

<b>COATING TECHNOLOGY INC.</b> 800 St. Paul Street Rochester, NY 14605	<b>Title: QSWI 7.4-6.5A Standard Terms and Conditions of Purchase</b>
	<b>Revision: 01</b>
	<b>Revision Date: 11-11-2024</b>

**Quality System Work Instruction 7.4-6.5A**  
**Standard Terms and Conditions of Purchase**  
**Document Authorization**

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 Edward Schreiner  
 Vice President of Operations

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 Date Authorized

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 Steve Berdy  
 General Manager

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 Wendi Costanzo  
 Quality Manager

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 Date Authorized

<b>Change Record</b>			
<b>Revision</b>	<b>Date</b>	<b>Document Owner</b>	<b>Description of Change</b>
Original	02-26-16	T. Palumbo	Original Release
01	3-28-2022	T. Palumbo	Updated to include AS9100 8.4.3 Clause L and M
02	11-11-2024	W. Costanzo	Updated document ownership

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## 1. Purpose and Scope

Purpose - Provides a list of Terms and Conditions used at Coating Technology, Inc.

Scope - All Purchase Orders.

## 2. Definitions

Purchase Order – The document that is created by Quickbooks that contains all of the information that is necessary to buy a material or service from an outside supplier.

## 3. Responsibilities

The following job holders are responsible for the creation of this document and for its implementation.

General Manager  
Director of Purchasing  
Quality Manager

## 4. Work Instruction

4.1 Purchasing will reference these Terms and Conditions on all Purchase Orders to its suppliers.

## **Coating Technology Inc. Standard Terms and Conditions of Purchase**

EXTERNAL PROVIDER ENSURES, WITH THE ACCEPTANCE OF THIS PURCHASE ORDER THAT PERSONS ARE AWARE OF THEIR CONTRIBUTION TO PRODUCT OR SERVICE CONFORMITY INCLUDING THEIR CONTRIBUTION TO PRODUCT SAFETY AND THE IMPORTANCE OF ETHICAL BEHAVIOR

1. **TERMS OF AGREEMENT:** Acknowledgment of the Purchase Order, shipment of any goods, or commencement of work pursuant to the Purchase Order shall be deemed an acceptance of these General Terms and Conditions. No modification of or release from this Purchase Order shall be binding unless agreed to in writing by the parties. Unless specifically agreed to otherwise by Coating Technology Inc. (CTI) and Seller, these terms and conditions supersede any submitted by Seller in any proposal acknowledgment.
2. **ACCEPTANCE:** Receipt of the Purchase Order constitutes the Contractor's authority to furnish the item(s) in accordance with the terms of the Purchase Order and these Terms and Conditions for Purchase Order.
3. **WARRANTIES:** By accepting this Purchase Order, Seller warrants that the goods and services furnished will be free from defects in materials and workmanship, merchantable and in full conformity with Buyer's specifications, drawings, and data, and Seller's descriptions, promises, or samples, and that such goods will be fit for the Buyer's intended use, provided Seller has reason to know of such use, and that Seller will convey good title to the goods, free and clear from all liens, claims, and encumbrances. Seller warrants that goods or services covered by this Purchase Order shall not infringe any patent, design, copyright or trademark.
4. **PRICE:** The Purchase Order is issued only at prices stated. Except as otherwise provided, no charges should be added.
5. **PAYMENT:** Invoices shall be dated no earlier than date of shipment or delivery of service. CTI will pay invoices per negotiated terms after receipt of a properly prepared invoice. A properly prepared invoice must include the Purchase Order number and, if required in the Purchase Order, Supplier's certification of conformance of the Work to the requirements.
6. **QUALITY REQUIREMENTS:** CTI Supplier Quality Requirement Codes A1, A2, A3, A4, A5, A6, A7, A8 are required to be in effect on every order. Additionally, Seller must conform to all CTI Supplier Quality Requirement Codes stated on Purchase Order. Definition of Codes can be found on CTI website at [www.ctiroc.com](http://www.ctiroc.com), or by contacting the CTI Purchasing contact at (585) 617-6570.
7. **SUBCONTRACTING:** Seller may not assign, transfer, or subcontract this Purchase Order or any right or obligation without CTI's written consent. If CTI consents to the use of a Subcontractor, Supplier will: (1) guarantee and will remain liable for the performance of all subcontracted obligations; (2) flow down to sub-tier suppliers the applicable requirements in the purchasing documents; (3) guarantee that subcontractor conforms to all CTI Supplier Quality Requirements Codes.
8. **CHANGES:** The Buyer reserves the right at any time to issue a written change order or amendment to the Purchase Order concerning any of the following: (a) specifications, drawings, and data incorporated in the Purchase Order where the items to be furnished are to be specially manufactured for the Buyer; (b) quantity; (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery; or (f) any other matters affecting this Purchase Order.
9. **TERMINATION:** Buyer may terminate the Purchase Order at any time prior to shipment by written or electronic notice to Seller. Upon receipt of such termination notice, Seller shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate

the work as provided in the notice, minimizing costs and liabilities for the terminated work, and (b) continue the performance of any part of the work not terminated by Buyer.

10. DELIVERY: Delivery must be made by date specified. Items received by the Buyer are subject to inspection and, if found, defective or not in accordance with specifications, will be returned at the Seller's expense. Quantities ordered must not be exceeded unless agreed to in writing by Buyer. Supplier will preserve, pack, package and handle the Deliverables and Products so as to protect the Deliverables and Work Product from loss or damage and in accordance with best commercial practices in the absence of any specifications Buyer may provide.
11. PACKING LIST: Supplier will include with each delivery of Products a packing list identifying the Purchase Order number, the Buyer's part number for each of the Products (if applicable), a description and the quantity of each of the Products, lot number and the date of shipment.
12. INSPECTION AND ACCEPTANCE: All goods and services furnished to CTI will be subject to inspection and test by CTI at all times and places and will be subject to CTI's final inspection and approval within a reasonable time after delivery. CTI may reject goods and services not in accordance with instructions, specifications, drawings, data, or Seller's warranty (expressed or implied), or for untimely delivery. Buyer may return rejected goods to Seller at Seller's expense and Buyer shall have no further obligation for such goods. Payment for any goods or services shall not be deemed acceptance and in no event shall Buyer incur any liability for payment for rejected goods or services.
13. RIGHT OF ACCESS: CTI, its customers, and regulatory authorities shall be granted the right of access to all supplier and sub-tier supplier facilities and records involved in fulfilling the Purchase Order requirements. All items of this purchase order are subject to in-process quality surveillance by CTI and/or its customer. At any time, CTI may notify the supplier of specific requests for on-site surveillance. CTI reserves the right to request the opportunity to witness any actions in support of this order. The supplier shall provide no less than three business days advance notification to CTI's procurement representative before items are ready for any requested CTI source surveillance. The supplier shall not proceed without CTI present or without CTI QA written authorization to proceed. The supplier shall provide reasonable facilities and assistance, including all quality records and related data for contracted goods, upon request.
14. WORK PERFORMED ON PREMISES: If Seller's work under the Purchase Order involves operations by Seller on the premises of Buyer or one of Buyer's customers, Seller shall take all necessary precautions and such additional precautions as Buyer or Buyer's customer may prescribe to prevent the occurrence of any injury to persons or property during the progress of such work and, except to the extent that any such injury is due solely and directly to Buyer's or Buyer's customer's negligence, shall indemnify Buyer against all claims, liability, damage, or loss (including expenses and attorneys' fees) which may result in any way from any act or omission of the Seller, or Seller's agents, employees, or contractors; and shall maintain such public liability, property damage, and employer's liability and compensation insurance as will protect Buyer.
15. "GOODS" AND "SERVICES": The term "goods" as used herein means any and all materials, parts, products, machines, tooling, test equipment, technical data, computer software, computer software documentation, and other tangible items or documentary information furnished or required to be furnished by Seller under this order. The term "services" means any and all technical assistance, support, maintenance, consultation, construction work, and other effort furnished or required to be furnished by Seller under this order other than labor furnished in connection with the production of goods.
16. CONFIDENTIALITY: Unless otherwise agreed by Buyer in writing, Seller shall keep confidential and not disclose to any third party, any confidential and/or proprietary materials provided by Buyer to Seller in connection with Seller's performance of this Purchase Order or prepared by Seller specifically for Buyer pursuant to this Purchase Order, including but not limited to any drawings, masters, software, specifications, raw materials, components, data, business information or plans, customer lists or other customer information ("Confidential Information"). Seller shall not make any copies of Confidential Information except as specifically authorized by Buyer in writing. At the completion of this Purchase Order, or upon Buyer's request, Seller shall promptly return to Buyer all Confidential Information not consumed in the performance of this Purchase Order, together with any copies in Seller's possession.

17. COMPLIANCE WITH LAWS: Seller shall comply fully with all applicable federal, state and local laws in the performance of this Agreement including, but not limited to, all applicable employment, tax, export control and environmental laws.
18. FORCE MAJEURE: Neither party shall be liable for any delay or failure to deliver or accept any or all of the Products where such delay or failure is caused by fire, flood, other act of God, act of war, labor disturbance or other event beyond such party's control.
19. GOVERNING LAWS: This Agreement shall be construed in accordance with, and disputes shall be governed by, the laws of the State of New York.
20. PREVENTION OF COUNTERFEIT PARTS: External provider shall plan, implement and control their process for the prevention of counterfeit or suspect counterfeit part from use or inclusion into the product in accordance with AS9100/AS9110/AS9120 clause 8.1.4