



Supplier Terms and Conditions

These terms and conditions of purchase (“Terms”) and any current or future purchase order (“Purchase Order”) govern the purchase of goods (“Goods”) or services (“Services”) by Gretna Machine Shop, Inc. (“Gretna”) from the seller named on the Purchase Order (“Supplier”). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.

These Terms and any Purchase Orders (collectively, this “Agreement”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Supplier’s general terms and conditions of sale regardless whether or when Supplier has submitted its sales confirmation or such terms. This Agreement expressly limits Supplier’s acceptance to the terms of this Agreement. Fulfillment of a Purchase Order constitutes acceptance of these Terms. By accepting a purchase order issued by Gretna, the Supplier accepts these Terms.

I. DELIVERY OF GOODS AND PERFORMANCE OF SERVICES:

Timing: Supplier acknowledges that time is of the essence and all dates, timetables, project milestones and other requirements specified in a Purchase Order shall be strictly followed. Supplier shall deliver the Goods and Services on the date specified in the Purchase Order (“Delivery Date”). If Supplier fails to deliver the Goods and Services in full on the Delivery Date, Gretna may terminate the Purchase Order immediately by providing written notice to Supplier and Supplier shall indemnify Gretna against any losses, claims, damages, and reasonable costs and expenses directly attributable to Supplier’s failure to deliver the Goods and Services on the Delivery Date. If Supplier fails to timely provide the Goods and Services according to the Purchase Order, Supplier shall pay Gretna any and all costs, damages and expenses resulting from such delay, including but not limited to, material replacement costs, labor costs, outside processing costs, attorney’s fees, fees charged by Gretna’s customer to Gretna, etc.

Location: Supplier shall deliver all Goods to and perform all Services at the location specified in the Purchase Order (the "Delivery Point") during Gretna’s normal business hours or as otherwise instructed by Gretna.

Packing and Shipping: Supplier shall pack all Goods for shipment according to Gretna’s instructions included in the Purchase Order or, if there are no instructions, in accordance with good commercial practices to obtain lowest shipping rates and ensure that the Goods are delivered in undamaged condition. Supplier must provide Gretna with prior written notice if Supplier requires Gretna to return any packaging material. No charge shall be made by Supplier for packaging, storage, shipping, replacement of Goods, or return of packaging.

II. QUANTITY: It is Supplier's responsibility to furnish the proper quantity called for on the Purchase Order. No variation in the quantities specified herein will be accepted unless previously agreed upon in writing. Gretna reserves the right to retain any over shipments and consider them as having been delivered with the total price set forth in the Purchase Order.



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III. TITLE AND RISK OF LOSS: Delivery shall be made FOB Delivery Point. The Purchase Order number must appear on all shipping documents, shipping labels, bills of lading, invoices, correspondence and any other documents pertaining to the Purchase Order. Title and risk of loss passes to Gretna upon delivery of the Goods at the Delivery Point.

IV. INSPECTION AND REJECTION OF NONCONFORMING GOODS: Supplier shall inspect all material prior to shipment to Gretna using a plan acceptable to Gretna. Upon request Supplier shall supply all test data to Gretna. Gretna has the right to inspect the Goods on or after the Delivery Date. Supplier, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If Gretna rejects any portion of the Goods, Gretna has the right, effective upon written notice to Supplier, to: (a) rescind the Purchase Order in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Gretna requires replacement of the Goods, Supplier shall, at its expense, promptly replace the nonconforming or defective Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement Goods. If Supplier fails to timely deliver replacement Goods, Gretna may replace them with goods from a third party and charge Supplier the cost thereof and terminate the Purchase Order for cause. Any inspection or other action by Gretna shall not reduce or otherwise affect Supplier's obligations under this Agreement, and Gretna shall have the right to conduct further inspections after Supplier has carried out its remedial actions.

V. PREVENTION OF COUNTERFEIT PRODUCTS: Supplier will prevent the receipt of counterfeit parts through receiving inspection and verification. Receiving personnel will verify that an unauthorized copy, imitation, substitute or modified material, part or component is not misrepresented by the external provider as a genuine part of an original or authorized manufacturer. Receiving will verify that there are no false identification of marking or labeling of grade, serial number, documentation or performance characteristics.

VI. AUDIT: Gretna may perform audits of Supplier at any time in order to ensure that the Supplier is following all requirements set out in this Agreement and Gretna's quality control systems. Gretna will issue advanced notice to Supplier to prepare for a mutually agreeable audit date. Supplier shall give right of access to Gretna, Gretna's customer, and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, and all relevant documents.

VII. NON-CONFORMANCE REPORT (NCR): If Gretna receives a Quality Notification by Gretna's customer and the resulting investigation by Gretna's corrective action team traces the non-conformance(s) back to Goods or Services provided by Supplier, Supplier shall pay Gretna any and all costs, damages and expenses resulting from the nonconformance, including but not limited to, material replacement costs, labor costs, outside processing costs, attorney's fees, fees charged by Gretna's customer to Gretna, etc.

VIII. PAYMENT TERMS:

Invoice: Supplier shall issue an invoice to Gretna on or any time after the completion of delivery in compliance with the Supplier's and only in accordance with this Agreement.



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Timeline: Gretna shall pay all properly invoiced amounts due to Supplier within 45 days after Gretna's receipt of such invoice. An invoice is not deemed received unless it is delivered to Gretna's Accounts Payable department.

Set Off: Without prejudice to any other right or remedy it may have, Gretna reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by Gretna to Supplier.

Dispute: In the event 1) Supplier's invoice contains amounts due that are greater than the amounts included in the Quote or 2) Gretna disputes a portion of an invoice for another reason, Gretna will pay the undisputed amount according to the payment timeline and deliver a written statement to Supplier listing all disputed items and providing a reasonably detailed description of each disputed item. The parties shall seek to resolve all such disputes expeditiously and in good faith. Supplier shall continue performing its obligations under this Agreement notwithstanding any such dispute.

IX. SUPPLIER'S OBLIGATIONS REGARDING GOODS AND SERVICES.

Records. Maintain complete and accurate records relating to the provision of the Goods and Services under this Agreement, including records of the time spent and materials used by Supplier in such form as Gretna shall approve. Suppliers will maintain records regarding the Scope of Work outlined in the Purchase Order for a minimum of ten (10) years. During the term of this Agreement and for a period of ten (10) years thereafter, upon Gretna's written request, Supplier shall allow Gretna to inspect and make copies of such records and interview Supplier personnel in connection with the provision of the Goods and Services;

Certification and Registration. Supplier's Quality System shall be certified and/or registered by the following standards if required by the Purchase: AS9100 Rev D.; API Q1; ISO 9001:2015. Supplier shall adhere to ITAR Compliance and/or DFARs regulations if required by the Purchase Order's scope of work. Supplier shall ensure that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of the Supplier, are properly licensed, certified or accredited as required by applicable law and are suitably skilled, experienced and qualified to provide Goods or perform Services.

Change in Product, Process, Vendors, or Facility. Supplier shall obtain Gretna's written consent prior to entering into agreements with or otherwise engaging any person or entity, including all subcontractors and affiliates of Supplier, other than Supplier's employees, to provide any Goods or Services to Gretna or to Supplier if the same is intended to fulfill Supplier's obligations to Gretna under the Purchase Order (each such approved subcontractor or other third party, a "Permitted Subcontractor"). Gretna's approval shall not relieve Supplier of its obligations under this Agreement, and Supplier shall remain fully responsible for the performance of each such Permitted Subcontractor and its employees and for their compliance with this Agreement as if they were Supplier's own employees. Nothing contained in this Agreement shall create any contractual relationship between Gretna and any Supplier subcontractor or supplier.

Supplier shall provide Gretna advanced notice of changes in product and/or process, changes of suppliers, and changes of manufacturing facility location.



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In the event Supplier requests or conducts any changes in product, process, vendors, or facility that violates this Agreement, in whole or in part, Gretna may immediately terminate any Purchase Orders for cause.

Equipment in Good Working Order. Supplier shall ensure that all of its equipment used in the provision of the Goods and Services is in good working order and suitable for the purposes for which it is used, and conforms to all relevant legal standards and standards specified by Gretna.

X. CHANGE ORDERS: Gretna may at any time, by written instructions and/or drawings issued to Supplier, issue order changes to the Goods or Services ("Change Order"). If any such Change Order causes an increase or decrease in the cost, or the time required for, performance of this order, an equitable adjustment shall be made in price or delivery or both and this order shall be modified in writing accordingly. No Change Order will be binding unless issued by an authorized representative of Gretna's purchasing staff. Nothing in this Section shall excuse Supplier from proceeding with the order as changed.

XI. PRICE: The price of the Goods and Services is the price stated in the Purchase Order (the "Price"). If no price is included in the Purchase Order, the Price shall be the price set out in Supplier's published price list in force as of the date of the Purchase Order. Unless otherwise specified in the Purchase Order, the Price includes all packaging transportation costs to the Delivery Point, insurance, customs duties, and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Gretna.

XII. PROTECTING ASSETS AND RESOURCES: Gretna Suppliers are responsible for protecting and insuring the assets and resources provided to them by Gretna, such as raw material, parts in process, installations and equipment. These assets and resources must be used in accordance with their business purpose and within the framework established by Gretna. They may not be used for other purposes without the prior consent of Gretna. It is up to each Supplier to protect the assets and resources of Gretna against any and all deterioration, fraud, loss, or theft.

XIII. INSURANCE: Supplier shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in an amount that meets commercially reasonable standards with financially sound and reputable insurers. Upon Gretna's request, Supplier shall provide Gretna with a certificate of insurance from Supplier's insurer evidencing the insurance coverage specified in this Agreement. The certificate of insurance shall name Gretna as an additional insured. Supplier shall provide Gretna advance written notice in the event of a cancellation or material change in Supplier's insurance policy.

XIV. WARRANTIES: Supplier expressly warrants that for one year from the Deliver Date, all Goods and Services provided to Gretna will: (1) be free from any defects in workmanship, material, and design; (2) conform to applicable specifications specific by Gretna; (3) be fit for their intended purpose and operate as intended; (3) be merchantable; (4) be free and clear of all liens, security interests, or other encumbrances; and (vi) not infringe or misappropriate any third party's intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Goods or Services by Gretna. Supplier warrants to Gretna that it shall create the Goods and perform the Services using personnel of required skill, experience and



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qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Gretna's discovery of the noncompliance of the Goods or Services with the foregoing warranties. If Gretna gives Supplier of noncompliance, Supplier shall, at its own cost and expense, promptly (i) replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming Goods to Supplier and the delivery of repaired or replacement Goods to Gretna, and, if applicable, (ii) repair or re-perform the applicable Services.

XV. CONFIDENTIALITY: All non-public, confidential or proprietary information of Gretna and Gretna's customers, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Gretna to Supplier, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the purpose of performing this Agreement and may not be disclosed or copied unless authorized in advance by Gretna in writing. Upon Gretna's request, Supplier shall promptly return all documents and other materials received from Gretna. Gretna shall be entitled to injunctive relief for any violation of this Section. Supplier shall require each Permitted Subcontractor to be bound in writing by the confidentiality provisions of this Agreement, and, upon Gretna's written request, to enter into a non-disclosure or intellectual property assignment or license agreement in a form that is reasonably satisfactory to Gretna. This Section does not apply to information that is: (a) in the public domain; (b) already known to Supplier at the time of Supplier; or (c) rightfully obtained by Supplier on a non-confidential basis from a third party. In the event Supplier becomes aware of any actual or potential improper use of Confidential Information, including but not limited to unauthorized access to Confidential Information, Supplier must inform Gretna of the same within seven (7) days of Supplier becoming aware of such actual or potential improper use. All obligations of Supplier in this section remain in effect indefinitely, even in the event that business relations between Supplier and Gretna are terminated.

XVI. COMPLIANCE WITH LAWS AND REGULATIONS: Supplier shall comply with all applicable Federal, State, and local laws, rules, regulations and ordinances, including but not limited to the Occupational Safety and Health Act, the Truth in Negotiation Act and all applicable requirements of the Fair Labor Standards Act. Supplier shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement. Supplier shall comply with all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Gretna. Supplier assumes all responsibility for shipments of Goods requiring any government import clearance.

XVII. CODE OF ETHICS AND BUSINESS POLICY: Gretna is committed to achieving the highest standards of professionalism and ethical conduct in its operations and activities. Corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain are of paramount importance to Gretna. These principles apply to all aspects of Gretna's business and encompass our relationship with Suppliers.



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These principles are reflected in this Code of Conduct ("Code of Conduct"), which establishes the minimum standards that must be met by any Supplier that sells Goods or Services to Gretna, regarding: Supplier's treatment of workers; workplace safety; the impact of Supplier's activities on the environment; and Supplier's ethical business practices.

Supplier is responsible for compliance with the standards set out in this Code of Conduct ("Standards") throughout its operations and throughout its entire supply chain. Without limiting Supplier's obligations hereunder, Supplier shall comply with the Standards in: all of its facilities; and all of its operations, including with respect to manufacturing, distribution, packaging, sales, marketing, product safety and certification, intellectual property, labor, immigration, health, worker safety, and the environment.

Without limiting Supplier's obligations hereunder, Supplier is responsible for compliance with the Standards by all of its suppliers, vendors, agents, and subcontractors and their respective Facilities ("Partner(s)").

Slavery and Human Trafficking. All labor must be voluntary. Supplier shall not support or engage in slavery or human trafficking in any part of its supply chain. Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any: compelled, involuntary, or forced labor; labor to be performed by children; bonded labor; indentured labor; and prison labor.

Hazardous Work. Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any hazardous labor to be performed by any person under the age of 18. Hazardous labor involves any work, that by its nature or the circumstances in which the work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken.

Compensation and Benefits. Supplier must compensate all workers with wages, including overtime premiums, and benefits that meet or exceed the minimum wage and benefits established by applicable law.

No Discrimination, Abuse, or Harassment. Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religion, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job. Supplier shall treat workers with respect and dignity. Supplier shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment. Supplier must not condone or tolerate such behavior by its Partners.

Health and Safety. Supplier shall provide a safe, healthy, and sanitary working environment. Supplier shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in these Standards. General and industry-specific procedures and safeguards include those relating to: health and safety inspections; equipment maintenance; maintenance of Facilities; worker training covering the hazards typically encountered in their scope of work; fire prevention;



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and documentation and recordkeeping. Supplier shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

Facilities. Supplier shall ensure that all Facilities meet all applicable building codes and industry design and construction standards; obtain and maintain all construction approvals required by law; obtain and maintain all zoning and use permits required by law; post safety rules, inspection results, incident reports, and permits, in each case, as required by law.

Environmental Protection. Supplier shall operate its Facilities in compliance with all environmental laws, including laws and international treaties relating to: waste disposal; emissions; discharges; and hazardous and toxic material handling. Supplier must ensure that the goods that it manufactures (including the inputs and components that it incorporates into its goods) comply with all environmental laws and treaties. Supplier must ensure that it will only use packaging materials that comply with all environmental laws and treaties.

Gifts and Entertainment. Supplier must maintain the highest ethical standards. Supplier must not offer cash, favors, gifts, or entertainment to Gretna's team members. Supplier must comply with the Foreign Corrupt Practices Act (FCPA).

Compliance. Where this Agreement requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards.

Violation: If Gretna discovers that Supplier's officers, directors, employees, or Partners have violated the standards set out in this Code of Conduct, Gretna may immediately terminate this Agreement.

XVIII. INDEMNIFICATION: Supplier shall defend, indemnify and hold harmless Gretna, its subsidiaries, affiliates, successors or assigns and its respective directors, officers, shareholders and employees (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the Goods and Services purchased from Supplier or Supplier's negligence, willful misconduct or breach this Agreement. Supplier shall not enter into any settlement without Gretna's prior written consent.

XIX. TERMINATION: In addition to any remedies that may be provided under this Agreement, Gretna may terminate a Purchase Order for cause with immediate effect upon written notice to Supplier, either before or after the acceptance of Goods or Supplier's delivery of the Services, if Supplier has not performed or complied with this Agreement, in whole or in part. If Supplier becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors, then Gretna may terminate any Purchase Order upon written notice Supplier. If Gretna terminates a Purchase Order, Supplier's sole and exclusive remedy is payment for the Goods received and accepted and Services accepted by Gretna prior to the termination.

XX. GENERAL TERMS



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Waiver: No waiver by Gretna of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Gretna. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Force Majeure. Neither party shall be liable to the other for any delay or failure in performing its obligations under this Agreement to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, pandemic, war, invasion, hostilities, terrorist acts, riots, strike, embargoes or industrial disturbances. Supplier's economic hardship or changes in market conditions are not considered Force Majeure Events. Supplier shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under this Agreement. If a Force Majeure Event prevents Supplier from carrying out its obligations under this Agreement for a continuous period of more than ten (10) days, Gretna may terminate this Agreement immediately by giving written notice to Supplier.

Assignment. Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of Gretna. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Supplier of any of its obligations hereunder. Gretna may at any time assign or transfer any or all of its rights or obligations under this Agreement without Supplier's prior written consent to any affiliate or to any person acquiring all or substantially all of Gretna's assets.

Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Texas.



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Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Texas in each case located in the City of Houston and County of Harris, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

Damages. Nothing in this Agreement shall exclude or limit Gretna's ability to recover the maximum amount of damages allowed at law for any cause of action available to Gretna against Supplier, including but not limited to fraud, personal injury or death caused by Supplier's negligence or willful misconduct.

Attorney's Fees. In any legal proceeding related to this Agreement, the prevailing party shall be entitled to payment and judgment for reasonable attorney's fees and costs, including but not limited to court costs, expert fees, etc.

Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Purchase Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Survival. Provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Warranties, Insurance, Compliance with Laws, Confidential Information, Governing Law, Submission to Jurisdiction, and Survival.

Amendment and Modification. This Agreement may be amended or modified only in a writing signed by an authorized representative of each party.