



**Tuson Corporation**  
STANDARD PURCHASE ORDER TERMS AND CONDITIONS  
Rev. A

*Effective February 8, 2022*

- 1. Acceptance.** Agreement by Seller to furnish the goods and services ordered by Tuson Corporation or any affiliate thereof (collectively: "Buyer"), or Seller's beginning to furnish such goods and services in whole or in part, shall constitute agreement by Seller to provide such goods and services subject to these terms and conditions. Buyer will not be bound to any terms and conditions to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to these terms and conditions shall be void and of no effect unless Buyer specifically agrees to such terms and conditions in writing. These terms and conditions, together with such additions and/or modifications, and with such terms and conditions relating to price and delivery as are accepted in writing by Buyer, constitute the entire agreement between the parties.
- 2. Prices and Payments.** If a purchase order ("PO") is used to purchase Seller's goods and/or services, Seller shall fill the PO at the price specified on the PO, or at any lower price. If no price is specified or if no PO is used, the order shall be filled at the lowest of (a) the price Seller last quoted by Seller, (b) the price Buyer last paid by Buyer to Seller, and (c) the prevailing market price, unless an authorized representative of Buyer approves a higher price in writing. Unless otherwise agreed by Buyer and Seller in writing, Buyer shall pay all undisputed invoice amounts seventy-five (75) days from receipt of the invoice.
- 3. Setoff.** All claims for money due or to become due from Buyer shall be subject to deduction or setoff by Buyer by reason of any counterclaim arising out of this or any other transaction with Seller.
- 4. Specifications.** Specifications, requirements, drawings, notes, instructions, engineering information or technical data (collectively: "Specifications"), including revision, furnished by either Buyer or Seller to the other, or referred to in the PO shall be incorporated into the PO by their reference. Seller shall be fully and solely responsible for obtaining data adequate to design, manufacture, fabricate, construct, and deliver any product in compliance with all requirements of the PO. Any product delivered to Buyer under the PO will be supplied according to Buyer's instructions regarding the above information and, to the extent applicable, in accordance with the FDA Quality System Regulation (21 CFR Part 820) and all applicable international standards. No changes are to be made to the Specifications or the product manufactured from those Specifications without written approval from Buyer. This shall also include all changes in process, changes of associated suppliers, and changes of facilities. Seller shall obtain from Buyer written approval of all Specification deviations. This shall include deviations for all product produced from Buyer tooling which are not in compliance with Buyer's Specifications. Buyer shall retain title to all such Specifications and/or related documents which it provides or causes to be given to Seller. Seller shall not use any of such documents or the information contained therein for any purpose other than in performance of the PO. Seller shall not disclose such documents or information to any party other than Buyer or a party duly authorized by Buyer. Upon Buyer's request, Seller shall promptly return to Buyer all such documents and copies.
- 5. Inspection and Approval.** All goods furnished to Buyer shall be subject to Buyer's inspection and approval, notwithstanding prior receipt and payment, and, if unsatisfactory, may be returned, transportation both ways at Seller's expense. Buyer shall be under no duty to inspect product purchased hereunder before its use in manufacture and/or resale, and the processing, manufacture or resale shall not constitute an acceptance of the product or a waiver of any claim. Complaints or notice of defects in product will be considered timely if made within thirty (30) days after discovery by Buyer of such defects. Seller shall box, crate, or package as necessary for shipment without charge unless otherwise specified on the PO. Seller shall invoice Buyer promptly upon delivery of goods or performance of services. Seller's invoices shall include, when applicable, a PO number and any other information Buyer shall reasonably request from time to time. To the extent Seller designates requirements for test specimens for design approval,



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inspection, verification, investigation, auditing, use of statistical techniques for product acceptance, and any applicable critical items including key characteristics, then Buyer shall strictly implement and comply with such requirements at Buyer's expense.

- 6. Delivery and Shipment.** Seller shall deliver the goods F.O.B. Destination unless specified otherwise in the PO. Seller shall attach Certification of Conformance for Materials and/or Process performed with respect of all goods delivered or services performed, containing appropriate product identification and traceability. Time is and shall remain of the essence of a PO. No acts of Buyer, including without limitation modification of a PO or acceptance of late deliveries, shall constitute a waiver of this provision. Seller shall notify Buyer immediately of any actual or potential labor dispute which is delaying or threatens to delay the timely performance of a PO. Buyer reserves the right to refuse or return, at Seller's risk and expense, shipments made in excess of Buyer's PO or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.
- 7. Assignment.** Seller shall not assign any of its rights (including without limitation the right to any monies due or to become due) or delegate any of its obligations under a PO without prior written consent of Buyer. Any assignment by Seller of any monies due or to become due shall be subject to set-off, recoupment, or other claim of Buyer against Seller.
- 8. Termination.** Buyer may terminate a PO in whole or in part at any time. Upon receipt of notice of such termination Seller shall stop all performance under the PO, except as Buyer otherwise directs, furnish Buyer with a list of all outstanding POs for goods and services, and take such action relative thereto as may be directed. Buyer shall reimburse Seller for reasonable expenses incurred by reason of such termination including Seller's cancellation charges.
- 9. Subcontractors.** Seller shall not use subcontractors to provide goods or to perform any services under a PO without the Buyer's prior written authorization.
- 10. Warranties.** Seller represents and expressly warrants (a) that all goods ordered to specifications will conform thereto and to the drawings, samples, or other descriptions Buyer furnishes or, if not ordered to specifications, that such goods will be suitable for the purpose intended; (b) that all goods and services will be of good quality and workmanship and free from defects; and (c) that all goods will conform to any statements made on the containers or labels or advertisements for such goods, and will be adequately contained, packaged, marked and labeled and, at the time Buyer takes title to the goods, the goods shall not be adulterated, misbranded, or otherwise in violation of the Federal Food, Drug and Cosmetic Act, 21 U.S.C.A., Section 301 et seq., as amended from time to time. In addition to all other remedies available to Buyer at law, at Buyer's option and promptly upon receipt of notice from Buyer, Seller shall at its own expense (i) replace any goods which are defective, (ii) correct any goods which are defective, or (iii) refund any payments Buyer has made for, and arrange pick-up or return of, any goods which are defective. Seller agrees to proceed with the correction of any defects in a manner satisfactory to Buyer. Seller shall assume all risk of loss or damage to goods which are to be replaced or corrected pursuant to this warranty, from the date on which Seller is notified of the defect or non-conformity until the replaced or corrected goods are received at the destination designated by Buyer. Alternatively, Buyer may at its option repair such defective goods at Seller's expense.
- 11. Quality Management System.** As required under applicable law, including FDA regulations, Seller represents and expressly warrants that Seller operates and maintains a quality management system ("QMS") complying with the highest industry standard, including but not limited to: (a) detailed and



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comprehensive validation protocols to ensure that goods and services comply with Specifications and standards of good workmanship done by objectively documented qualified personnel; and (b) tests and documentation validating adoption of the QMS by Seller's suppliers and authorized subcontractors. Seller shall comply with Buyer's quality assurance requirements, as may be amended from time to time in Buyer's Supplier Quality Manual ("Supplier Quality Manual"), that are applicable to the Goods and Services or other deliverables.

- 12. Qualified Personnel.** Qualified personnel must perform all special processes required by Buyer. Seller shall maintain documentation of qualification and competence of such personnel and shall make all personnel aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
- 13. Changes.** Buyer may at any time, by written PO, make changes or additions within the general scope of a PO in or to drawings, designs, specifications, instructions for work, method of shipment or packing or place of delivery. If any such change causes an increase or decrease in the cost of or in the time required for performance of a PO, Seller shall notify Buyer in writing immediately and an appropriate equitable adjustment will be made in the price or time of performance, or both, by written modification of the PO. Any claim by Seller for any such adjustment must be made within thirty (30) days, or such other period as the parties may agree upon in writing, after Seller's receipt of notice of the change. Nothing herein contained shall excuse Seller from proceeding with the PO as changed.
- 14. Intellectual Property.** Seller warrants that the sale, use, or incorporation into manufactured products of all goods furnished hereunder which are not of Buyer's design, composition, or manufacture shall be free and clear of infringement of any valid patent, copyright, trademark, or trade secret. Seller shall indemnify and hold Buyer harmless from any and all liability and/or loss of any kind (and the cost and expenses, including without limitation attorney's fees) arising out of any claim, suit, or action alleging or arising out of any such infringement, which claim, suit, or action Seller agrees to compromise or defend. This PO should not be used in connection with the creation of intellectual property. However, in the event there are services or work performed by Seller pursuant to a PO that create any ideas, inventions, or intellectual property rights capable of protection, such ideas and inventions shall be deemed works for hire and are the sole and exclusive property of Buyer without requirement of any further payment hereunder. In the event it is determined Buyer is not the owner of the intellectual property, Seller hereby grants to Buyer a fully paid, royalty-free, transferable sublicense to make, have made, use, sell or offer for sale or import products possessing such intellectual property.
- 15. Liens.** All goods supplied and all services performed by Seller pursuant to a PO shall be free from all liens.
- 16. Indemnification.** Seller shall indemnify and hold Buyer harmless from any and all claims, losses, liabilities, damages, costs, and expenses including reasonable attorneys' fees, including without limitation claims of injury or death to persons or damage to property (collectively, "Losses"), which may result from any act or omission arising out of the performance or non-performance of a PO (including without limitation acts or omissions of Seller or of its agents, employees, or subcontractors), except to the extent that such Losses are due directly to Buyer's gross negligence or willful misconduct. Seller further agrees upon receipt of notification, to promptly assume full responsibility for the defense of any and all claims which may be brought against Buyer, and in such event, Seller shall not consummate any settlement without Buyer's prior written consent.
- 17. Insurance.** Seller shall maintain such General/Products Liability, Property Damage, Employer's Liability and



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Compensation Insurance, and Motor Liability Insurance (Personal Injury and Property Damage) as will protect Seller (or its subcontractors) and Buyer from said risks and from any claims under any applicable Worker's Compensation or Occupational Disease statutes. All such policies of insurance shall contain a waiver of subrogation rights against Buyer. Upon Buyer's request, Seller shall furnish to Buyer a certificate of insurance evidencing such coverage, certifying that the policy or policies of insurance described therein will not be altered, modified, or canceled without giving Buyer thirty (30) days advance written notice. Seller shall defend, indemnify, and hold harmless Buyer from any and all claims or liabilities arising out of the work covered by this paragraph including all claims or liabilities arising out of the use of Buyer's tools, equipment or other facilities.

**18. Compliance with Laws.** Seller warrants that the goods and services supplied hereunder will have been produced or provided in compliance with, and Seller will comply with, all applicable laws, orders, rules, regulations, ordinances and conventions, including without limitation, those that relate to equal employment opportunity, wages, hours and conditions of employment, discrimination, occupational health/safety motor vehicle safety, environmental matters, anti-bribery, and privacy including without limitation, the US Foreign Corrupt Practices Act, US Anti-Kickback Act, the UK Bribery Act, and the EU General Data Protection Regulation. Seller shall plan, implement, and control a process appropriate to the goods and services supplied hereunder that prevents the use or inclusion of counterfeit product(s) in the goods and services delivered to Buyer. By entering into the Agreement, Seller certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. If Seller provides export-controlled products, technology and/or software ("Products") to Buyer, Seller will provide Buyer with a list of ECCNs (Export Control Classification Numbers) for such Products, as well as updates to such list when new Products are added. Seller certifies (and will certify with respect to any updates) that it has (i) conducted proper classification analysis under the EAR or (ii) obtained Official Commodity Classifications (CCATS) from BIS. Additionally, if any Product is on the U.S.M.L., Seller will provide Buyer with the classification and will certify that it conducted proper ITAR analysis or obtained Jurisdiction Classifications Rulings from DDTC. No goods supplied hereunder shall contain any mineral that directly or indirectly finances any armed group that has been identified as a perpetrator of human rights abuses, including without limitation those defined as conflict minerals in the rules issued under Section 13(p) of the Securities Exchange Act of 1934.

**Seller shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status.**

**19. Anti-Corruption Compliance.** Seller warrants that: (a) Seller has not paid, offered, promised to pay, or authorized, and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value (services, gifts, gratuities, kickbacks, or otherwise) for the purpose of obtaining or rewarding favorable treatment as a supplier to Buyer. (b) Seller has not paid, offered, promised to pay, or authorized and will not pay, offer, promise to pay, or authorize the payment, directly or indirectly of any monies or anything of value to (1) any person or firm employed by or acting for or on behalf of any customer, whether private or governmental, or (2) any government official or employee or any political party or candidate for political office or a political party official, for the purpose of influencing any act or



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decision or inducing or rewarding any action in order to secure any improper advantage in the conduct of business. (c) Seller has not made, and will not make, any improper payments, directly or indirectly, including without limitation facilitation payments, bribes, or kickbacks. (d) Seller has established and will maintain an effective business ethics and compliance program and procedures to prevent corruption and ensure compliance with all applicable laws and regulations pertaining to corruption and bribery. (e) Seller will promptly disclose to Buyer in writing all pertinent facts regarding any violation, or alleged violation, of the US Foreign Corrupt Practices Act, US Anti-Kickback Act, and UK Bribery Act. (f) If this order is for goods or services for a US Government contract or subcontract thereunder, Seller further warrants that no monies or anything of value (services, gifts, gratuities, kickbacks, or otherwise) has been provided to any person or firm in connection therewith, directly or indirectly, whether or not for the purpose of obtaining or retaining business, or to secure an advantage in the conduct of business. (g) Seller shall include this Section, or provisions of equivalent effect, in any lower tier subcontracts authorized under this PO.

- 20. Force Majeure.** Neither party shall be liable for delays or defaults due to causes beyond its control and without its fault or negligence, provided that Seller delivers written notice setting forth the cause of the anticipated delay immediately to Buyer whenever Seller has reason to believe that performance will not be made as scheduled. If Seller's delay or default is caused by a delay or default of an authorized subcontractor supplier, such delay or default shall be excused only if it arose out of causes beyond the control of both Seller and the authorized subcontractor or supplier and without the fault or negligence of either of them, and the goods or services were not obtainable from other sources in sufficient time to meet the required delivery or performance schedule.
- 21. Inspection of Records and Facilities.** All goods, materials, and workmanship, as well as facilities where they are produced, will be subject to inspection and tests by Buyer, if applicable, the FDA, or Buyer's ISO Notified Body during manufacture and at all times and places to the extent practicable. Seller shall provide and shall require all of Seller's authorized subcontractors to provide full opportunity for such inspections in a manner acceptable to the inspectors. If an inspection or test is made on Seller's premises, Seller shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. The duly authorized representatives of Buyer and the government of the United States shall, until three years after final payment under this PO or until such further time as may be designated in the applicable government regulations, have access to and the right to examine any pertinent books, papers, documents, and records of Seller involving manufacturing and quality assurance transactions related to this PO other than financial records. The Seller agrees to retain in proper form for efficient retrieval, all such records for a period of fifteen (15) years. Seller agrees to include in each authorized subcontract Seller might make hereunder appropriate provisions to the same effect. Buyer shall have the right for itself and on behalf of its customers to audit Seller and its Sellers with a minimum 30 days' notice.
- 22. Publicity.** Seller shall not use or register the name of Buyer (alone or as part of another name) or any logos, or other words, names, or symbols that identify Buyer for any purpose except with the prior written approval of, and in accordance with restrictions required by, Buyer.
- 23. Miscellaneous.** These terms and conditions, and all rights and obligations of the parties, whether arising under these terms and conditions or otherwise, shall be governed by and construed in accordance with the laws of the State of Iowa, without giving effect to its principles of conflict of laws. The sole and exclusive jurisdiction for resolution of any disputes between the parties shall be in the state and federal courts located in Iowa and each of the parties hereby submit to the jurisdiction of such courts.