

P.O. TERMS AND CONDITIONS

July 15, 2024

PURCHASE ORDER TERMS & CONDITIONS

The following terms and conditions apply to all purchase orders created by Abrams Airborne Manufacturing, Inc. (AAMI). Any deviations from these terms and conditions must be expressed in writing and signed by both Abrams Airborne Manufacturing, Inc. and Supplier to be accepted in lieu of these terms and conditions.

A. TERMS:

- 1. Terms will be assumed to be Net 30 days unless expressed in writing by the Supplier (See Payments).
- 2. Shipping point is assumed to be Freight on Board-Destination unless expressed in writing by Supplier.

B. ACCEPTANCE:

- 1. Receiving and acceptance of parts from the Supplier or shipping company indicates that the parts have been received in an appropriate manner and that there is no visible damage to the shipment. This does not imply quality approval.
- 2. All parts received into our facility are subject to a full quality examination.
- 3. Each shipment will contain a properly marked packing list with the product part number, revision, quantity, and description.
- 4. Certification of compliance documentation must accompany all shipments (See Certification of Compliance).
- 5. Shipments may be refused and returned to the Supplier, at their expense, on any shipment deemed not acceptable.
- 6. Suppliers will notify AAMI of any changes in product and/or process definition and/or changes in suppliers. Suppliers must obtain approval before shipment.
- 7. Any shipments deemed unacceptable will result in a notification of nonconformance.
- 8. Suppliers must notify AAMI of nonconformance of product even after delivery and acceptance.

C. RIGHT OF ACCESS:

1. Right of Access (at any reasonable time) will be granted to the AAMI customer, company personnel, and cognizant government representatives to any location where work is being performed (including sub-tier supplier locations) under this purchase order.

D. PAYMENTS:

- 1. Payments will be honored once all terms and conditions are met. Payment aging will begin only once:
 - A. All parts are received and approved for production
 - B. Certification of compliance records and/or material test reports are received and correct
 - C. Any other special requirements listed on the purchase order are performed and documented correctly



P.O. TERMS AND CONDITIONS

July 15, 2024

E. CERTIFICATE OF COMPLIANCE:

- 1. AAMI requires certification of compliance for all products received into our facility.
- 2. AAMI reserves the right to request additional inspection records and test reports.
- 3. AAMI their agents, and all Regulatory Agencies will have right of access to all facilities and applicable records.
- 4. AAMI reserves the right to audit and verify Supplier quality systems and procedures.
- 5. Suppliers must submit a certification of compliance with all shipments that includes:
 - A. Product part number, description, revision, and lot quantity
 - B. Supplier lot number or job number (for traceability)
 - C. Customer purchase order number and release number or date
 - D. Statement confirming that all specifications and standards are met
 - E. Signature from quality control
- 6. The Supplier must also ensure that all quality requirements flow down to all sub-tier suppliers on all applicable pending orders.

F. CMMC & CYBERSECURITY REQUIREMENTS:

- 1. Suppliers handling Controlled Unclassified Information (CUI) must comply with DFARS 252.204-7012 and NIST SP 800-171 requirements.
- 2. Suppliers must be compliant with Cybersecurity Maturity Model Certification (CMMC) 2.0 requirements as applicable to their level of engagement.
- 3. Suppliers must implement appropriate cybersecurity safeguards to protect sensitive information and report any cybersecurity incidents to AAMI within 72 hours.
- 4. Suppliers must ensure cybersecurity requirements are flowed down to all applicable sub-tier suppliers.

G. CONTROLLED UNCLASSIFIED INFORMATION (CUI):

- 1. Suppliers must properly mark, handle, and protect CUI in accordance with federal regulations and contractual requirements.
- 2. Suppliers must restrict access to CUI to authorized personnel only and ensure secure storage and transmission.
- 3. Any unauthorized disclosure or security breach involving CUI must be reported to AAMI immediately.

H. ITAR REGULATION:

- 1. Suppliers must comply with ITAR regulations when notified by AAMI that technical data is subject to these restrictions.
- 2. ITAR-controlled data shall only be used for work required by the contract and not disclosed without proper authorization.



P.O. TERMS AND CONDITIONS

July 15, 2024

- 3. Upon contract fulfillment, Suppliers must return or destroy all ITAR-controlled technical data as directed by AAMI.
- 4. Suppliers must be registered with the U.S. Directorate of Defense Trade Controls if required by the nature of their work and supply AAMI with their current registration.

I. COUNTERFEIT PARTS / HARDWARE:

- 1. Suppliers warrant that all goods delivered are obtained from the Original Component Manufacturer (OCM) or Original Equipment Manufacturer (OEM).
- 2. Suppliers must retain and provide traceability documentation to verify authenticity.
- 3. Suppliers must implement processes to detect and prevent counterfeit parts from entering the supply chain.

J. RECORD RETENTION:

- 1. Suppliers shall maintain quality records providing evidence of process compliance for a minimum of seven years from the completion of the purchase order.
- 2. Quality records must be legible, identifiable, and stored securely to prevent loss or deterioration.
- 3. Suppliers shall flow down this record retention requirement to sub-tier suppliers.

K. EEO AND AFFIRMATIVE ACTION POLICY:

- 1. AAMI is an equal opportunity employer and adheres to affirmative action requirements.
- 2. Suppliers must comply with applicable non-discrimination and equal opportunity laws.

L. GENERAL SUPPLIER REQUIREMENTS:

- 1. Suppliers are responsible for ensuring product or service conformity and safety.
- 2. Suppliers must adhere to ethical business practices.