

Kirk Key Interlock Company Terms and Conditions of Purchase

1. Definition of Terms

The following terms have the respective meanings set out below:

- a) **Kirk Key** refers to the company placing the purchase order: Kirk Key Interlock Company, LLC.
- b) **Provider** refers to the party selling goods or services to Kirk Key. This Party is specified on the Purchase Order
- c) **Delivery Date** means the date on which the Provision is received by Kirk Key at the stipulated delivery point.
- d) **Contract Price** means the total of any stipulated sums for the Work (or any portion thereof) set forth in the Purchase Order, as amended by any instruction notice.
- e) **Provision(s)** means all materials, processes, equipment, machinery, assemblies, instruments, devices, services or articles and related components be supplied to Kirk Key by the Provider under the Purchase Order and all associated documentation.
- f) **Purchase Order** means the contractual document issued by Kirk Key to a Provider for the purpose of acquiring product or service provisions.
- g) **Inspector** means the person designated from time to time by Kirk Key to monitor the application of the quality program, examine the work relating to the Provisions and expedite the delivery of the Provisions.

2. Contractual Documents and Order of Precedence

- a) These documents take precedence in this order: Purchase Order, Kirk Key Provider Quality Manual, Contract, these Terms and Conditions.
- b) These documents are subject to subsequent amendments to the Purchase Order, in the form of instructions or notices to the purchase order, which will take precedence over the documents they amend.
- c) No agent, employee or other representative of Kirk Key has authority to make any promise, agreement or representation not incorporated into a contractual document, and no promise, agreement or representation will bind Kirk Key unless so incorporated.

3. Price

- a) Unless otherwise indicated on the Purchase Order:
 - i. All monetary amounts are stated in U.S. funds,
 - ii. The Contract Price includes all activities required to supply the Provision and perform the work relating to the Provision and all customs duties, excise taxes, freight, insurance, and all other changes in any cost of the work relating to the Provision to the Provider.
- b) Notwithstanding anything to contrary, in no event shall the price for goods or services purchased by Kirk Key from the Provider exceed the Provider's charge for identical services or goods sold to any other entities or individuals.

4. Terms of Payment

Kirk Key's standard payment terms are [**Net 30 days**] for all undisputed properly invoiced amounts. Any changes to this will be specified on the Purchase Order. All payments are conditional on receipt and acceptance of the Provision before the date payment is made. In addition, Kirk Key may withhold any payment if there remain outstanding any unresolved non- conformance issues.

5. Delivery Changes, and Cancellation

Kirk Key reserves the right to extend the ship date and/or cancel any item in its entirety, with no penalty or cancellation charges, by giving written notice prior to ship date.

The Purchase Order is subject to cancellation, without penalty or cancellation charges, by Kirk Key if the Provisions are not delivered in accordance with the schedule specified on the purchase order.

6. Material Control

- a) Where contractually indicated on the Purchase Order the Provider is responsible to ensure that all material used in the manufacture or processing of the Purchase Order is obtained from end customer approved sources and has proper certification.
- b) The Provider shall establish controls to ensure that material subject to age control, shelf life, or environmental controls is properly identified, monitored, and maintained.
- c) The Provider warrants that the goods do not contain any Conflict Minerals. For the purposes hereof, "Conflict Minerals" is defined as any other mineral, or its derivatives determined to be financing conflicts in the Democratic Republic of Congo, Central African Republic South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola. These materials consist of but are not limited to:
 - a. Columbite-tantalite (ore from which Tantalum is extracted)
 - b. Cassiterite (ore from which Tin is Extracted)
 - c. Wolframite (ore from which Tungsten is extracted)
 - d. Gold
- d) The Provider warrants that it is not supplying Counterfeit Parts, and Parts are Authentic. Parts are to be purchased from the Original Equipment Manufacturer and/or Authorized Dealer. A Counterfeit Part is an unauthorized copy or substitute that has been identified, marked or altered by an unauthorized source and has been misrepresented to be an authorized part of the legally authorized source.

A part that a Provider becomes aware of or has reason to suspect meets the definition of 'counterfeit part' requires the entire lot of parts to be considered suspect counterfeit and the entire lot must immediately be segregated and quarantined. The Provider must immediately advise Kirk Key of this occurrence.

The Provider must assume responsibility for all costs associated with the delivery and use of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies shall apply regardless of whether the warranty period or guarantee period has ended.

Kirk Key reserves the right to notify the Government Industry Data Exchange Program and other relevant government agencies.
- e) The Provider shall flow the requirements of this Material Control to its suppliers and sub-contractors at any tier for the performance of contractual obligations.
- f) Provider shall provide upon request from Kirk Key, the status of the supply chain policies and processes to meet the above requirements.

7. Substitutions and Subcontracting

- a) The Provider may not subcontract the work or any portion of the work, or location of work or processes, without prior written consent of Kirk Key.
- b) The Provider may not make substitution of materials or processes (if different from the original specifications, drawings or data) without written acknowledgement and consent from Kirk Key.

8. Right of Access

Kirk Key, its Authorized Representatives and/or an authorized inspector from Kirk Key's customer shall have right of entry at all reasonable times, to the Provider facilities, as may be necessary to verify the quality, records and/or provisions supplied and confirm Provider's compliance with Statutory, Regulatory, Technical and Quality Program requirements as identified in the Purchase Order and conduct audits.

9. Notification

Provider shall notify Kirk Key when:

- a) Provider or Provider's sub-tiers are found to be non-compliant to Kirk Key and/or customer specifications.
 - i. Nonconforming product shall not be forwarded to Kirk Key without advance disposition approval.
- b) Provider's sub-tier supplier is disapproved by Provider or Government Agency.

10. Quality Requirements - General

- a) The Provider shall maintain a quality program that will assure Kirk Key that the material and workmanship used in the Provision fully meet the Purchase Order requirements.
- b) The Provider will be responsible for and perform all inspection, testing and surveillance of the Subcontractors and the Provisions necessary to ensure that the Provision meets the requirements of the Purchase Order.
- c) The Provider must provide a Certificate of Compliance and other compliance documents as specified in the Purchase Order for materials and processes.
 - i. The Certificate of Compliance must include supplier's name, print and specification numbers with their revisions, Kirk Key Purchase Order number, quantity shipped, all special requirements defined on the Purchase Order and waivers, or deviations approved by Kirk Key.
 - ii. The Certificate of Compliance may be in the form of a stamp or printed line included in the packing slip.
- d) The Provider must ensure that all processes and equipment are sufficiently qualified/validated, prior to production, per their internal requirements and/or industry standards, unless superseded by Kirk Key requirements.
- e) The Provider must ensure that employees and contractors are trained and/or qualified to perform all tasks per their internal requirements and/or industry standards, unless superseded by Kirk Key requirements.
- f) Required Quality Assurance documents must be provided at the time of shipment of goods, in hard copy within the shipment packaging, forwarded via fax, or electronically. These may include test report, FAI reports or other types of measurements.
- g) Non-conforming material including fit, form, and function shall be identified, and reports submitted to Kirk Key for disposition.
 - i. No non-conforming material may be shipped without written authorization from Kirk Key.
 - ii. A copy of the dispensation must accompany the shipment.
 - iii. All non-conforming material must be identified and traceable to the report submitted.
- h) 'Limited Life' material supplied per Purchase Order must be accompanied by the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- i) Provider shall ensure that persons under their employ are aware of their contribution to product and/or service conformity, product safety, and the importance of ethical behavior.
- j) Provider shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Provider for work under this Agreement.
- k) Provider and the provisions furnished to Kirk Key shall comply with and, if applicable, are manufactured and labeled, in strict compliance with all applicable federal, state, and local laws, rules and regulations. Without limiting the generality of the foregoing, Provider warrants to Kirk Key that by acceptance of any Purchase Order, all product and/or service provisions furnished under a Purchase Order shall be in compliance (and certified to be in compliance) with the requirements and standards to the Occupational Safety And Health Act of 1970 (Public Law 91 596) and applicable requirements or guidelines issued by the U.S. Environmental Protection Agency. In addition, where required, hazardous material data sheets shall be supplied on the applicable products.

11. Shipping and Packaging Instructions

All packaging will be clearly and indelibly marked to show necessary shipping information. Packaging must be suitable to prevent damage during shipping, and include a packing slip that includes the following:

- a) Kirk Key address, Kirk Key Purchase Order number.
- b) The Provider's shipment identification number, number of packages, crates, boxes and a detailed packing slip listing each separate item.

12. Delivery

- a) Time is of the essence. Provider shall furnish sufficient labor and management forces, plant, and equipment and shall work such hours (including night shift, overtime, weekend, and holiday work) as may be required to assure timely delivery. Delays in shipment will be reported by Provider to Kirk Key within one (1) day of Provider's knowledge of any such delay.
- b) Unless otherwise specifically provided on the face of the Purchase Order, the provisions called for hereunder shall be delivered F.O.B. destination basis and title and risk of loss will pass to Kirk Key upon delivery to Kirk Key's specified destination.
- c) The Provider will be responsible for ensuring the Provisions will arrive at the stipulated destination in accordance with the delivery schedule specified in the Purchase Order.
- d) In the event of a delay or default in performance by the Provider, Kirk Key may at its discretion extend the time period for performance, upon conditions satisfactory to Kirk Key. Alternatively, in such event Kirk Key may cancel the Purchase Order, whole or in part, without any further obligations of any nature to Kirk Key and seek satisfactory performance by alternate Providers. Any extension granted by Kirk Key will not prejudice its ability to exercise its cancellation rights in the event of further delay or default.

13. Correction of Defects

The Provider is required to warranty the Provision for a period of 12 months from defects, deficiencies, and failures to meet the requirements of the Purchase Order. Upon notification from Kirk Key, the Provider will make good every such defect, deficiency, or failure without cost to Kirk Key. Prior acceptance does not invalidate this obligation. The Provider will pay all transportation charges for parts both ways between the Provider's factory or depot and the point of use.

14. Contract Cancellation

Kirk Key may from time to time, without cause and without affecting the validity of the Purchase Contract, immediately cancel any uncompleted or unperformed work relating to the Provisions, in whole in part, by delivering a notice to this effect to the Provider.

15. Governing Laws

The Contract and the conduct of the parties with respect to the formation and performance of the contract are governed by and are to be construed and interpreted in accordance with the laws of the State of Ohio and the laws of the United States applicable in the State of Ohio. The parties irrevocably submit to the non-exclusive jurisdiction of the courts of the State of Ohio and the Federal Courts of the Northern District of Ohio.

16. Indemnification; Lost Profits

Provider agrees to indemnify and hold Kirk Key harmless from all liabilities, direct or indirect, for defects in materials or provisions furnished under any Purchase Order, or for products and services furnished under any Purchase Order that are in noncompliance with OSHA standards, EPA regulations and from any other claim for damages in which Kirk Key may be involved affecting the product or services herein specified. Provider further agrees to defend all suits that may be brought against Kirk Key involving any such claims brought against Kirk Key with respect to the materials and/or products furnished by Provider, including use of the products by

Kirk Key. Upon demand, Provider agrees to assume on behalf of Kirk Key the defense of any action, at law or in equity, which may be brought against Kirk Key upon any such claim and to pay on behalf of Kirk Key the amount of any judgment that may be entered against Kirk Key in any such action. Provider hereby expressly waives any immunity from suit by Kirk Key, which may be conferred by the workers' compensation laws, or any other law of any state that would preclude enforcement of the indemnification clause of these Terms by Kirk Key. Provider further agrees to pay any reasonable attorney's fees incurred by Kirk Key in securing compliance with the provisions of this section. Provider agrees that its obligations to indemnify under this section are distinct from, independent of, and not intended to be coextensive with its duty to procure insurance required herein. In addition, if any of the goods or services, or any part thereof, provided pursuant to these Terms constitutes infringement of any trademark or patent right of any party and its use is enjoined, Provider will, at its own expense, either procure for Kirk Key, its successors, assigns, and customers the right to continue using such goods or services or part thereof or replace them with a substantially equivalent non-infringing good or service, at no cost to Kirk Key, its successors, assigns, and customers.

In no event shall Kirk Key be responsible for any consequential, punitive, special, and exemplary damages including, but not limited to, Provider's loss of actual or anticipated profits arising out of, or resulting from, a Purchase Order or from the performance, suspension, termination or breach thereof.

17. Confidentiality

Any confidential information, drawings, data, design, inventions, computer software and other technical information's supplied by Kirk Key shall remain the property of Kirk Key and shall be held in confidence by the Provider. Such information will not be reproduced, used or disclosed to others by the Provider without the prior written consent of Kirk Key and shall be returned to Kirk Key upon completion by the Provider of its obligations under the Contract.

18. Code of Conduct

All Provider are required to adhere to the Halma policies (including but not limited to the Code of Conduct), located at <https://www.halma.com/sustainability/policies-and-procedures/modular/code-of-conduct>. It is the responsibility of the Provider to acquire access to the Code of Conduct and flow down requirements to their sub-contractors.