

Purchase Order Terms & Conditions

GS Engineering, Inc. ("Buyer") is purchasing goods, materials, and/or services from Supplier ("Seller") that are subject to the following terms and conditions:

1) ACKNOWLEDGEMENT:

- a) These terms, plus any other Buyer supplemental terms and conditions (if any) specified in the Purchase Order (the "Order"), constitute the entire agreement between the parties, and no other additional or conflicting terms submitted by Seller shall be deemed a part hereof unless accepted in writing by Buyer's authorized representative. Acknowledgement of this Order by Seller, including, without limitation, verbal, electronic, or commencement of performance, shall constitute acceptance of these terms and conditions without modification, including all flowdown requirements. Any change, amendment, or modification of this order (cost, timing, or technical) must be in writing and executed by Buyer's authorized representative.

2) QUALITY & CONFORMITY:

- a) The goods, materials and/or services supplied by Seller shall equal or exceed the quality requirements specified by the Order, industry standards, and/or that of any prototype or production samples, whichever is higher. No modification to the quality requirements, or deviation from the technical specifications for goods, materials and/or services are allowable without written consent from the Buyer, signed by an authorized representative of each party. Any additional performance agreements (i.e., bonus and/or penalties) must be in writing. If any portion of the terms and conditions is not met, the performance agreements become null and void. Seller must notify Buyer, in writing and within seven (7) days of any changes to their Quality System. Changes to the Seller's Quality System may result in a default under the Section 9 Cancellation policy.
- b) If the goods or materials supplied by Seller require a Material Safety Data Sheet (MSDS) and/or a Safety Data Sheet (SDS), Seller will provide all documents to Buyer.

3) PRICE:

- a) The price for goods, materials and/or services shall not exceed that which appears on this Order.

4) DELIVERY, INSPECTION & ACCEPTANCE:

- a) Seller shall achieve on-time-delivery, including date and quantity requirements. If Seller anticipates that it will not deliver the goods, materials and/or services on the date(s) specified on the Order, Seller shall immediately notify Buyer by the fastest available means of the anticipated failure and the anticipated actual delivery date. Delivery of the goods and materials shall not constitute acceptance of such goods and materials. All goods and materials ordered herein shall be subject to inspection and acceptance after delivery. Goods or materials failing to meet the requirements of this Order will be held at Seller's risk and may be returned at Seller's expense.
- b) Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Buyer's delivery schedule, except at Seller's own risk. It is Seller's responsibility to comply with this schedule, but not to anticipate Buyer's requirements. If circumstances arise that allow for flexibility of delivery later than original due date, any negotiated change to the delivery date must be agreed in writing by an authorized representative of each party.

5) OVER-SHIPMENT:

- a) Goods or materials shipped in excess of quantity ordered may be returned at Seller's expense, which expense shall include, but not be limited to, packaging and return shipment costs and charges along with Buyer's handling labor costs.

6) SUBSTITUTION:

- a) No substitutions of goods, materials and/or services may be made without written consent from the Buyer's authorized representative.

7) SHIPPING

- a) Standard Practice for Commercial Packaging requirements apply IAW ASTM D3951 to ensure shipment arrival at destination without goods or materials damage or loss.
- b) Seller shall meet 100% on-time-delivery, including date and quantity requirements. Failure to meet these requirements may result in the Seller incurring any premium shipping costs.
- c) If Buyer designates a specific shipping carrier or method on this Order, Seller agrees to use such carrier or method. In the event Seller fails to use such carrier or method, Seller shall be responsible for any increase in shipping costs to Buyer, along with any other costs and expenses incurred by Buyer due to Seller's failure.

8) CHANGES:

- a) Buyer may, at any time, by a written order and without notice to the sureties, if any, make changes within the general scope of this Order. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Order, whether changed or not changed by any such order, an equitable adjustment shall be made in the Order price or delivery schedule, or both, and the Order shall be modified in writing accordingly. Any claim by the Seller for adjustment under this clause must be asserted in writing within 30 days from the date of receipt by the Seller of a written notification of change from the Buyer. Buyer may receive and act upon any such claim asserted at any time prior to final payment under this Order. Where the cost of property made obsolete or excess as a result of a change is included in the Seller's claim for adjustment, Buyer shall have the right to prescribe the manner of disposition of such property. Nothing in this clause shall excuse the Seller from proceeding with the Order as changed.

9) CANCELLATION:

- a) Buyer may at any time, by written notice to the Seller, terminate this Order in whole or in part, either for the convenience of Buyer or for default. In the event of termination for convenience, Buyer shall be liable for payments to Seller only for cost for performance rendered up to the effective date of termination. In no event will payments be made for anticipatory profits or consequential damages as a result of a termination of this Order. Buyer may terminate this Order in whole or in part for default if Seller fails to deliver goods, materials and/or services conforming to the requirements of this Order, to include if delivery is not made when and as specified. In the event this Order is terminated for default, Seller shall be liable to pay to Buyer all amounts incurred for re-procurement of goods, materials and/or services provided for in this Order, in addition to any other remedies provided by law. Buyer may terminate this Order in the event of the suspension, or debarment of Seller from participation in federal or state procurement(s). Buyer may terminate this Order if Seller's Quality System fails to meet Buyer's requirements, or if Seller's Quality System changes in an unfavorable manner. Buyer may terminate this Order in the event a petition under the Bankruptcy Act is filed against Seller, if Seller makes an assignment for the benefit of creditors, if a receiver of the property of Seller is appointed, or if an action under any law for the relief of debtors is taken in respect of Seller. Upon any cancellation of this Order by Buyer, for any reason, in no event shall Seller be entitled to lost opportunity costs, unabsorbed overhead, or anticipated profits because of such cancellation.

10) INDEMNITY:

- a) Seller shall defend, indemnify, and hold harmless the Buyer against all damages, liabilities, claims, losses, and expenses either direct, indirect, or consequential (including attorneys' fees) arising out of, or resulting in any way, except from Buyer's negligence, from any defect in the goods, materials and/or services purchased hereunder or from any act or omission of Seller, its agents, employees, or subcontractors. This indemnity obligation of Seller shall survive the expiration, termination, or cancellation of this Order.

- b) Seller shall defend, indemnify, and hold harmless the Buyer, its clients, contractors, and agents from any, and all, actual or alleged claims for infringement of any patent, copyright, or trademark by reason of the design, manufacture, purchase, use or sale of the goods, materials and/or services and shall indemnify the Buyer for all costs, expenses, judgments, liability, and damages, including attorneys' fees, which the Buyer may incur or have rendered against it by reason of any alleged or actual infringement. Buyer reserves the right to be represented in any infringement proceeding. In the event an injunction is obtained against use of the goods, materials and/or services, Seller shall do any of the following requested by Buyer: (a) procure for Buyer the right to continue using the goods, materials and/or services; (b) replace the goods, materials and/or services with equivalent or better non-infringing goods, materials and/or services, or (c) modify the goods, materials and/or services, so that they become non-infringing, provided they perform in an equivalent or better manner.

11) TITLE & RISK OF LOSS:

- a) Unless otherwise specified on this Order, all risk of loss or damage and title to the goods or materials furnished under this Order shall pass to Buyer upon delivery at Buyer's premises.

12) WARRANTY:

- a) Seller expressly warrants that all goods, materials and/or services specified in this Order shall conform to the technical data package, specifications, requirements, and other descriptions upon which this Order is based, shall be fit and sufficient for the purpose intended, merchantable, of good material and workmanship and free from defect. Inspection, test, acceptance or use of the goods, materials and/or services furnished hereunder shall not affect Seller's obligation under this warranty and such warranty shall survive inspection, test, acceptance, and use. This warranty shall run to Buyer, its successors, assigns and clients and the user of its products and shall survive termination or cancellation of this contract. Seller agrees to replace or correct defects (including labor and transportation) in any goods, materials and/or services not conforming to the foregoing warranty promptly without expense to Buyer, when notified of such nonconformity by Buyer. In the event of failure by Seller to promptly correct defects in or replace nonconforming goods, materials and/or services, Buyer, after reasonable notice to Seller, may make such corrections or replace such goods, materials and/or services and charge Seller for costs incurred by Buyer thereby. The warranties and remedies contained in this Order supplement the warranties and remedies provided by the Uniform Commercial Code, which warranties and remedies shall not be disclaimed or limited in any way by Seller.

13) INSURANCE:

- a) Seller shall maintain workers' compensation (statutory minimum) and comprehensive general liability insurance in form and amount(s) reasonable and customary for the industry in which Seller is engaged. Seller's insurance shall not be deemed to limit Seller's liability.

14) DATA:

- a) Any technical data packages, specifications, standards, notes, instructions, or engineering information furnished by either Buyer or Seller to the other, or referred to in the Order, shall be incorporated herein by reference. Seller shall be fully and solely responsible for obtaining product data adequate to design, manufacture, fabricate, construct, and deliver the goods, materials and/or services in compliance with all requirements of the Order. Buyer shall retain title to all such documents which it provides or causes to be given to Seller, and Seller shall not use any of such documents, or the information contained therein, for any purpose other than in performance of the Order.
- b) Seller shall not use or disclose any data, designs or other information belonging to, or supplied by, or on behalf, of Buyer, except as necessary in the performance of this or other Orders for Buyer and provided such information remains subject to the restrictions in this section. Upon Buyer's request, such data, designs or other information, and any copies thereof, shall be returned to Buyer. Where Buyer's data, designs, or other information are furnished to Seller's subcontractor for procurement of supplies by Seller for use in the performance of Buyer's Orders, Seller shall insert the substance of this provision in its orders.

- c) Information provided by Buyer to Seller remains the property of Buyer. Seller shall comply with the terms of any confidential and/or proprietary information agreement with Buyer and comply with all confidential and/or proprietary information markings and restrictive legends applied by Buyer to anything provided hereunder to Seller. Seller shall not use any Buyer provided information for any purpose except to perform the purpose of this Order. Seller shall maintain data protection processes and systems sufficient to adequately protect Buyer provided information and comply with any law or regulation applicable to such information.
- d) If Seller becomes aware of any compromise of information used in the performance of this Order or provided by Buyer to Seller, its officers, employees, agents, or subcontractors (an "Incident"), Seller shall take appropriate immediate actions to investigate and contain the Incident and any associated risks, including notification within seventy-two (72) hours to Buyer after learning of the Incident. As used in this clause, "compromise" means that information has been exposed to unauthorized access, inadvertent disclosure, known misuse, loss, destruction, or alteration other than as required to perform the work. Seller shall provide reasonable cooperation to Buyer in conducting any investigation regarding the nature and scope of any Incident. Any costs incurred in investigating or remedying Incidents shall be borne by Seller.
- e) All Buyer provided information identified as confidential and/or proprietary or subject to restrictions on public disclosure by law or regulation shall be encrypted (i) if transmitted via the Internet, or (ii) during electronic storage if potentially accessible by the Internet or otherwise by non-authorized users.
- f) The provisions set forth above are in addition to and do not alter, change, or supersede any obligations contained in a Non-Disclosure Agreement between the parties.

15) EQUIPMENT/PROPERTY:

- a) Unless otherwise agreed in writing, all equipment, materials, and other property of every description furnished to Seller by Buyer, and any replacement thereof, or any property affixed or attached thereto, shall be and remains the property of Buyer. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of GS Engineering, Inc." and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's Order. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer. Such property shall be subject to removal at Buyer's written request, in which event Seller shall prepare such property for shipment and shall deliver it to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense. Seller shall have no lien against such property and waives any rights if it may to any such lien.

16) COMPLIANCE WITH LAWS & REGULATIONS:

- a) Seller shall cause the work and materials contemplated hereunder to be performed and manufactured in strict conformity with federal, state, and local laws and ordinances, and all lawful regulations of any public authority applicable to this transaction, and Seller agrees, upon request, to furnish Buyer a Certificate of Compliance with any or all such laws in such form as Buyer may require.
- b) Executive Order 11246, the Rehabilitation Act of 1973, and the Vietnam Era Veteran's Readjustment Assistance Act of 1974, as amended, contain required contract clauses relative to equal employment opportunity, which are hereby incorporated herein by specific reference. By way of such federal laws, Seller is notified that they may be subject to the provisions thereof with respect to affirmative action program and plan requirements.
- c) Seller shall immediately notify Buyer in writing if Seller is (i) suspended, debarred, or proposed for suspension or debarment from doing business with the U.S. Government, or (ii) listed or is proposed to be listed by the U.S. Government in any "denial orders," as a "blocked person," as a "specially designated national," or as a "specially designated terrorist" for U.S. export administration purposes (collectively, "Debarment"). Any such suspension or debarment shall constitute for the Buyer to terminate the Order under the Section entitled Cancellation.
- d) Seller shall immediately notify Buyer in writing if Seller is subject to any federal, state, or foreign government criminal proceeding alleging fraud or corrupt practices, once initiated by the filing of a formal

charging document in a court of law; and further notify Buyer of any subsequent felony convictions or deferred prosecution agreement(s) related to the foregoing.

17) EXPORT COMPLIANCE:

- a) Seller represents that it will comply with all applicable import and export laws including, but not limited to, the Export Administrative Regulations, as amended (15 C.F.R. Parts 730-774); the Arms Export Control Act, as amended (22 U.S.C. § 2751-2799aa-2); the International Traffic in Arms Regulations, as amended (22 C.F.R. Parts 120 - 130); the regulations of the Department of the Treasury, Office of Foreign Assets Control; and regulations, procedures and policies of the United States and any countries having jurisdiction over the services provided under this Order. Seller shall not export, disclose, furnish, or otherwise provide any article, technical data, technology, defense service, or technical assistance of the Buyer to any foreign person or entity, whether within the U.S. or abroad, without obtaining, in advance, (i) appropriate U.S. government export authorization, and (ii) written approval from the Buyer.

18) PUBLIC RELEASES:

- a) Seller shall keep all information of Order and Buyer confidential. No public releases including those for news, advertising, information, technical or scientific purposes relating to this Order shall be issued by Seller or by any subcontractor without written consent from Buyer's authorized representative. Buyer does not endorse products or services. Accordingly, Seller shall not use or imply Buyer's or its client's name, or use Buyer's or its client's information or reports, for advertising, promotional purposes, raising of capital, recommending investments, sale of securities or in any way that implies endorsement by Buyer without written consent from Buyer's authorized representative.

19) PROCESS DOCUMENT CONTROL:

- a) Seller shall ensure that goods, materials and/or services produced and provided to Buyer are processed in accordance with the revision number/level specified for each item on the Order and relevant industry standards and specifications utilized reflect the latest approved revision number/level or release date, unless otherwise specified.
- b) Seller shall provide documentation control, including document change management of process documentation, manufacturing records, and inspection/test records to preclude unauthorized changes and provide adequate verification of accuracy.

20) INSPECTION AND ACCESS TO SELLER FACILITIES:

- a) Buyer, their clients, and regulatory authorities shall have the right to conduct pre-award and post-award assessments and surveys at Seller and Seller's subcontractors' facilities. Buyer retains the right to temporarily assign Buyer's personnel at Seller's facilities to ensure continued compliance to quality system and product specifications. Except where Seller documents proprietary products or processes and Buyer agrees to the proprietary nature of these products or processes, the Seller and the Seller's subcontractor's facilities, the ordered goods, materials and/or services, and related procedures and records shall be made available upon request to the Buyer's authorized representative to verify that the goods, materials and/or services conform to the Order requirements.

21) NOTIFICATION OF NONCONFORMITIES & CORRECTIVE AND PREVENTATIVE ACTION

- a) Seller agrees to notify Buyer upon becoming aware and before delivery of any nonconforming goods, materials and/or services that results in a departure from Order requirements and requires disposition. Seller shall provide a sufficient description of the nonconformance to enable Buyer to provide a disposition of use as-is with deviation, rework/repair, or scrap and replace. Seller shall promptly notify Buyer of any nonconformities that are identified after delivery. Seller will support Corrective and Preventative Action to resolve and prevent nonconformances, as necessary.

22) RECORD RETENTION:

- a) Unless a longer period is specified in this Order or by law or regulation, Seller shall retain all records related to this Order for four (4) years from the date of final payment received by Seller. Records related to this Order include, but are not limited to, proposal/quotation, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. In a timely manner and at no additional cost, Seller shall make available such records to Buyer, Buyer's client, and/or regulatory authorities upon request.
- b) Records, either electronic or hard copy that provide evidence of conformity to requirements, shall be complete and must remain unaltered, legible, readily identifiable, and retrievable.

23) PREVENTION OF COUNTERFEIT PARTS:

- a) Seller shall only purchase goods or materials to be delivered or incorporated as work to the Buyer directly from the Original Component Manufacturer (OCM) or Original Equipment Manufacturer (OEM) or through an OCM/OEM authorized distributor chain. Seller may use another source only if: (i) the foregoing sources are unavailable, (ii) Seller's inspection and other risk mitigation processes will be employed to ensure the authenticity of the work, (iii) the supplies meet applicable DOD-adopted counterfeit prevention industry standards and processes (including tests) and (iv) Seller obtains the advance written approval of the Buyer. Approval to use another source other than defined above requires the submittal of a comprehensive risk mitigation test and inspection plan to the Buyer's authorized representative. The risk mitigation test and inspection plan shall define appropriate tests and inspections, as well as acceptance criteria, to validate the products authenticity. Test results shall be reviewed and approved by the Buyer prior to shipping or incorporating into Order goods, materials and/or services.

24) CONFLICT MINERALS

- a) Seller represents, warrants, and covenants that, to Seller's knowledge after reasonable investigation, the goods and materials are, and upon delivery will be, DRC Conflict Free (as such term is defined in the US Securities Exchange Act of 1934, as amended by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the related rules and regulations of the US Securities and Exchange Commission). Seller shall promptly notify Buyer in writing in the event that Seller is or becomes aware of any reason to believe that the goods and materials are not DRC Conflict Free. To the extent Seller procures gold, tin, tantalum and/or tungsten from a smelter or refiner for incorporation into the goods or materials, Seller represents, warrants, and covenants that such goods and materials shall be procured solely from one or more of the smelters or refiners appearing on the applicable compliant smelter and refinery list available at www.conflictreesmelter.org.

25) ANTI-CORRUPTION

- a) Seller represents, warrants, and covenants that it and its subcontractors have conducted, and will at all times conduct, its and their respective businesses in accordance with applicable laws, rules, regulations, decrees and/or official governmental orders of the United States, United Kingdom and any country in which goods, materials and/or services are provided hereunder relating to anti-bribery, anti-corruption and anti-money laundering. Seller shall maintain adequate procedures in furtherance of the foregoing. Seller has not made, offered, promised to make or authorized the making of, and shall not make, offer or promise to make, or authorize the making of any payment or other transfer of anything of value if and to the extent that to do so is or would be in violation of or inconsistent with the principles or requirements of any anti-bribery, anti-corruption or anti-money laundering laws applicable to Buyer or to Seller, or to their respective parent companies, including without limitation, the US Foreign Corrupt Practices Act and, where applicable, the UK Bribery Act (2010). Any failure to comply with this clause shall be a material breach of the Order and will result in a default under the Section 9 Cancellation policy.

26) PRIORITY RATING:

- a) If this Order contains a DPAS rating, this a "rated order" certified for national defense, emergency preparedness, and energy program use, and Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

- b) There are two levels of priority established by this regulation, identified by the rating symbols "DO" and "DX". Rated orders take precedence over all unrated orders as necessary to meet required delivery dates. Among rated orders, "DX" rated orders take precedence over "DO" rated orders.

27) INDEPENDENT CONTRACTOR RELATIONSHIP:

- a) Seller is an independent contractor in all its operations and activities provided for in this Order. The employees used by Seller to perform work under the Order shall be Seller's employees exclusively without any relation whatsoever to Buyer. Seller shall be responsible for and hold harmless Buyer and its clients from and against all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, or subcontractors at any tier in the performance of any of its obligations under the Order.

28) FLOWDOWN REQUIREMENTS:

- a) Seller agrees to flow down the appropriate Buyer's Order requirements and any other Buyer supplemental terms and conditions in applicable purchasing documents to subcontractors. This is applicable for goods, materials, services, outsourced processes, inspection, testing, packaging and shipping, as well as required documentation and certification records.

29) GOVERNING LAW

- a) This agreement shall be construed in accordance with the laws of and enforced within the jurisdiction of the State of Michigan, United States of America.

FOR U.S. GOVERNMENT CONTRACTS - ADDITIONAL CONDITIONS:

30) REQUIREMENTS:

- a) Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) requirements apply to the Order if the goods, materials and/or services under Order is part of a prime contract or subcontract for a government agency, Department of Defense, NASA, or other government obligation. FAR/DFARS requirements should be part of the flow down process for the Order. It is Seller's responsibility to ensure compliance both internally and for any subcontractors.

31) GOVERNMENT PROPERTY:

- a) Seller shall comply with the provisions of the appropriate Government manual for control of Government property in possession for this order covered in FAR 52.245 and DFARS 245.

32) DCMA INSPECTION AND ACCESS TO SELLER FACILITIES:

- a) Seller agrees to allow on-site inspections of goods, materials and/or services by Buyer and Government Personnel to determine that the supplies or services conform to contract requirements and requires open access to all supply facilities. Enhanced support for government contracts may include project plans that consist of manpower planning to support. (FAR 46.4)

33) NIST 800-171 / CMMC / CONTROLLED UNCLASSIFIED INFORMATION (CUI)

- a) Information provided by Buyer may include the use of, or access to, CUI. Seller shall comply with DFARS 252.204-7008 "Compliance With Safeguarding Covered Defense Information Controls", DFARS 252.204-7009 "Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information", DFARS 252.204-7012 "Safeguarding Covered Defense Information and Cyber Incident Reporting", FAR 52.204-21, "Basic Safeguarding of Covered Contractor Information Systems", and DFARS 252.204-7020 "NIST SP 800-171 DoD Assessment Requirements; and shall: (i) report any cyber incident discovered as required by the DFARS; and (ii) notify the Buyer immediately in the event that it is not compliant with the FAR/DFARS.

34) GRATUITIES/KICKBACKS

- a) Seller shall not offer or give a gratuity or kickback (in the form of entertainment, gifts, etc.) for the purpose of obtaining or rewarding favorable treatment. By accepting this Order, Seller certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of the Anti-Kickback Act of 1986 (41 USC 51-58) or FAR 52.203-7.