. Upon receipt of such termination notice, Seller shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work, and (b) continue the performance of any part of the work not terminated by Buyer. In no event shall Buyer be liable for cancellation charges in excess of the Purchase Order.

## **Invoices, Discounts and Taxes**

Invoices shall contain, but not be limited to the following information: Purchase Order numbers and data, job number (if applicable), item number, nomenclature, quantities, unit price, unit of measure, and extended totals. Invoices shall be dated no earlier than date of shipment or delivery of service. The discount period begins upon receipt of invoice, required delivery date, or date any applicable discrepancy is resolved, whichever date is later. The Seller's invoices will be returned by the Buyer for correction or offset due to any adjustments in regards to shortages, late deliveries, rejection or other failures to comply with the requirements of the Purchase Order. Federal or State taxes of any nature which are billed to the Buyer shall be stated separately in the Seller's invoices. Any and all resale or tax exemption certificates will be accepted by the Seller. Buyer will pay non-discountable invoices thirty (30) days after receipt of invoice, required delivery date, acceptance, or the date any applicable discrepancy is resolved, whichever date is later.

## Prices

This is a firm price order. The Seller warrants that the prices of the items set forth in this Purchase Order do not exceed those charged by the Seller to any other customer including any government organization purchasing the same or substantially similar items in like or similar quantities.

## Compliance with Laws

This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a). The provisions of EO 13665 and EO 14173 are expressly incorporated by reference and are applicable to this PO unless exempted under rules, regulations, or orders of the Secretary of Labor. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, national origin, compensation inquiries, discussions or disclosures. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, national origin, protected veteran status, disability, compensation inquiries, discussions or disclosures. If this Purchase Order involves funds from a Federal government contract or subcontract, Seller shall comply with all applicable FAR and DFARS clauses incorporated into the prime contract and required to be flowed down to subcontractors as of the date of Purchase Order issuance.

Seller warrants and certifies that in the performance of this Purchase Order, Seller will comply with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, and orders, including all applicable labor and employment laws, wage and hour laws, and applicable price ceilings, if any, and that the items delivered shall be produced in compliance with the Fair Labor Standards Act. The full text of the FAR clauses may be found at the Federal Acquisition Regulation website and the full text of the DFARS clauses may be found at the Defense Federal Acquisition Regulation Supplement website. Seller agrees to flow down all applicable FAR and DFARS clauses to lower-tier subcontractors. Applicable clauses include, but are not limited to, FAR 52.204-24, Prohibition on a ByteDance Covered Application (June 2023), and any other clauses specifically identified in the Purchase Order. Seller shall comply with all applicable federal anti-discrimination laws and regulations.

## Work Performed on Buyer's or Buyer's Customer's Premises

If Seller's work under the Purchase Order involves operations by Seller on the premises of Buyer or one of Buyer's customers, Seller shall take all necessary precautions and such additional precautions as Buyer or Buyer's customer may prescribe to 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 and directly to Buyer's or Buyer's customer's negligence, shall indemnify Buyer against all claims, liability, damage, or loss (including expenses and attorneys' fees) which may result in any way from any act or omission of the Seller, or Seller's agents, employees, or contractors; and shall maintain such public liability, property damage, and employer's liability and compensation insurance as will protect Buyer and Buyer's customer from said risks and from any claims under any applicable worker compensation and occupational disease acts.

Seller to provide right of access to Buyer, prime customers, and regulatory authorities, to applicable areas of the facilities, at any level of the supply chain, and to applicable records during the provision of product.

During the term of this Agreement and for a period of at least one year after completion of Seller's obligations pursuant hereunder, Seller will maintain the following levels of insurance coverage with a reputable and financially sound insurance carrier: (a) workers' compensation insurance as required by applicable law; (b) employer's liability insurance with limits not less than US \$500,000; (c) Commercial General Liability, including Products and Completed Operations and Contractual Liability, with a minimum combined single limit of \$1,000,000 per occurrence; and (d) Excess Liability insurance. Seller will provide Buyer with an insurance certificate from the Seller's insurance carrier for each of the required foregoing insurance coverage, and name Buyer as an additional insured for Commercial General Liability and Excess Liability insurance.

## **Title / Risk of Loss**

Title shall pass to Buyer upon Buyer's receipt of goods at destination. Risk of loss of all goods shall remain in Seller until receipt by Buyer at destination, unless otherwise specified in this Purchase Order, except for loss occasioned by gross negligence or willful neglect of Buyer or its customer.

## **Indemnification**

Supplier shall and hereby agrees to defend, indemnify and hold harmless the buyer, the owner, including their respective employees, officers, directors, shareholders, agents, successors and assigned (hereafter referred to as the indemnities) for any claims, suits, judgments, awards, causes of action, losses, damages, demands, liability, exposure, fines, penalties, assessments, cost and expenses, including attorney fees whether or not suit is brought and through and including all post-judgment and appellate levels, which occur or are asserted by anyone or are incurred by any or all of indemnities arising out of the performance of this agreement and the work by the supplier or by a supplier's laborers, employees, agents, material, men or other for whom the supplier may be responsible.

Supplier acknowledges that one hundred (100.00) dollars of the consideration under this purchase order is the specific consideration for this indemnity.

Without limiting the general application of the foregoing, this indemnity applies to and shall include all liabilities, claims, damages, losses or expenses, fines, penalties, assessments and judgments for bodily or personal injury, property damage, unfair competition, infringement of any patent trademark or copyright, for defamation, false arrest, malicious prosecution or other intentional acts and supplier's violation of any ordinance or failure to comply with OSHA or other similar regulations.

The supplier shall, at its own expense, investigate all such claims and demands, attend to their settlement or other disposition, defend all actions based thereon and pay all charges or attorneys fees, including those of the buyer's attorney and all other costs and expenses of any kind arising from any such liability, claim, damage, loss or expense.

If Florida Statute Section 725.06 is applicable to this paragraph, then this paragraph shall be construed to comply with the statute, and any and all applicable limitations and/or restrictions set forth in that statute are incorporated herein by reference. If a monetary limitation on indemnification is required by law, the limitation shall be One Million Dollars (\$1,000,000.00) per occurrence, which sum, it is agreed, bears a reasonable commercial relationship to this Agreement. If a court determines that such monetary limitation does not bear a reasonable commercial relationship to this Agreement, then this paragraph shall not be void or unenforceable, but instead, the parties hereto agree that the court may establish a monetary limitation that bears a reasonable commercial relationship to this Agreement. The Supplier agrees and acknowledges that this indemnity obligation is part of the Project Specifications or bid documents, if any. The Supplier's obligation to provide a defense for Indemnities shall arise regardless of the merits of the matter and shall continue until a final determination of fault is made. Indemnities shall be entitled to recover actual reasonable attorney's fees and reasonable court costs and all other costs, expenses and liabilities incurred and/or suffered by Indemnities in an action brought to enforce all or any part of this paragraph. The Supplier's obligations under this paragraph shall in no way limit buyer's other rights and remedies under this Agreement. Notwithstanding the foregoing, Supplier's indemnity obligations shall not include claims of, or damages resulting from, gross negligence or willful wanton or intentional misconduct of any Indemnity or its officers, directors, agents or employees, or for statutory violation or punitive damages except and to the extent the statutory violation or punitive damages are caused by or result from the acts or omissions of the Supplier or any of the Supplier's contractors, sub-suppliers, sub-sub-contractors, material men or agents of any tier or their respective employees.

## **Resolution of Conflicts or Inconsistencies Occurring in the Order; Precedence**

It is Seller's responsibility to comply with this 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 to resolve conflicts or inconsistencies, Seller will be solely responsible for errors resulting from said conflicts or inconsistencies. Where documents are referenced, the version in effect at the time of order placement shall apply.

Conflicting provisions, if any, shall prevail on the following descending order of precedence:

- 1) Typed provision on the face of this Purchase Order, and attached specification
- 2) Special instructions, if any
- 3) Precision Supplier Quality Requirements, if attached
- 4) The general terms and conditions and additional general provisions, if any

## Records Retention

Seller agrees to retain all records relating to the Purchase Order for a minimum of ten (10) years or as specified on the face of the Purchase Order or other documents specified elsewhere in this Purchase Order. The Seller shall notify Precision prior to the destruction of records related to this purchase order/contract. If the Seller does not retain records for this period of time or cannot notify Precision prior to destruction of records, ALL records pertaining to products delivered under this order must be supplied to Precision at time of delivery.

## Age Control (Shelf Life) Provisions

Seller agrees to identify to buyer any articles or components of items furnished by this Purchase Order that have an age control limitation. Seller agrees that all age control items furnished to buyer by this Purchase Order shall have, at a minimum, 90% of its remaining shelf-life.

## Attachments

Documents designated by Buyer in the body of the Purchase Order, including supplemental terms and conditions, if any, are incorporated by reference the same as if set out in full therein.

## Assignment

Seller may not assign, transfer, or subcontract this Purchase Order or any right or obligation hereunder without Buyer's written consent.

## Excusable Delay

Fires, floods, strikes, accidents, shortages, or other causes beyond the reasonable control of the parties, which prevent Seller from delivering, or Buyer from receiving, any of the goods and services covered by this Purchase Order, shall suspend deliveries until the cause is removed, subject, however, to Buyer's right of termination for convenience referenced in above paragraph.

## Confidentiality / Limited Use

Unless otherwise agreed by Buyer in writing, Seller shall keep confidential and not disclose to any third party, any confidential and/or proprietary materials provided by Buyer to Seller in connection with Seller's performance of this Purchase Order or prepared by Seller specifically for Buyer pursuant to this Purchase Order, including but not limited to any drawings, masters, software, specifications, raw materials, components, data, business information or plans, customer lists or other customer information ("Confidential Information"). Seller shall not make any copies of Confidential Information except as specifically authorized by Buyer in writing. At the completion of this Purchase Order, or upon Buyer's request, Seller shall promptly return to Buyer all Confidential Information not consumed in the performance of this Purchase Order, together with any copies in Seller's possession. Seller shall use Confidential Information solely for Seller's performance of this Purchase Order for Buyer, and Seller shall not, without Buyer's written consent, directly or indirectly use Confidential Information or information derived there from in performing services or providing goods for any other customer of Seller, or any other person or entity.

## Extra Charges

No charges for extras or for cartage or boxing or storage will be allowed unless the same has been agreed upon in writing by Buyer. All goods must be forwarded in accordance with Buyer's shipping instructions, otherwise the difference in freight rate will be charged to Seller.

## **Cumulative Remedies / Waivers / Survival of Warranties**

The remedies herein reserved to Buyer shall be cumulative, and additional to any other or 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 of such term or condition or of any other term or condition. Seller's warranties shall survive the completion or cancellation of this Purchase Order.

## **Governing Law**

This Purchase Order shall be governed by the laws of the State of Florida, U.S.A. Any court action arising under this order shall have a venue in Brevard County, Florida, U.S.A.

## **"Goods" and "Services"**

The term "goods" as used herein means any and all materials, parts, products, machines, tooling, test equipment, technical data, computer software, computer software documentation, and other tangible items or documentary information furnished or required to be furnished by Seller under this order. The term "services" means any and all technical assistance, support, maintenance, consultation, construction work, and other effort furnished or required to be furnished by Seller under this order other than labor furnished in connection with the production of goods.

## **U.S. Export Control Laws and Regulations**

The Seller agrees to comply fully with all applicable U.S. laws and regulations as they may apply to the export of any hardware, software, defense service, or technical data (collectively "data") provided by, through or with the cooperation of the Seller in the performance of this purchase order in the U.S. or abroad, or under any export license or exemption issued by the Buyer. Seller agrees that it will not permit the re-export of data, including to foreign nationals employed by or associated with, or under contract to Seller or Seller's lower-tier suppliers without the prior consent of the Buyer and under authority of an export license or applicable license exemption.

Information furnished to the Seller under this purchase order may contain technical data as defined in the International Trade in Arms Regulations (ITAR) at 22 CFR 120.10. Seller is advised and acknowledges that such technical data may not be exported, disclosed or transferred to any foreign person (as defined at 22 CFR 120.16) (including foreign nationals employed by or associated with the Seller) without first complying with all requirements of the International Traffic in Arms Regulation, 22 CFR Paragraph 120-130, including the requirement for obtaining any export license, if applicable. The Seller shall first obtain the written consent of the Buyer prior to submitting any request for authority to export any such technical data.

The Seller shall indemnify and hold the Buyer harmless for all claims, demands, damages, costs, fines, penalties, attorney's fees, and all other expenses arising from failure of the Seller to comply with this clause.

## **Counterfeit Work**

The Seller shall not deliver counterfeit work, under this purchase order. In the event that work delivered under this purchase order constitutes or includes counterfeit work, the Seller shall, at its expense, promptly replace such counterfeit work with genuine work conforming to the requirements of this purchase order.

Seller shall not furnish Counterfeit Goods to Buyer, defined as Goods or separately-identifiable items or components of Goods that: (i) are an unauthorized copy or substitute of an Original Equipment Manufacturer or Original Component Manufacturer (collectively, "OEM") item; (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re-worked, re-marked, relabeled, repaired, refurbished, or otherwise modified from OEM design but not disclosed as such or are represented as OEM authentic or new; or (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes. Notwithstanding the foregoing, Goods or items that contain modifications, repairs, rework, or re-marking as a result of Seller's or its subcontractor's design authority, material review procedures, quality control processes or parts management plans, and that have not been misrepresented or mismarked shall not be deemed Counterfeit Goods.

Counterfeit Goods shall be deemed nonconforming to this Contract.

Seller shall implement an appropriate strategy to ensure that Goods furnished to Buyer under this Contract are not Counterfeit Goods. Seller's strategy shall include, but is not limited to, the direct procurement of items from OEMs or authorized suppliers, conducting approved testing or inspection to ensure the authenticity of items, and, when items are to be procured from non-authorized suppliers, obtaining from such non-authorized suppliers appropriate certificates of conformance that provide one or more of the following: (i) the OEM's original certificate of conformance for the item; (ii) sufficient records providing unbroken supply chain traceability to the OEM; or (iii) test and inspection records demonstrating the item's authenticity.

If Seller becomes aware or suspects that it has furnished Counterfeit Goods to Buyer under this Contract, Seller promptly, but in no case later than thirty (30) days from discovery, shall notify Buyer and replace, at Seller's expense, such Counterfeit Goods with OEM or Buyer-approved Goods that conform to the requirements of this Contract. Seller shall be liable for all costs related to the replacement of Counterfeit Goods and any testing or validation necessitated by the installation of authentic Goods after Counterfeit Goods have been replaced.

Seller bears responsibility for procuring authentic Goods or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this Article.

### **Ethics and Compliance Program**

Seller acknowledges and accepts full and sole responsibility to maintain an ethics and compliance program appropriate for its business throughout the performance of this Contract. Buyer strongly encourages Seller to model its program in accordance with the Federal Sentencing Guidelines, applicable guidance from enforcement authorities, and industry best practices. Seller shall publicize to its employees who are engaged in the performance of work under the Contract that they may report any concerns of misconduct by Buyer or any of its employees or agents. Seller shall convey the substance of this clause to its suppliers.

### **Seller Contributions**

The Seller shall be aware that their employees are making a contribution to product or service conformity and product safety. They shall also be aware that ethical behavior is important.