

DENEZOL TOOL CO., INC. PURCHASE TERMS AND CONDITIONS

Acceptance of purchase order/terms and conditions

Seller's acknowledgement, acceptance of payment, or commencement of performance, shall constitute Seller's unqualified acceptance of this purchase order and the terms and conditions described herein.

Duration

The terms and conditions herein shall remain in effect for the duration of this purchase order.

Undetermined price

In the event that this purchase order does not state price, Buyer will not be bound to any prices to which it has not specifically agreed in writing.

Buyer's property

All drawings, tools, fixtures, materials, gages and other items supplied or paid for by Buyer shall be and remain the property of Buyer. Seller must return Buyer's property to Buyer upon completion or cancellation of this purchase order, unless otherwise specified in writing by an authorized Denezol purchasing agent. Buyer shall have the right to enter Seller's premises and remove any such property at a reasonable time without being liable for trespass or damages of any sort. Seller shall also have the obligation to maintain any and all property furnished by Buyer to Seller and shall be responsible for all loss or damage to said property except for normal wear and tear. Buyer's property shall only be used for the performance of this purchase order.

Handling and packaging

Seller must ensure that articles provided to Buyer are handled, packed and shipped in such a manner as to provide adequate physical protection. If Buyer requires special handling and/or packaging of articles, such requirements will be prescribed in the purchase order.

Proprietary data

Seller must keep confidential the features of any specifications, information, data, drawings, software, equipment, tools, and other data furnished by Buyer and must use such items only in the production of goods and/or performance of services covered by this order or other orders from Buyer. Seller agrees that any Buyer-owned data, designs or other information supplied by or on behalf of Buyer shall not be disclosed in whole or in part to third parties without express written permission from Buyer. The preceding sentence does not apply to authorized vendors of Seller when they perform services on Seller's behalf under this purchase order. Seller must not use Buyer-owned data, designs or information supplied by or on behalf of Buyer for manufacture of Buyer's products, or cause others to do so, without express written authorization from Buyer.

Quality system

If Seller maintains a registered quality system in compliance with any standard issued by the International Organization for Standardization (ISO), National Aerospace and Defense Contractors Accreditation Program (Nadcap), or 14 CFR Parts 21 or 145, Seller must notify Buyer of any change to its registration or accreditation status.

Right of access

(a) Seller agrees to permit Buyer, Buyer's customer and/or regulatory authorities access to Seller's facility at reasonable times and reasonable places, to verify compliance with purchase order requirements, the terms and conditions herein, to assess the quality of the contracted products, and to verify Buyer's compliance with applicable requirements at the supplier level. Seller shall provide all information, facilities, records and assistance necessary for safe and convenient inspection without additional charge.

(b) No such inspection shall relieve Seller of its obligations to furnish all work in accordance with the requirements of this purchase order. Buyer's final inspection and acceptance shall be at the Buyer's facility.

(c) Seller acknowledges that its failure to allow authorized representatives to perform these activities will preclude Buyer from approving Seller's work and shall be grounds for Buyer not making any payment to Seller for work performed.

(d) Seller shall be liable to Buyer for any and all consequential damages resulting from Seller's refusal to allow duly authorized

representatives of the FAA to conduct an inspection of Seller's facilities during the time Seller is performing work on behalf of Buyer.

Substitutions and changes (Boeing flow-down)

- (a) Seller must not make any substitutions or changes in the materials, parts or services requested in this purchase order, or their designs, without prior written approval from Buyer. Seller must notify Buyer of changes affecting products, processes, or services under this purchase order, including changes to location of manufacture and changes originating from Seller's supply chain, and must obtain approval from Buyer.
- (b) When Buyer furnishes material to Seller for work to be performed under this purchase order, Seller must use only Buyer furnished material. When Seller is to furnish material for work to be performed under this purchase order, Seller must provide Buyer a copy of the material certificate of conformity and/or test reports for approval, and must not make substitutions or changes to the material thereafter without approval from Buyer.
- (c) Seller agrees not to make any change in materials, processes or design details of the part after Boeing qualification or approval without written approval from Boeing. This shall include changes in materials, processes or design details by subcontractors. In addition to these changes, changes which would affect the part or any component part thereof with regard to (1) part number identification, (2) physical or functional interchangeability, and (3) repair and overhaul procedures and processes and material changes which affect these procedures without prior written approval of Boeing is prohibited. If such approval is granted, all part numbers and the originals of all drawings or data shall be revised and provided to Boeing accordingly. Seller will ensure subcontracts include the above requirements for Seller part numbered items, whether such equipment is supplied to Seller as an end item or as a component part of an end item.

Counterfeit material prevention (applies to distributors, brokers, or resellers of products)

Seller shall ensure that only new and authentic materials are used in products delivered to Buyer. Seller may only purchase materials directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers. Use of materials not provided by these sources is not authorized unless first approved in writing by Buyer. Seller must present compelling support for its request (e.g., original manufacturer documentation that authenticates traceability of the material to the original manufacturer), and include in its request all actions to ensure the material thus procured is authentic and conforming.

Acceptance of product

- (a) Acceptance inspection of products or services by Buyer shall take place at Buyer's facility, and a reasonable time (no less than 30 days after receipt of products or services from Seller) shall be allowed to determine conformity to requirements.
- (b) Products or services delivered by Seller to Buyer may be rejected if the requirements of the purchase order, manufacturing plan, and/or engineering drawings are not met. Upon rejection, Buyer may require Seller to rework or replace, or reimburse the purchase price.

Nonconformities

- (a) Seller must not use nonconforming articles or materials in work being performed for Buyer.
- (b) If nonconformity occurs, Seller must not repair the article without prior approval from Buyer.
- (c) Seller must notify Buyer of nonconforming product prior to delivery. Seller must identify nonconforming articles to preclude their use in finished product. Seller must return nonconforming articles to Buyer for evaluation and disposition.
- (d) Scrap exceeding 3 (three) percent on Buyer furnished material will be debited against Seller's account.

Nonconformance escapement notifications (Boeing flow-down)

Seller must notify Boeing within 3 business days from the day of discovery of a potential or known nonconformance escape. For the 787 program, comply with the requirements in Boeing document D012Z2026-01 ("787 Partners/Suppliers: Process Responsibilities for Nonconformances and Corrective Action"). For all other models, comply with the requirements in Boeing document D6-84111 ("Quality Assurance Requirements").

Corrective action

Seller is acting under Buyer's quality system and shall comply with any corrective action request flowed down by Buyer.

Supplier performance

Buyer collects quality and on-time delivery data to evaluate Seller's performance under this purchase order.

Certificate of conformity (Boeing flow-down)

- (a) When a certificate of conformity is required on this purchase order, Seller shall provide a signed and dated statement certifying that its quality assurance department has inspected all products, processes, or services performed and that they conform to all applicable requirements, drawings and specifications.
- (b) When revision levels are prescribed on the purchase order, Seller's certificate of conformity shall reflect that the product meets the requirements of the revision level specified on the purchase order. When revision levels are not prescribed on the purchase order, Seller's certificate of conformity shall reflect that product meets the requirements of the current issues of applicable specifications.
- (c) Buyer will make available to Seller drawings, standards or specifications at revision levels required by this purchase order upon request, to the extent necessary for the performance of work under this purchase order.
- (d) With all shipments of product and processes delivered to Boeing, Seller must provide certificates of conformity in accordance with AS9163. Seller must flow this requirement to its supply chain.

Basic working conditions and human rights

Seller commits that any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this purchase order, may be considered a material breach of this purchase order for which Buyer may elect to cancel any open orders between Buyer and the Seller, for cause, in accordance with the provisions of this purchase order, or exercise any other right of Buyer for an Event of Default under this purchase order.

Personnel qualification and awareness

- (a) Where required by design specification referenced on this purchase order, personnel shall be qualified on the basis of education, training, skills and experience. Records of such qualification shall be made available for Buyer's review.
- (b) Seller shall ensure that personnel performing work under this purchase order are aware of their contribution to product or service conformity, product safety, and the importance of ethical behavior.

Work transfer (Boeing flow-down)

Seller and its supply chain obtain Boeing's written approval before commencing a work transfer. To request Boeing's written approval, Seller must fill out and submit Boeing form X35781 ("Supplier Initiated Work Transfer Notification").

Records (Boeing flow-down)

Seller must provide to Buyer a legible copy of records requested on this purchase order. Seller must maintain quality records traceable to its supplied products for a minimum period of 11 (eleven) years from the shipment date of each product. These records must be accessible to Boeing and regulatory authorities and, upon request by Boeing or regulatory authorities, must be made available in a reasonable period of time. Before disposing of any records after the retention period, Seller must notify Buyer. Boeing may request the records, and Seller must provide them at no extra cost, using the media specified by Boeing. If record retention requirements are specified in multiple contractually linked documents, the longer retention period takes precedence. Seller must flow this requirement to its supply chain.

English language (Boeing flow down)

At Boeing's request, Seller and its supply chain must provide quality and engineering information/data, in the English language, on media specified by Boeing.

First article inspection (Boeing flow-down)

Seller must perform FAIs in accordance with AS/EN/SJAC 9102 ("Aerospace First Article Inspection Requirements"). Boeing reserves the right to conduct oversight and/or verification of Seller's FAI (commonly known as a BFAI). For FAIs completed on or after January 1, 2024, Seller must electronically fill out and complete Forms 1, 2, and 3 utilizing Net-Inspect and make those forms available to Boeing. Seller must also submit FAIs within the Net-Inspect software, designating Boeing Commercial Airplanes as the "customer." For FAIs completed by Seller's supply chain on or after January 1, 2024, Seller or its supply chain

must fill out and complete Forms 1, 2, and 3 utilizing Net-Inspect and make those forms available to Boeing. Seller or its supply chain must also submit FAIs within the Net-Inspect software. Seller and its supply chain are not permitted to ship product to Boeing until all applicable FAI requirements have been completed.

Boeing document D1-4426 "Approved Process Sources" (Boeing flow-down)

Where Boeing specifications require Seller to use approved processors, Seller must utilize and comply with Boeing document D1-4426 ("Approved Process Sources"), which is available at: <http://active.boeing.com/doingbiz/d14426/index.cfm>, and must flow the requirements specified in Appendix D to its supply chain. Seller must flow this requirement to its supply chain.

Application of acceptance authority media (Boeing flow-down)

Seller must comply with AS/EN/JISQ 9100 and 14 CFR part 21.2 requirements regarding the application of Acceptance Authority Media (AAM). Seller must clearly define within its QMS how the use of AAM provides evidence of manufacturing process control and test/inspection status. Seller must be able to provide evidence of communication and training to its employees that 1) the application of AAM provides evidence of manufacturing process control and test/inspection status, and 2) any fraudulent, false or misleading use of AAM is considered a violation of federal regulation. Seller must maintain compliance to the AAM requirements by assessing its process and supply chain as part of its audit activities. Seller must flow this requirement to its supply chain.

FOD prevention program (Boeing flow-down)

Seller must comply with AS/EN/SJAC9146 ("Foreign Object Damage (FOD) Prevention Program – Requirements for Aviation, Space, and Defense Organizations").

Excess Inventory (Boeing flow-down)

When fulfilling an order with product from excess inventory, for which Seller was the original manufacturer, Seller must be able to demonstrate traceability to the original Boeing purchase document that authorized manufacture of the product. Seller must not provide product from excess inventory that was previously rejected or returned by Boeing without prior written authorization from Boeing.

Export compliance (Boeing flow-down)

In performing the obligations of this agreement, both parties will comply with United States export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data (items) or services, including without limitation the Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, Export Control Laws). A) The party conducting the export shall be responsible for obtaining the required authorizations. B) The party conducting the re-export shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining any necessary licenses or authorizations required to perform its obligations under this agreement. C) The party providing any items under this agreement shall, upon request, notify the other party of the items' Export Control Classification Numbers (ECCNs) as well as the ECCN of any components or parts thereof if they are different from the ECCN of the item at issue. D) Each party represents that (i) the items, and the parts and components thereof, it is providing under this agreement are not 'defense articles' as that term is defined in 22 CFR Sub-Section 120.6 of the ITAR, and (ii) the services it is providing under this agreement are not 'defense services' as that term is defined in 22 CFR Sub-Section 120.9 of the ITAR. The parties acknowledge that this representation means that an official capable of binding the party providing such items knows or has otherwise determined that such items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 CFR Sub-Section 121.1. Each party agrees to reasonably cooperate with the other in providing, upon request of the other party, documentation or other information that supports or confirms this representation. E) To the extent that such items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the party providing such items shall notify the other party of this fact and shall also provide the other party with written confirmation from the United States Department of State that such items, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR. Boeing requires that the provisions/requirements set forth above be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For purposes of this note, supply chain shall mean Seller's direct network of Sellers providing material, equipment, information, and services integrated into products and services.