

SOURCECO

PURCHASE ORDER TERMS & CONDITIONS

Document No.: SC-TC-001 Revision: 1.0

These Terms and Conditions are incorporated into every Purchase Order issued by SourceCo and apply unless otherwise agreed to in writing by an authorized representative of SourceCo. Seller's written acknowledgment, commencement of work, shipment of product, or performance of services constitutes acceptance of these Terms and Conditions.

1. Contract: This Purchase Order constitutes the complete agreement between SourceCo and Seller. Any additional or conflicting terms contained in Seller's quotation, acknowledgment, invoice, or other document shall not apply unless expressly accepted in writing by SourceCo. In the event of conflict, the order of precedence shall be: (1) Purchase Order; (2) Purchase Order Notes and Quality Requirements; (3) these Terms and Conditions; and (4) referenced drawings, specifications, process requirements, work instructions, and technical data.

2. Inspection: SourceCo, its customers, and applicable regulatory authorities reserve the right to inspect, verify, validate, and audit products, services, processes, facilities, equipment, records, and documented information related to this Purchase Order at any level of the supply chain. Inspection, verification, acceptance, or payment shall not relieve Seller of responsibility for product conformity.

3. Warranty: Seller warrants that all products and services supplied under this Purchase Order conform to contractual requirements, are accurately represented, free from defects in material and workmanship, and suitable for their intended purpose. Seller shall promptly repair, replace, or correct any nonconforming product or service at Seller's expense.

4. Pricing, Delivery & Title: Prices shall remain firm unless otherwise agreed in writing by SourceCo. Time is of the essence. Seller shall promptly notify SourceCo of any actual or anticipated delivery delay. Title and risk of loss remain with Seller until conforming products are delivered to and accepted by SourceCo.

5. Quality System: Seller shall maintain a Quality Management System appropriate to the products or services supplied. Personnel performing work affecting product conformity shall be competent. Where specified by the Purchase Order, Seller shall use customer-designated or SourceCo-approved external providers. SourceCo reserves the right to evaluate supplier performance based on quality, delivery, responsiveness, and compliance. Changes affecting product conformity shall not be implemented without SourceCo's written approval when required by the Purchase Order. Seller shall notify SourceCo without undue delay of any change to its Quality Management System certification status.

6. Certification & Documentation: Each shipment shall include all documentation required by the Purchase Order including, as applicable, a Certificate of Conformity, Authorized Release Certificate (e.g., FAA Form 8130-3, EASA Form 1, TCCA Form One, UK CAA Form 1, or equivalent), inspection reports, test reports, material certifications, calibration certificates, traceability documentation, Safety Data Sheets, and any additional documentation required to demonstrate product conformity. Where specified, Seller shall apply statistical techniques or acceptance criteria identified by SourceCo. Shipments received without required documentation may be rejected.

- 7. Identification & Traceability:** Seller shall maintain product identification and traceability throughout receipt, processing, storage, packaging, and shipment. Traceability shall identify, where applicable, the manufacturer, source of supply, part number, serial number, lot or batch number, and associated documentation.
- 8. Record Retention:** Seller shall retain records demonstrating conformity with Purchase Order requirements for a minimum of seven (7) years, or longer where required by contract, customer requirements, or law.
- 9. Right of Access:** Seller shall provide SourceCo, its customers, and applicable regulatory authorities the right of access to applicable facilities and documented information related to this Purchase Order for inspection, verification, validation, or audit.
- 10. Changes & Nonconforming Product:** Seller shall promptly notify SourceCo of changes affecting products, services, methods, processes, equipment, manufacturing location, approved external providers, or Quality Management System certification that may affect product conformity. Seller shall not ship nonconforming product.
- 11. Counterfeit Parts Prevention:** Seller shall maintain controls to prevent the purchase, use, or delivery of counterfeit or suspected unapproved parts and shall immediately notify SourceCo upon discovery of any such product.
- 12. Flow-Down Requirements:** Seller shall communicate all applicable contractual, technical, quality, regulatory, and customer requirements to any sub-tier supplier used in fulfilling this Purchase Order and remains responsible for their compliance.
- 13. Product Conformity, Product Safety & Ethics:** Seller shall ensure personnel performing work affecting products or services supplied to SourceCo understand their contribution to product conformity, product safety, and ethical behavior.
- 14. Compliance with Laws:** Seller shall comply with all applicable laws, regulations, export control requirements, and customer-specific requirements applicable to products and services supplied under this Purchase Order.
- 15. Confidentiality:** Seller shall protect confidential or proprietary information provided by SourceCo and use such information solely for fulfilling this Purchase Order unless otherwise authorized in writing.
- 16. Indemnification:** Seller shall defend, indemnify, and hold harmless SourceCo, its employees, customers, and affiliates from claims, damages, liabilities, losses, penalties, costs, and reasonable attorneys' fees arising from Seller's breach of this Purchase Order, defective products or services, negligence, or violations of applicable law.
- 17. Governing Law:** This Purchase Order shall be governed by the laws of the State of Tennessee unless otherwise agreed in writing.
- 18. Acceptance:** These Terms and Conditions are incorporated into every Purchase Order issued by SourceCo. SourceCo shall review the adequacy of applicable purchasing requirements prior to issuance of each Purchase Order. Seller's acknowledgment, commencement of work, shipment of product, or performance of services constitutes acceptance of these Terms and Conditions.