

Addendum Terms and Conditions for Suppliers

As a supplier ("you" or "Supplier") to AFC Tool, you agree to comply with the addendum terms and conditions listed below with respect to any product or services provided to AFC Tool if any such product or service relates to any aviation, space, or defense application, project or any request for quote, purchase order or similar document issued by AFC tool contains any reference to the AS9100 standards. The terms and conditions listed below are in addition to and are deemed to be an integral part of AFC Tool standard terms and conditions of purchase.

QUALITY SYSTEM: The Supplier is expected to implement and adhere to a Quality Management System. The minimum requirements are compliance to ISO 9001 latest revision, or a functional Quality Management System comparable to the ISO 9001 standard and meets the intent. The Supplier shall communicate as necessary with AFC Tool acceptance of issued Purchase Orders and these additional terms and conditions or any deviation from the requirements stipulated. Suppliers will be monitored for both delivery and quality performance for each shipment of product or services provided and reviewed each quarter regarding their performance. In the event a supplier falls below 90% Delivery/Quality performance rating for three consecutive months they will be notified, and an improvement plan requested. If a supplier falls below 80% for three consecutive months a corrective action request may be issued to the supplier. AFC Tool Company reserves the right to de-source the supplier at any time unless they are mandated by the customer.

COMMUNICATIONS: The supplier is responsible to communicate with the Purchasing Manager all concerns, comments, requirements, etc., through a digital format (**email**).

DOCUMENT CONTROL AND RETENTION: The supplier is responsible to maintain document control to prevent unintended deletion, unintended changes and or lose of records. Quality records/documents associated to the delivery of products, goods, and services will be retained for a minimum of 10 years unless otherwise required by AFC Tool, customer, or regulation. For GE Aviation end use or any time determined by AFC Tool where record retention requirements apply the supplier shall notify AFC Tool in the event of long-term closure or cease of business. The supplier is to return all Quality records/documents associated to the delivery of products, goods, and services provided to AFC Tool before closure.

EMPLOYEE DEVELOPMENT: Employees of the Supplier are expected to have acquired the competence necessary to perform the work requested. Qualifications may be requested by AFC Tool on an as needed basis. The Supplier shall ensure all employees involved in providing products or managing processes related to the AFC Tool purchase order shall understand their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior in the activities they perform and the product they produce.

PROCESS CONTROL: Design and development controls are to be adhered to when stipulated by AFC Tool or its customer. Special requirements, critical items, or key characteristics will be communicated by way of drawings and/or associated specifications as provided with the Purchase Order issued. Suppliers are expected to monitor and maintain acceptance levels of their own identified special requirements, critical items, or key characteristics. The Supplier shall have a process in place to prevent the use of counterfeit

parts. Test specimens may be required for design approval, inspection verification, investigation, or audit by AFC Tool and will be requested by way of Purchase Order when required. AFC Tool expects all product purchased to be tested, inspected, or verified as acceptable as agreed upon between the supplier and AFC Tool. The use of statistical techniques may be stipulated to perform these activities.

LOT / BATCH TRACEABILITY: The seller must maintain lot / batch control for items provided on the purchase order. The seller must provide positive traceability of manufactured parts raw materials using lot / batch or serial numbers.

NONCONFORMING PRODUCTS AND MATERIALS: If at any time Supplier becomes aware that any shipped product or material is nonconforming, the Supplier will immediately notify AFC Tool by telephone and promptly confirm in writing. All nonconforming products and materials must be documented and investigated. Supplier's investigation shall include root cause analysis, impact/assessment of scope and identification and timely implementation of effective corrective actions. All investigations will be documented, and records maintained. Supplier shall obtain AFC Tool's prior written approval with respect to the disposition of any nonconforming products or materials.

PROCESS, PRODUCT OR LOCATION CHANGES: Any changes in your manufacturing process, product, or site of manufacture, and/or supplier change shall require advanced notification to and prior written approval of AFC Tool.

SUB-TIER SUPPLIERS; FLOW-DOWN REQUIREMENTS: Suppliers may not outsource or subcontract any product, component, service, or other work for or on behalf of AFC Tool to any sub-tier supplier without the prior written approval of AFC Tool. Supplier acknowledges and agrees that AFC Tool's customers may require the use of pre-approved sources for plating, coating, heat treatment, welding, and similar services. If AFC Tool approves the use of any sub-tier supplier, Supplier must flow down to such sub-tier supplier any applicable customer, Nadcap, AS9100 and/or regulatory requirements, including, but not limited to, requirements in any purchase order or other purchase document issued by AFC Tool. All service work (plating, coating, heat treatment, welding, and other services) performed by a sub-tier supplier must strictly comply with all customer specifications. AFC Tool reserves the right to require and request evidence of Supplier's ensuring that their personnel are aware of their contribution to product or service conformity; their contribution to product safety; the importance of ethical behavior.

QUALITY: Any inspection or verification activities undertaken by AFC Tool, its customers or governmental authorities shall not be used as evidence of effective control of quality and shall not absolve the Supplier of the responsibility to provide acceptable, conforming products and services, nor shall it preclude AFC Tool or its customer from rejecting any product or service provided by Supplier.

FAI: If specified, First Article Inspection shall be performed, and a First Article Inspection Report (FAIR) shall be submitted for the first production run. In addition, first article inspection shall be performed on current production runs affected by design changes. If specified, inspection measurements and/or test results of items shall be taken and included with each purchase order shipment. Actual data to be recorded shall be specified in the detail specification/drawing. The Supplier shall assure that products failing to meet performance requirements are not shipped to AFC Tool.

RIGHT OF ACCESS: AFC Tool, its customers, governmental authorities, and their respective representatives intend to perform verification activities at Supplier's premises when warranted and to

assure product and services conform to specified requirements. Supplier shall provide AFC Tool, its customers, government authorities and their respective representatives with access to all of Supplier's facilities and records relating to the performance and processing of AFC Tool's orders.

COUNTERFEIT MATERIAL: By accepting and fulfilling this purchase order, the seller acknowledges that counterfeit material is strictly forbidden. Counterfeit material is a part, assembly or material that is a copy or substitute supplied without legal right or authority or that whose material, performance and/or characteristics are knowingly misrepresented in the supply chain. It is a supplier's responsibility to ensure traceability of provided items back to their manufacture. Adhere to the use OEM manufacturers and their authorized distributors. Utilized processes to identify suspect counterfeit items and methods of confirming counterfeit conditions. Methods to keep up-to-date information concerning trends in counterfeit items. Provide company training for detection and prevention of counterfeit parts. Develop processes for inspection and test to aid in the detection of counterfeit items. The supplier is to have containment procedures for suspect/confirmed counterfeit items and to ensure that the items are safe guarded from circulation from within the supply chain. The supplier shall have a reporting system to either government entity or the GIDEP reporting structure for all confirmed and suspect counterfeit item. It is also the seller's inherent responsibility to flow down this requirement if any outsourcing by the seller has been approved by AFC Tool. For more information concerning counterfeit items refer to AS5553, AS6174, applicable procedures and standards. In the event that counterfeit goods are delivered to AFC Tool, it shall be the supplier's responsibility to bear all expenses associated to the replacement of counterfeit items with genuine items from approved sources.

ELECTROSTATIC DISCHARGE: All electrostatic sensitive devices and components shall be marked, packaged, and handled in compliance with ANSI/ESD S20.20 Protection of Electrical and Electronic Parts, Assemblies, and Equipment, or equivalent.

SHELF-LIFE: No materials shall be shipped to AFC Tool with less than 80% of the full shelf-life as determined by the original manufacturer unless previously approved in writing by AFC Tool Expiration dates shall be clearly recorded on the packaging and shipping documents.

PACKING/PACKAGING: Unless otherwise specified on the drawing, the specification, and/or the purchase order, the following requirements are mandatory: (a) Prior to packaging, material shall be clean (free from foreign matter). Critical functioning or close tolerance surfaces shall be cleaned to insure removal of corrosion, soil, grease, residues and fingerprints, perspiration or other acid and alkali residues. (b) Material not inherently resistant to corrosion shall be inhibited with a suitable medium. (c) Material shall be packaged to the extent necessary to provide protection from the hazards of transport, contamination and physical damage encountered in general handling, shelf storage, and issue. (d) Package labels shall identify contents with part number, product description, and Hazardous Warnings.

CERTIFICATE OF CONFORMANCE: Supplier must provide a Certificate of Conformance for all orders and lots, verifying that all products and lots meet applicable customer and order specification and requirements. All products and lots must be clearly identified and labeled and must be traceable to and linked to the Certificate of Conformance. Supplier retained process and product related records with respect to each order must be stored and protected in such a manner that they remain legible, readily identifiable, and retrievable. Records are to be retained for at least 10 years or as contractually stipulated. Disposal methods shall remain at the discretion of the supplier.

GOVERNMENT CONTRACTS: Goods and/or services may be used by buyer in fulfilling a US government prime contract, contract, or subcontract. Therefore, may be subject to applicable US government procurement regulations in effect at the time of issued purchase order or purchase agreement. If the purchase order or agreement contains a US government prime contract number and involves the supply of commercial items as defined under FAR 2.101 (48 CFR 2.101), the provisions of the government contract supplemental on the contract and/or purchase order apply and are incorporated into and made part of these terms and conditions. For purchase orders not involving the supply of commercial items, the parties will honor the FARs and or DFARS for provisions to apply to the purchase order and/or contract. As a supplier ("you" or "Supplier") will include at least all such provisions as are made mandatory flow downs in any contract with third-party performing a prime contract.

CONFLICT MINERALS. Supplier acknowledges that AFC Tool Company Inc. customer is required to comply with Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act ("the Dodd-Frank Act") and must file disclosures and reports with the United States Securities and Exchange Commission related to the use of tin, tantalum, tungsten, and gold ("Conflict Minerals"). Therefore, at AFC Tool Company request, Supplier must deliver to AFC Tool Company declarations pursuant to the prior sentence to document to AFC Tool's reasonable satisfaction that Supplier is "Conflict Free" (as defined in the Dodd-Frank Act) with respect to all items supplied to AFC Tool Company. Otherwise, Supplier agrees that it shall source, and track the chain of custody of, all Conflict Minerals contained in any items provided by Supplier to AFC Tool Company in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (or such other internationally recognized due diligence standard as AFC Tool Company and Supplier may jointly agree upon).

Non-Solicitation of Resources: From the effective date of work agreement through and to include final delivery of product and services. Neither AFC Tool Company Inc. or any parties involved in anyway directly or indirect in any manner shall attempt to persuade any employee from the other party to terminate employment. Both parties are to refrain from interfering with the other party's relationship with their employees, to and include soliciting, enticing, or hiring away any employee or engaging any employee whose employment with the other party has ceased less than one year before the date of hire. Both parties are to refrain from any action that may impact the well-being of the other party in a negative manner and are to honor this agreement to facilitate a favorable business contract/agreement for both parties.