

PRIME CONTROLS	AC05-F-03	Version: 1	Page 1 of 20
	Terms and Conditions Applicable to all Purchase Orders		
		Original Issue Date: 10/20/2026	
All Employees	Robert Chianese	Accounting	
USER GROUP	TECHNICAL	COGNIZANT ORG.	

Table of Contents

1.0	FORMATION OF CONTRACT	3
2.0	SCHEDULE	3
3.0	PACKING AND SHIPPING	4
4.0	QUALITY CONTROL.....	4
5.0	SELLER’S NOTICE OF DISCREPANCIES	5
6.0	INSPECTION.....	5
7.0	ACCEPTANCE AND REJECTION.....	5
8.0	COUNTERFEIT PARTS.....	6
9.0	WARRANTY.....	6
10.0	TAXES.....	7
11.0	INVOICES AND PAYMENT	7
12.0	CHANGES.....	7
13.0	DISPUTES.....	8
14.0	FORCE MAJEURE	8
15.0	TERMINATION FOR CONVENIENCE	8
16.0	CANCELLATION FOR DEFAULT	9
17.0	ASSIGNMENT, DELEGATION AND SUBCONTRACTING.....	10
18.0	PUBLICITY	10
19.0	PURCHASER’S PROPERTY	10
20.0	PATENT, TRADEMARK AND COPYRIGHT INDEMNITY	11
21.0	CONFIDENTIAL, PROPRIETARY AND TRADE SECRET INFORMATION AND MATERIALS.	11
22.0	NON-USE/NON-CIRCUMVENTION/NON-SOLICITATION	13
23.0	INVENTIONS, COPYRIGHTS, ETC.....	14
24.0	INDEMNITY.....	15
25.0	RECORDS AND AUDIT	15

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26.0	PURCHASER'S CUSTOMERS' AND REGULATORS' INSPECTION, SURVEILLANCE, AND TESTING RIGHTS.....	15
27.0	GRATUITIES.....	15
28.0	RIGHTS AND REMEDIES.....	15
29.0	COMPLIANCE WITH LAWS; INDEPENDENT CONTRACTOR.....	16
30.0	LABOR RELATIONS.....	17
31.0	GOVERNING LAW; VENUE	18
32.0	SUSPENSION OF WORK	18
33.0	ACCESS TO PLANTS AND PROPERTIES	18
34.0	NOTICES.....	19
35.0	SELLER REVIEW	19
36.0	WAIVER	19
37.0	MULTIPLE COUNTERPARTS AND ELECTRONIC SIGNATURES	19
38.0	ENTIRE AGREEMENT AND SEVERABILITY CLAUSE	19

Revision History

Version	Date	Author/ Approver	Description of Change
1	9/22/2026	Robert Chianese	Initial document - Approved

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1.0 FORMATION OF CONTRACT

This Purchase Order ("PO") incorporates by reference the Prime Controls, L.P. ("Purchaser") terms and conditions contained herein and is Purchaser's offer to purchase the goods and/or services (collectively, "Goods") described in this PO. Acceptance is strictly limited to the terms and conditions in this PO.

Unless specifically agreed to in writing by Purchaser's Authorized Procurement Representative, Purchaser objects to, and is not bound by, any term or condition that differs from or supplements this PO. Seller's commencement of performance or acceptance of this offer in any manner shall conclusively be evidence of acceptance of this PO as written. Seller's provision of the Goods shall be governed solely by this PO.

Notwithstanding anything to the contrary contained herein, if this PO is issued pursuant to a separate Master Subcontract Agreement (or other agreement) between the Parties, the terms of said Master Subcontract Agreement (or other agreement) shall govern.

2.0 SCHEDULE

2.1 Seller shall strictly adhere to the shipment and/or delivery schedules specified in the PO or as otherwise communicated in writing by Purchaser. In the event of any anticipated or actual delay, including but not limited to delays attributed to labor disputes, Seller shall:

2.1.1 Promptly notify Purchaser in writing of the reasons for the delay and the actions being taken to overcome or minimize the delay.

2.1.2 Provide Purchaser with a written recovery schedule.

2.1.3 If requested by Purchaser, ship via air or other expedited routing to avoid or minimize delay to the maximum extent possible, unless Seller is excused from prompt performance as provided in the "Force Majeure" Article 14 of this PO. Any added premium transportation costs shall be borne by Seller.

2.2 Seller shall not deliver Goods prior to the scheduled delivery dates unless authorized, in writing, by Purchaser's Authorized Procurement Representative.

2.3 Purchaser shall, at no additional cost, retain goods furnished in excess of the specified quantity or in excess of any allowable overage unless, within forty-five (45) days of shipment, Seller requests return of such excess. In the event of such request, Seller shall reimburse Purchaser for all reasonable costs associated with storage and return of the excess. If Goods are manufactured with reference to Purchaser's Proprietary Information or Materials, Seller agrees that pursuant to the "Confidential, Proprietary and Trade Secrets Information and Materials" Article 21 of this PO, it will not sell or offer such Goods for sale to anyone other than Purchaser without Purchaser's prior written consent, which consent may be withheld at Purchaser's sole discretion.

	AC05-F-03	Version 1	Page 4 of 20
	Terms and Conditions Applicable to all Purchase Orders		

3.0 PACKING AND SHIPPING

- 3.1 Seller shall pack the Goods to prevent damage and deterioration. Seller shall comply with carrier tariffs. Purchaser may charge Seller, and Seller shall be responsible for damage to or deterioration of any Goods resulting from improper packing or packaging or damage during transit. Unless this PO specifies otherwise, the PO amount includes shipping charges for Goods sold F.O.B. destination. Unless otherwise specified in this PO, goods sold F.O.B. place of shipment shall be forwarded collect. Seller shall make no declaration concerning the value of the Goods shipped except on Goods where the tariff rating is dependent upon released or declared value. In such event, Seller shall release or declare such value at the maximum value within the lowest rating.
- 3.2 Unless this PO specifies otherwise, Seller will ship the Goods in accordance with the following instructions:
 - 3.2.1 Shipments by Seller or its sub-tiers must include packing sheets containing Purchaser's PO number, line-item number, Purchaser's project number, description, and quantity of Goods shipped, part number or size, if applicable, and appropriate evidence of inspections. A shipment containing hazardous and non-hazardous materials must have separate packing sheets for the hazardous and non-hazardous materials. Items shipped on the same day will be consolidated on one bill of lading or air bill unless otherwise authorized in writing by Purchaser's Authorized Procurement Representative. The shipping documents must describe the material according to the applicable classification and/or tariff. The total number of shipping containers will be referenced in all shipping documents. Originals of all Government bills of lading will be surrendered to the origin carrier at the time of shipment.
 - 3.2.2 Seller will not insure any FOB origin shipment unless authorized, in writing, by Purchaser.
 - 3.2.3 Seller will label each shipping container with the PO number and the number that each container represents of the total number being shipped (e.g., box 1 of 2, box 2 of 2).
 - 3.2.4 Purchaser will select the carrier and mode of transportation for all shipments where freight costs will be charged to Purchaser.
 - 3.2.5 Seller will include copies of documentation supporting prepaid freight charges (e.g., carrier invoices or UPS shipping log/manifest), if any, with its invoices.
 - 3.2.6 If Seller is unable to comply with the shipping instructions in this contract, Seller will contact Purchaser, in writing, for instruction or information.

4.0 QUALITY CONTROL

Seller shall establish and maintain a quality control system acceptable to Purchaser for the Goods purchased under this contract. Seller shall permit Purchaser, at its election, to review

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procedures, practices, processes, and related documents to determine such acceptability. Seller shall have a continuing obligation to promptly notify Purchaser, in writing, of any violation of or deviation from Seller's approved inspection/quality control system and to advise Purchaser, in writing, of the quantity and specific identity of any Goods delivered to Purchaser during the period of any such violation or deviation.

5.0 SELLER'S NOTICE OF DISCREPANCIES

Seller shall notify Purchaser in writing when discrepancies in Seller's process or Goods are discovered or suspected regarding Goods delivered or to be delivered under this PO.

6.0 INSPECTION

- 6.1 At no additional cost to Purchaser, Goods shall be subject to inspection, surveillance, and testing at reasonable times and places Purchaser shall perform inspections, surveillance and testing so as not to unduly delay the work.
- 6.2 Seller shall maintain an inspection system acceptable to Purchaser for the Goods purchased under this contract.
- 6.3 If Purchaser performs an inspection or testing on the premises of Seller or its sub-tiers, Seller shall furnish, and require its sub-tiers to furnish, without additional charge, reasonable facilities, and assistance for the safe and convenient performance of these functions.

7.0 ACCEPTANCE AND REJECTION.

- 7.1 Purchaser shall accept the Goods or give Seller written notice of rejection or revocation of acceptance ("rejection"), notwithstanding any one or more of payment, prior testing or inspection, or passage of title. No inspection, testing, delay, or failure to inspect or test or failure to discover any defect or other nonconformance shall relieve Seller of any obligations under this PO or otherwise impair any rights or remedies of Purchaser.
- 7.2 If Seller delivers non-conforming Goods, Purchaser may at its sole option and at Seller's expense:
 - 7.2.1 Return the Goods for credit or refund.
 - 7.2.2 Require Seller to promptly correct, repair, or replace the Goods.
 - 7.2.3 Purchaser may correct or repair the Goods and back charge Seller the reasonable costs of doing so.
 - 7.2.4 Obtain replacement Goods from another source.
- 7.3 Seller shall not redeliver corrected or rejected goods without disclosing, in writing, the former rejection or requirement for correction. Among other things, Seller shall disclose and set forth any corrective action taken. Repair, replacement, corrections, and redelivery shall be completed within the original delivery schedule or such later time as Purchaser's Authorized Procurement Representative may reasonably direct in writing.

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- 7.4 All costs, expenses, and loss of value incurred as a result of or in connection with non-conformance and repair, replacement, or other correction may be recovered by Purchaser from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this PO or any other PO between Seller and Purchaser.

8.0 COUNTERFEIT PARTS

- 8.1 Seller shall make every effort to assure safe, reliable product and mitigate the risk of counterfeit parts entering the system. A counterfeit part is any item misrepresented as having been designed and/or produced under an approved system or other acceptable method. Seller shall immediately notify Purchaser with the pertinent facts regarding any confirmed or suspected counterfeit parts. If counterfeit parts are furnished under a PO, such items shall be impounded. The seller (and/or their applicable supply chain) shall promptly replace such items with items acceptable to Purchaser. Seller (and/or applicable supply chain) may be liable for all costs relating to impoundment, removal, and replacement. Purchaser may turn such items over to US Government authorities (Office of Inspector General, Defense Criminal Investigation Service, Federal Bureau of investigations, etc.) for investigation and reserves the right to withhold payment for the suspect parts pending the results of the investigation.

9.0 WARRANTY

Seller warrants that all Goods furnished under this contract shall conform to all designs, specifications, and other requirements of this PO and shall be free from defects in materials and workmanship. To the extent Goods are not manufactured pursuant to designs, specifications and requirements furnished by Purchaser, the Goods shall be free from design and specification defects. This warranty shall survive inspection, testing, acceptance of, and payment for the Goods. This warranty shall run to Purchaser and its successors, assigns, and customers. Such warranty shall begin after Purchaser's final acceptance. Purchaser may at its option return the Goods for credit or refund, or require prompt correction or replacement of the defective or non-conforming Goods. Return to Seller of defective or non-conforming Goods and redelivery to Purchaser of corrected or replacement Goods shall be at Seller's expense. Goods required to be corrected or replaced shall be subject to this Article 9.0 and the "Inspection" Article 6 of this PO in the same manner and to the same extent as Goods originally delivered under this contract, but only as to the corrected or replacement part or parts thereof. Even if the Parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Purchaser's direction to:

- 9.1 Repair, correct, or replace the Goods.
- 9.2 And/or furnish any materials or parts and installation instructions required to successfully correct the defect or non-conformance.

If the Parties later determine that Seller did not breach this warranty, the Parties shall equitably adjust the contract price.

10.0 TAXES

Unless this PO specifies otherwise, the price of this PO includes, and Seller is liable for and shall pay, all taxes, impositions, charges, duties, and exactions imposed on or measured by this PO or the transactions contemplated by this PO except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges, duties, or exactions for which Purchaser has furnished a valid exemption certificate or other evidence of exemption.

11.0 INVOICES AND PAYMENT

Unless otherwise authorized by Purchaser's Authorized Procurement Representative, Seller shall issue a separate original invoice for each delivery that shall include Purchaser's PO number, line-item number, project number, item number, description, and quantity. Seller shall forward its invoice to the address specified in the PO. Unless freight or other charges are itemized, Purchaser may take any discount offered on the full amount of the invoice. Unless authorized in writing from Purchaser, payment terms are Net 60 days. Payment due date, including discount periods, shall be computed from the later of the scheduled delivery date, the actual delivery date, or the date of receipt of a correct invoice. Payment shall be deemed made on the date Purchaser's check is mailed or payment is otherwise tendered.

Seller shall promptly repay Purchaser any amounts paid in excess of amounts due Seller.

12.0 CHANGES

12.1 Purchaser's Authorized Procurement Representative may, in writing, direct changes within the general scope of this PO in any of the following: (i) technical requirements and descriptions, specifications, scope of work, drawings or designs; (ii) shipment or packing methods; (iii) place of delivery, inspection, or acceptance; (iv) reasonable adjustments in quantities or delivery schedules or both; (v) amount of Purchaser-furnished property; and, if this PO includes services, (vi) description of services to be performed; (vii) time of performance (e.g., hours of the day, days of the week, completion date); (viii) place of performance, and (ix) terms and conditions of this PO required to meet Purchaser's obligations under prime contracts or subcontracts. Seller shall comply immediately with such directions.

12.2 If any such change increases or decreases the cost or time required to perform this PO, Purchaser and Seller shall negotiate an equitable adjustment in the price or schedule, or both, to reflect the increase or decrease. Purchaser shall modify this PO in writing accordingly. Unless otherwise agreed in writing, Seller must assert any claim for adjustment to Purchaser's Authorized Procurement Representative in writing within ten (10) days after Seller's receipt of such directions. Purchaser may, at its sole discretion, consider any claim regardless of when asserted. Purchaser may examine Seller's pertinent books and records related to this PO to verify the amount of Seller's claim. Failure of the Parties to agree upon any adjustment shall not excuse Seller from performing in accordance with Purchaser's direction.

- 12.3 If Seller considers that Purchaser's conduct constitutes a change, Seller shall notify Purchaser's Authorized Procurement Representative immediately in writing as to the nature of such conduct and its effect upon Seller's performance. Pending direction from Purchaser's Authorized Procurement Representative, Seller shall take no action to implement any such change.

13.0 DISPUTES

Any dispute that arises under or is related to this PO that cannot be settled by mutual agreement of the Parties may be decided by a court of competent jurisdiction. Pending final resolution of any dispute, Seller shall proceed with performance of this PO according to Purchaser's instructions so long as Purchaser continues to pay amounts not in dispute.

14.0 FORCE MAJEURE

Seller shall not be liable for excess re-procurement costs pursuant to the "Cancellation for Default" Article 16 of this PO, incurred by Purchaser because of any failure of Seller to perform per the terms of this PO if the failure arises from causes beyond the control and without the fault or negligence of Seller. Examples of these causes are (a) acts of God or of the public enemy, (b) acts of the Government in either its sovereign or contractual capacity, (c) fires, (d) floods, (e) epidemics, (f) quarantine restrictions, (g) strikes, (h) freight embargoes and (i) unusually severe weather. In each instance, the failure to perform must be beyond control and without the fault or negligence of Seller. If the delay is caused by delay of a subcontractor of Seller and if such delay arises out of causes beyond the reasonable control of both, and if such delay is without the fault or negligence of either, Seller shall not be liable for excess costs unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedules. Seller shall notify Purchaser in writing within three days after the beginning of any such cause.

15.0 TERMINATION FOR CONVENIENCE

Purchaser may terminate all or part of this PO, effective as of any date specified by Purchaser. In the event of a Termination of Convenience:

- 15.1 Supplier shall take actions necessary to mitigate the costs and expenses it incurs in relation to the termination.
- 15.2 Without limiting the foregoing, Supplier shall:
- 15.2.1 Immediately, as of the effective date of termination, stop work and discontinue placing orders with sub-tiers in relation to the terminated portion of this PO; and
 - 15.2.2 Unless Purchaser requests such items be delivered to Purchaser, sell or reassign all completed tooling, in-process materials, or raw materials relating to the terminated portion of this PO, obtain scrap credits and settle vendor claims.
- 15.3 Upon Purchaser's request, Supplier shall deliver to Purchaser any completed tooling, in process material, and raw material related to the terminated portion of this PO.

- 15.4 Supplier shall have no claim for any cost, expense, damage, or liability of any kind in relation to the Termination for Convenience, except as specifically set forth below.
- 15.5 Supplier shall be entitled to claim termination costs, which equals the sum of the following.
- 15.5.1 The price paid by Supplier to acquire materials, labor costs, and overhead costs which have been incurred by Supplier in connection with the items which remain undelivered under the terminated portion of this PO; and
- 15.5.2 Payments which have been made to Supplier's sub-tiers in relation to the items ordered prior to the effective date of termination;
- 15.5.3 Less the sum of all the scrap credits and proceeds or value of reassignment of in-process material and items, or both, sold or reassigned.

16.0 CANCELLATION FOR DEFAULT

- 16.1 Purchaser may, by written notice to Seller, cancel all or part of this PO if (i) Seller fails to deliver the Goods within the time specified by this PO or any written extension; (ii) Seller fails to perform any other provision of this PO or fails to make progress, so as to endanger performance of this PO, and, in either of these two circumstances, does not cure the failure within ten (10) days after receipt of notice from Purchaser specifying the failure; or (iii) in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization, or arrangement by Seller for the benefit of its creditors.
- 16.2 Seller shall continue all work not canceled. If Purchaser cancels all or part of this PO, Seller shall be liable for Purchaser's excess re-procurement costs.
- 16.3 Purchaser may require Seller to transfer title (to the extent Purchaser does not already have title) and deliver to Purchaser, as directed by Purchaser, any (i) completed Goods, and (ii) any partially completed Goods and materials, parts, tools; dies, jigs, fixtures, plans, drawings, information, contract rights and other materials (collectively, "Manufacturing Materials") that Seller has specifically produced or acquired for the canceled portion of this PO. Upon direction from Purchaser, Seller shall also protect and preserve property in its possession in which Purchaser or any customer of Purchaser has an interest.
- 16.4 Purchaser shall pay the PO price for Goods accepted. Payment for Manufacturing Materials accepted by Purchaser and for the protection and preservation of property shall be at a price determined in accordance with the "Termination for Convenience" article of this PO, except that Seller shall not be entitled to profit. Purchaser may withhold from any amount due under this contract any sum Purchaser determines to be necessary to protect Purchaser or Purchaser's customer against loss because of outstanding liens or claims of former lien holders of Seller or its sub-tiers.

16.5 If, after cancellation, it is determined that Seller was not in default, the rights and remedies of the Parties shall be as if the PO had been terminated according to the "Termination for Convenience" article of this PO.

16.6 All intellectual property, including, but not limited to, drawings, software, and models required to finish the project shall be delivered to Purchaser.

17.0 ASSIGNMENT, DELEGATION AND SUBCONTRACTING

Seller shall not assign any of its rights or interests in this PO or subcontract all or substantially all of its performance of this PO, without Purchaser's prior written consent. Seller shall not delegate any of its duties or obligations under this PO. Seller may not assign its right to monies due or to become due. No assignment, delegation, or subcontracting by Seller, with or without Purchaser's consent, shall relieve Seller of any of its duties or obligations under this PO or prejudice any of Purchaser's rights against Seller whether arising before or after the date of any assignment. This PO is non-transferable. This Article 17 does not limit Seller's ability to purchase standard commercial supplies or raw materials. Any sub-tier of Seller shall be bound by all of Seller's duties and obligations hereunder. Seller shall be liable to Purchaser for any breach of duty or obligation by any sub-tier of Seller.

18.0 PUBLICITY

18.1 Without Purchaser's prior written approval, Seller shall not and shall require that its sub-tiers shall not release any publicity, advertisement, news release, or denial or confirmation of same regarding this PO or the Goods or project to which it pertains.

18.2 Any labeling or marking of equipment by Seller must be approved by Purchaser prior to being incorporated.

19.0 PURCHASER'S PROPERTY

19.1 Seller shall clearly mark, maintain an inventory of, and keep segregated or identifiable all of Purchaser's property and all property to which Purchaser acquires an interest by virtue of this PO. Seller assumes all risk of loss, destruction, or damage of such property while in Seller's possession, custody, or control including any transfer to Seller's sub-tiers. Upon request, Seller shall provide Purchaser with proof of insurance in accordance with Purchaser's standard requirements (sample COI provided upon request) against such risk of loss. Seller shall not use such property other than in performance of this PO without Purchaser's prior written consent. Seller shall notify Purchaser's Authorized Procurement Representative if Purchaser's property is lost, damaged, destroyed or otherwise compromised. As directed by Purchaser, upon completion, termination or cancellation of this PO, Seller shall deliver such property, to the extent not incorporated in delivered Goods, to Purchaser in good condition subject to ordinary wear and tear and normal manufacturing losses.

PRIME CONTROLS	AC05-F-03	Version 1	Page 11 of 20
	Terms and Conditions Applicable to all Purchase Orders		

19.2 All items designated paid for by a pre-set milestone payment plan become the property of the Purchaser immediately upon payment. This includes, but is not limited to, all items procured by Seller that are listed on the invoice.

20.0 PATENT, TRADEMARK AND COPYRIGHT INDEMNITY

Seller will indemnify, defend, and hold harmless Purchaser and its customers from all claims, suits, actions, awards (including, but not limited to, awards based on intentional infringement of patents known at the time of such infringement, awards exceeding actual damages and/or attorneys' fees and/or costs), liabilities, damages, costs and attorneys' fees related to or arising out of the actual or alleged infringement of any United States or foreign intellectual property right (including, but not limited to, any right in a patent, copyright, industrial design or semiconductor mask work, or based on misappropriation or wrongful use of information or documents) and arising out of the manufacture, sale, or use of Goods by either Purchaser or its customers (collectively, "Indemnitees"). Purchaser and/or its customers will duly notify Seller of any such claim, suit, or action; and Seller will, at its own expense, fully defend such claim, suit, or action on behalf of Indemnitees. Seller will have no obligation under this article with regard to any infringement arising from (a) Seller's compliance with formal specifications issued by Purchaser where infringement could not be avoided in complying with such specifications or (b) use or sale of Goods in combination with other items when such infringement would not have occurred from the use or sale of those Goods solely for the purpose for which they were designed or sold by Seller. For purposes of this Article 20 only, the term Purchaser will include Purchaser and all of its subsidiaries, and all officers, agents, and employees of Purchaser or any Purchaser subsidiary.

21.0 CONFIDENTIAL, PROPRIETARY AND TRADE SECRET INFORMATION AND MATERIALS.

21.1 During the term hereof, as deemed necessary by Purchaser, Purchaser may do one or more of the following: (i) present Seller with new and unique business opportunities; (ii) present Seller with Proprietary Information and Materials of Purchaser, or access to such materials; (iii) provide Seller with goodwill support such as compensation and expense reimbursements in accordance with this PO; (iv) provide contact with Purchaser's customers and vendors/manufacturers in order to help Seller develop and/or produce Goods for Purchaser and its customers, (v) provide Seller with new and unique training, and/or (vi) provide Seller with technical help as deemed reasonably necessary.

21.2 Purchaser and Seller shall each keep confidential and protect from unauthorized use and disclosure all (a) confidential, proprietary and/or trade secret information including Purchase Orders; (b) tangible items and software containing, conveying or embodying such information, including, but not limited to, designs, techniques, processes, programs, drawings, blueprints, algorithms, the identity of vendors/manufacturers of the Goods or similar Goods, customer lists and files, nonpublished customer information of special value not generally known to the public, including all trade secrets and vendor/manufacture pricing information, terms of customer and vendor/manufacture POs and vendor/manufacture and customer contact information; (c) tooling identified

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as being subject to this article and obtained, directly or indirectly, from the other in connection with this PO or other agreement referencing this PO; and (d) information designated as “confidential” or “proprietary” or information that Purchaser indicates through its policies or instructions should not be disclosed to anyone outside Purchaser without Purchaser’s written approval (collectively referred to as “Proprietary Information and Materials”).

- 21.3 The controlled disclosure of Proprietary Information and Materials to other contractors, customers or vendors for legitimate business purposes and the availability of the Proprietary Information and Materials to others outside Purchaser through independent investigation and effort will not remove it from protected status as Proprietary Information and Materials under this PO if Seller was first entrusted with the Proprietary Information and Materials during the term of this PO. Purchaser and Seller shall each use Proprietary Information and Materials of the other only in the performance of and for the purpose of this PO and/or any other agreement referencing this PO. This restriction is not intended to prevent Seller from disclosures compelled by law (e.g., a subpoena) so long as Seller gives Purchaser at least ten (10) business days advance notice prior to disclosure. Seller also agrees to use the goodwill and contacts developed with Purchaser’s customers, vendors, and contractors for the exclusive and sole benefit of Purchaser and not to Purchaser’s detriment, during the term of this PO and thereafter. However, despite any other obligations or restrictions imposed by this article, Purchaser shall have the right to use, disclose and reproduce Seller’s Proprietary Information and Materials, and make derivative works thereof, for the purposes of testing, certification, use, sale or support of any Goods delivered under this PO or any other agreement referencing this PO. Any such use, disclosure, reproduction, or derivative work by Purchaser shall, whenever appropriate, include a restrictive legend suitable for the particular circumstances. The restrictions on disclosure or use of Proprietary Information and Materials by Seller shall apply to all materials derived by Seller or others from Purchaser’s Proprietary Information and Materials.
- 21.4 Upon Purchaser’s request at any time, and in any event upon the completion, termination or cancellation of this PO, Seller shall return to Purchaser all of Purchaser’s Proprietary Information and Materials and all materials derived therefrom, unless specifically directed otherwise in writing by Purchaser. Seller shall not, without the prior written authorization of Purchaser, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Proprietary Information and Materials of Purchaser. Prior to disposing of such parts or other materials as scrap, Seller shall render them unusable. Purchaser shall have the right to audit Seller’s compliance with this article.
- 21.5 Seller may disclose Proprietary Information and Materials of Purchaser to its sub-tiers as required for the performance of this PO, provided that each such sub-tier first agrees in writing to the same obligations imposed upon Seller under this Article relating to Proprietary Information and Materials and Articles “Confidential, Proprietary and Trade

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Secret Information and Materials,” “Non-Use/Non- circumvention/Non-Solicitation” and “Inventions, Copyrights, Etc.” hereunder. Seller shall be liable to Purchaser for any breach of such obligation by such sub-tiers. The provisions of this article are effective in lieu of any restrictive legends or notices applied to Proprietary Information and Materials.

21.6 The provisions of this article shall survive the performance, completion, termination, or cancellation of this PO.

22.0 NON-USE/NON-CIRCUMVENTION/NON-SOLICITATION

Seller agrees that the following covenants are reasonable and necessary covenants for the protection of Purchaser’s business interests described in this PO:

22.1 “Covered Business” means any business activities that involve engineering and manufacturing services related to systems integration and I&C construction, the Goods, or any business so similar in nature that it competes for opportunities or customers of Purchaser. Those customer entities and individuals and vendor/manufacture entities and individuals who had contact with Seller while Seller was under PO with Purchaser and/or about whom Seller received confidential information from Purchaser or by virtue of Seller’s relationship with Purchaser, are defined herein as “Covered Customers” and “Covered Vendors/Manufacturers.”

22.2 Seller agrees that it will not participate in a Covered Business (a) by providing services to a Covered Business (whether as an agent, consultant, advisor, independent contractor or other capacity) that would involve any use or disclosure of Purchaser’s Proprietary Information and Materials, and/or (b) by owning, investing in, or providing financial support to, a Covered Business as a shareholder, partner, member, sole proprietor, creditor or in any other way, in each case that would involve any use or disclosure of Purchaser’s Proprietary Information and Materials.

22.3 Seller will not, directly or indirectly, except in connection with Seller’s service to Purchaser, service, call on, solicit, take away, enter into a transaction with, or cause the solicitation of;

22.3.1 Any Covered Customer of Purchaser for the purpose of engaging in a transaction.

22.3.2 Any Covered Vendor/Manufacturer, wherever located, for the purpose of engaging in a transaction. For the purposes of this article, “transaction” means any purchase or sale, lease or license of goods or services similar to the Goods, or any agreement relating to the sale or placement of goods or services or equipment similar to the Goods.

22.4 Prior to Seller engaging any employees, contractors, agents, or other representatives engaged by Seller to perform services in connection with this PO (the “PO Parties”), Seller shall advise all PO Parties of Seller’s confidentiality, nondisclosure, and other obligations under this PO. Seller agrees to be responsible for ensuring that all PO Parties

(who may only be provided with Purchaser's Proprietary Information and Materials on a need-to-know basis) maintain the confidentiality, nondisclosure, and other obligations of Seller under this PO. Seller shall cause each permitted PO Party to whom confidential information is disclosed to sign an agreement substantially the same as this PO. Seller shall indemnify Purchaser and hold Purchaser harmless against all proceedings, claims, losses, costs (including reasonable professional fees), damages and expenses that may be incurred or suffered by Purchaser as a result of any claims of third parties arising from any PO or Party's acts, which if such act was taken by Seller, would be considered a breach or other violation of this PO. Seller agrees not to circumvent the application of this PO through or by any affiliate or other person or entity.

- 22.5 Each of the restrictions set forth in articles "Confidential, Proprietary and Trade Secret Information and Materials," "Non-compete/Non-circumvention" and "Inventions, Copyrights, ETC." hereof shall survive the termination of this PO by any means. The existence of any claim or cause of action of Seller against Purchaser, whether predicated on this PO or otherwise, shall not constitute a defense to the enforcement by Purchaser of said covenants.

23.0 INVENTIONS, COPYRIGHTS, ETC.

Seller by execution of this PO assigns to Purchaser, or its assigns and successors or legal representatives, all right, title and interest in and to any and all inventions or any improvements therein (the "Inventions") or copyrights ("Copyrights") of whatever kind or character, discovered, conceived and/or developed either individually by Seller or jointly with others, during the course of Seller rendering services to Purchaser whether or not using Purchaser's information, including Proprietary Information and Materials, data, facilities and/or materials, provided the subject matter of the Invention or Copyright is within the general scope of the duties and responsibilities of one providing services such as those of Seller to Purchaser, or occurs as a result of Seller's knowledge of a particular interest of Purchaser in the subject matter of the Invention or Copyright. Seller further agrees that all Inventions and Copyrights (if any) are Purchaser's sole and exclusive property and that any work generated or performed by Seller (including Goods) that is copyrightable shall be considered a "work made for hire." Seller agrees to assist Purchaser at any time during or after the period of time in which Seller renders services to Purchaser, at Purchaser's expense, in the preparation, execution and delivery of any and all Inventions, disclosures, patent or Copyright applications or any improvements related to such Inventions, disclosures or patent or Copyright applications within the scope and intent of this PO that are required to obtain patents or Copyright registrations in the United States or other countries, or for such other proceedings as may be necessary to vest all right, title and interest of such items in Purchaser, its assigns and successors or legal representatives. Seller acknowledges that the foregoing covenants are integral terms of this PO and are given in consideration of Purchaser agreeing to use the services of and purchase the Goods from Seller. Prior patents, trademarks, and copyrights of Seller that are disclosed to Purchaser in writing within forty-eight (48) hours of the full execution of this PO are not governed by the foregoing provisions.

24.0 INDEMNITY

Seller hereby agrees to indemnify Purchaser and hold Purchaser harmless against all proceedings, claims, losses, costs (including reasonable professional fees), damages and expenses that may be incurred or suffered by Purchaser as a result of any claims of third parties arising from Seller's acts or omissions, or any breach or alleged breach by Seller of any of the provisions stated in this PO or any failure to perform the services contemplated by this PO, except to the extent said breach or failure is directly caused by Purchaser.

25.0 RECORDS AND AUDIT

Seller shall retain all records and documents pertaining to the Goods for a period of no less than ten (10) years after final payment by Purchaser. Such records and documents shall include without limitation, this PO, catalogs, price lists, invoices, and inventory records for purposes of verification of prices or rates charged by Seller for Goods procured by Purchaser. Purchaser shall have the right to examine, reproduce and audit, from time to the time upon reasonable notice, all such records related to pricing and performance under this PO to evaluate the accuracy, completeness and currency of cost and pricing data submitted with Seller's bid or offer to sell; and related to "Changes," "Termination for Convenience" or "Cancellation for Default" articles of this PO.

26.0 PURCHASER'S CUSTOMERS' AND REGULATORS' INSPECTION, SURVEILLANCE, AND TESTING RIGHTS

Purchaser's rights to perform inspections, surveillance, and tests and to review procedures, practices, processes, and documents related to quality assurance and quality control shall extend to the customers of Purchaser. Purchaser may also, at Purchaser's option, by prior written notice from Purchaser's Authorized Procurement Representative, extend such rights to other customers of Purchaser.

27.0 GRATUITIES

Seller warrants that neither it nor any of its employees, agents, sub-tiers, or representatives have offered or given, or will offer or give, any gratuities to Purchaser's employees, agents or representatives for the purpose of securing this PO or securing favorable treatment under this PO.

28.0 RIGHTS AND REMEDIES

28.1 Seller agrees that a breach or threatened breach is based on reasonable and good faith evidence of a breach on Seller's part, of any covenant contained in articles "Confidential, Proprietary, Trade Secret Information and Materials,"

Seller further agrees that in the event of breach or threatened breach by Seller or by Seller's employees, partners, sub-tiers, representatives, agents or any person or entity related, directly or indirectly, to Seller, of any provision of such articles, Purchaser shall be entitled as a matter of right to:

28.1.1 Injunctive relief by temporary restraining order, temporary injunction, and/or permanent injunction.

28.1.2 And/or any other legal and equitable relief to which it may be entitled, including any and all monetary damages that Purchaser may incur as a result of said breach or threatened breach.

Without limiting the generality of the foregoing, Purchaser may offset against any amounts owed to Seller any expenses or damages incurred by Purchaser as a result of Seller's breach of this PO. If any action at law or in equity is necessary to enforce or interpret the terms of this PO, the prevailing Party will be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such Party may be entitled.

28.2 Any failures, delays or forbearances of either Party in insisting upon or enforcing any provisions of this PO, or in exercising any rights or remedies under this PO, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.

28.3 Except as otherwise limited in this PO, the rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the Parties may have at law or in equity.

29.0 COMPLIANCE WITH LAWS; INDEPENDENT CONTRACTOR

In the performance of the Work under this PO, Seller and its sub-tiers are Independent Contractors (not an employee of Purchaser) and at their sole cost and expense and without increase in the PO price, shall:

29.1 Comply with all applicable laws, ordinances, rules, regulations, and statutes of all governing bodies having jurisdiction over the Work, including those pertaining to United States Export Controls.

29.2 Procure and pay for all permits, inspections, and licenses if applicable to the Work; 3) pay all manufacturers' taxes, sales taxes, use taxes, processing taxes, and all federal and state taxes, insurance, and contributions for social security and unemployment which are measured by wages, salaries, or other remunerations paid to Seller's or its sub-tier's employees, whether levied under existing or subsequently enacted laws, rules or regulations. Seller, upon request, shall furnish evidence satisfactory to Purchaser that the foregoing obligations have been fulfilled.

Seller and its sub-tiers agree to indemnify, defend, and hold harmless Purchaser and its customer for all amounts assessed against Purchaser or Customer arising out of or resulting from Seller's, or its sub-tier's failure to comply with any such laws, regulations, and requirements above. If the plans or specifications are at variance with said laws, rules, and regulations, Seller shall promptly notify Purchaser in writing, and the cost of any necessary changes shall be adjusted accordingly. Seller's and its sub-tier's performance of such Work

contrary to such laws, rules, and regulations, and without such notice to Purchaser, shall cause Seller to bear all damages and costs arising therefrom.

30.0 LABOR RELATIONS

This PO is subject to the provisions of Executive Order 11246 (Equal Opportunity Clause as amended; the regulations in 41 CFR Chapter 60 Equal Opportunity Clause); Executive Order 11701 (Job Openings for Veterans); 20 CFR, Sections 741.3 and 741.29; together with 20 CFR, Chapter VI 741 (Employment of those with Disabilities); Section 503 of the Rehabilitation Act of 1973, as amended; 41 CFR 60-300.5(a), 41 CFR 60-741.5(a), the Vietnam Era Veterans' Readjustment Act of 1974, as amended; and where applicable, sections of Age Discrimination Act of 1967, as amended and provisions of Title II of the Genetic Information Nondiscrimination Act of 2008, as amended;

- 30.1 Seller will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Seller will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, disability, genetic information, or age. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- 30.2 Seller will, in all solicitations or advertisements for employees placed by or on behalf of Seller, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, disability, genetic information or age.
- 30.3 Seller will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, advising the labor union or workers' representative of Seller's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 30.4 Seller will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 30.5 Seller will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 30.6 In the event of Seller's non-compliance with the nondiscrimination clauses of this PO or with any of such rules, regulations, or orders, this PO may be canceled, terminated or

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suspended in whole or in part and Seller may be declared ineligible for further Government subcontracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

30.7 Seller will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each lower-tier subcontractor or vendor. Seller will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event Seller becomes involved in, or is threatened with, litigation with a lower-tier subcontractor or vendor as a result of such direction, Seller may request the United States to enter into such litigation to protect the interests of the United States.

30.8 Purchaser and Seller shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.

31.0 GOVERNING LAW; VENUE

This PO shall be governed by, construed, interpreted by, and otherwise enforced in accordance with the laws of the State of Texas (Denton County).

32.0 SUSPENSION OF WORK

32.1 Purchaser's Authorized Procurement Representative may, by written order, suspend all or part of the work to be performed under this PO for a period not to exceed 180 days. Within such period of any suspension of work, Purchaser shall (i) cancel the suspension of work order; (ii) terminate this PO in accordance with the "Termination for Convenience" article of this PO; (iii) cancel this PO in accordance with the "Cancellation for Default" article of this PO, or (iv) extend the stop work period.

32.2 Seller shall resume work whenever a suspension is canceled. Purchaser and Seller shall negotiate an equitable adjustment in the price or schedule or both if (i) this PO is not canceled or terminated; (ii) the suspension results in a change in Seller's cost of performance or ability to meet the PO delivery schedule; and (iii) Seller submits to Purchaser's Authorized Procurement Representative a written claim for adjustment within 20 days after the suspension is canceled.

33.0 ACCESS TO PLANTS AND PROPERTIES

Seller shall comply with all the rules and regulations established by Purchaser for access to and activities in and around premises controlled by Purchaser or any customer of Purchaser.

34.0 NOTICES

Any notice under this PO will be in writing and will be deemed to have been duly given:

34.1 When delivered personally:

34.2 Five (5) business days after such notice is deposited in the United States mail, registered, postage prepaid, and addressed, to Purchaser, at its principal office, or to Seller at Seller's address as shown on the signature page to this PO.

34.3 And when return receipt is activated if sent by email.

35.0 SELLER REVIEW

Seller acknowledges that Seller has read and is fully familiar with the terms of this PO, that Seller has had a reasonable opportunity to consider this PO, and that after such review, Seller finds that the promises and considerations provided by Seller in this PO are not greater than necessary for the protection of Purchaser's goodwill and legitimate business interests and do not create undue hardship for Seller or the public.

36.0 WAIVER

The actual or apparent waiver by either Party to this PO of a breach of any provision of this PO will not operate or be construed as an actual or constructive waiver of that breach or any subsequent breach by any Party. Waivers are not effective unless in writing and signed by the Party granting the waiver.

37.0 MULTIPLE COUNTERPARTS AND ELECTRONIC SIGNATURES

37.1 This PO may be executed in counterparts, each of which for all purposes is to be deemed original, and all of which constitute, collectively, one agreement.

37.2 Should signatures be required, each Party agrees that this PO and any attachments or exhibits thereto may be executed by electronic signature, and that any electronic signature appearing on this PO or its attachments shall be deemed the same as a handwritten signature for purposes of validity, enforceability, and admissibility.

38.0 ENTIRE AGREEMENT AND SEVERABILITY CLAUSE

38.1 This PO, together with all attachments, exhibits, supplements, and other terms referenced in this PO, contains the entire agreement between the Parties and supersedes any and all prior agreements, understandings, and communications between Purchaser and Seller related to the subject matter of this PO. No amendment or modification of this PO shall bind either Party unless it is in writing and is signed by Purchaser's Authorized Procurement Representative and an authorized representative of Seller.

38.2 If any one or more of the provisions contained in this PO is for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect the validity and enforceability of any other provisions of

this PO, and it is the intention of the Parties that there shall be substituted for such invalid, illegal or unenforceable provision a provision as similar to such provision as may be possible and yet be valid, legal and enforceable. Without limiting the generality of the foregoing, the Parties expressly authorize the court to revise, delete or add to the restrictions contained in this PO to the extent necessary to enforce the intent of the Parties and to provide Purchaser's goodwill, proprietary information and materials, trade secrets and other business interests with effective protection.