



**Purchase Order Terms and Conditions for Industrial and Defense
("Terms and Conditions of Purchase")**

1. Formation of Contract/Acceptance of Terms

These Terms govern the PO and supersede all prior dealings. Acceptance is expressly limited to these Terms; conflicting or additional terms are rejected unless signed by Buyer's authorized procurement representative. Seller's performance or acceptance of payment = unconditional acceptance. If issued in response to Seller's offer, acceptance is conditioned on Seller's assent to these Terms and acknowledgment that this PO is the entire agreement. No course of dealing or waiver modifies these Terms. Ambiguities are construed against Seller. "Buyer" means CIRCOR.

2. Applicable Laws

Seller shall comply with all applicable laws (including export controls, environmental, anti-corruption, labor, and safety) and maintain programs ensuring compliance. Major contractors must provide emissions reporting and submit CDP climate questionnaires with science-based targets. Seller will comply with REACH, maintain/obtain registrations at its cost, supply compliant SDS/extended SDS, and promptly notify Buyer of any authorization/restriction or inability to register. On request and at its expense, Seller will provide documentation. Buyer may terminate for noncompliance, and Seller shall indemnify Buyer for related claims, penalties, or losses. Flow down to all tiers.

3. Governing Law

New York law governs; CISG excluded. Exclusive venue and jurisdiction lie in New York County, NY, and Seller irrevocably consents. This applies despite any other dispute provisions. To the extent permitted by applicable Law, each of the parties unconditionally waives trial by jury. Both parties acknowledge that any breach, the Parties are entitled to injunctive relief.

4. Government Clauses

When this PO is under a government prime/subcontract (as noticed by Buyer), applicable FAR/DFARS clauses posted on Buyer's website under Purchasing Terms and Conditions. CIRCOR's page is incorporated by reference at [Doing Business with CIRCOR | CIRCOR Aerospace](#).

5. Independent Contractor



Seller acts as an independent contractor, not Buyer's agent, partner, or joint venturer, and controls its performance. Seller pays and is solely responsible for its personnel and full legal compliance (wage/tax/benefits/safety). Seller shall follow Buyer's site rules; Buyer may require removal and replacement of Seller personnel. Seller shall indemnify Buyer for losses, including arising from misclassification or workforce noncompliance.

6. Code of Conduct

Seller shall conduct business ethically and maintain a code at least as stringent as Buyer's found at [Leadership | CIRCOR](#). Suspected improper conduct by Buyer personnel must be reported to Buyer's parent company via the designated contact channel. Flow down to all tiers.

7. Changes

By written notice before delivery, Buyer may change specs, packaging, shipping, schedule, quantities, or work. If cost/schedule is affected, Seller must promptly notify Buyer and, within 20 days for cost increases, submit detailed comparisons for an equitable adjustment. No adjustment to price increase or schedule extension binds Buyer without a signed PO change. Technical assistance by Buyer's engineers is not a "change." No over-shipments; excess goods/services are at Seller's risk/expense.

8. Seller Changes to Goods

No changes to form, fit, function, process, supplier, software, or classification without Buyer's prior written consent. Buyer may reject/return unapproved changes at Seller's expense. Approved changes must not affect compliance, performance, or safety.

9. Counterfeit Part Prevention

Seller shall maintain a counterfeit-avoidance program conforming to SAE AS5553 (and, if procuring from non-authorized sources, AS6081) and meets the intent of DFARS 252.246-7007. Only procure from OCMs/OEMs or their authorized channels unless Buyer approves in writing. Seller shall immediately contain, notify, replace at no cost, and reimburse all investigation, screening, rework, removal/reinstallation, and field action costs. Buyer may quarantine, test, and notify authorities. Flow-down to all tiers.

10. Packing, Marking, Shipping, and Packing Slips

Use commercial-grade packaging to prevent damage and comply with PO requirements and carrier tariffs. Shipment will be FCA Prices include taxes/duties/packaging unless stated otherwise. Seller is liable for damage from improper packaging. Each shipment



must include packing sheets (PO and line numbers, description/quantity, part/size, inspection evidence); separate sheets for hazardous vs. non-hazardous. Do not include hazardous substances in packing materials. Label containers with PO number and “box X of Y.” Buyer selects carrier/mode when Buyer pays freight. Include prepaid-freight support with invoices. Contact Buyer if unable to follow instructions. Comply with all hazardous-materials shipping laws. Do not use, or stop in, ITAR-prohibited countries; flow this requirement to subcontractors.

11. Warranty

Goods/services shall conform to Buyer’s current specs, be merchantable, free of defects in design (to the extent not Buyer-specified), and fit for purpose, and conform to any samples/descriptions for a period of 12 months and be fit for Buyers intended purpose. Warranties extend to Buyer’s affiliates, successors, assigns, and direct/indirect customers and survive acceptance. Buyer may repair/replace/refund/procure substitutes at Seller’s expense and recover all direct, incidental, and consequential damages (including inspection, removal/reinstallation, testing, transportation, production interruptions, recalls, injury/property claims). Latent defects are not time-barred. Unit prices shall not exceed those in substantially similar transactions with other customers. Notify Buyer if work contains ozone-depleting substances. Seller indemnifies Buyer for losses arising from exercise of warranty remedies.

12. Invoice and Payments; Security

Buyer pays as stated in the PO. Payment due date runs from the later of scheduled delivery, actual delivery, or receipt of a correct invoice. Payment is deemed made when mailed/tendered. Seller shall refund overpayments. For orders exceeding the Simplified Acquisition Threshold or where Buyer reasonably deems performance risk, Buyer may require security (performance bond, LOC, parent guaranty) in a form and amount it specifies. Failure to provide timely security is a material breach.

13. Quality Control System

Maintain an AS9100 if supplying for Aerospace and Defense programs and/or ISO 9001:2015 quality system. Permit Buyer to review relevant procedures, processes, and records. Notify Buyer of any material deviations and identify affected goods. Retain inspection/quality records during performance and as otherwise required. Seller shall participate in GIDEP reporting within fifteen (15) days upon discovery and shall also promptly notify the Buyer. Flow down to all tiers.

14. Inspection and Acceptance



Buyer (and its customers) may inspect/test at reasonable times/places, including at Seller's sub-tier locations, without unduly delaying work. Seller must furnish reasonable facilities/assistance. Inspection does not relieve Seller's obligations. Buyer may accept or reject despite payment or prior tests. For nonconformance, Buyer may return for credit/refund, require correction/replacement, correct itself, repurchase at Seller's expense, or terminate for default; Seller bears all related costs and must disclose corrective actions. Buyer may charge back all costs via price reduction/debit/credit. Seller warrants deliverables are lien-free and shall provide affidavits/certifications if requested.

15. Timely Performance/Notice of Labor Disputes

Time is of the essence. Seller shall have no claim for advance manufacture/procurement without Buyer's prior written consent. Early shipments may be returned or stored at Seller's expense unless authorized. Seller shall immediately notify Buyer of any performance difficulties and of actual/potential labor disputes and flow this provision down. If Seller is late and the delay is not excused by Force Majeure, Seller shall pay liquidated damages of 1% of the affected line-item price per full week of delay (pro-rated daily) up to 10% of that line-item price, as a reasonable pre-estimate of Buyer's anticipated schedule, expediting, and line-down costs (and not a penalty). Liquidated damages are Buyer's sole monetary remedy for pure delay, without limiting Buyer's other remedies for nonconformance, IP, safety, or fraud.

16. New Materials

All deliverables shall be new, not used, reconditioned, or of an age impairing usefulness, quality, or safety.

17. Responsibility for Property

Title to Buyer/customer-furnished or Buyer-funded property remains with Buyer. Seller shall mark, inventory, and segregate/identify such property; bears risk of loss/damage; and shall provide proof of insurance upon request. Use solely for this PO performance; do not sell, encumber, transfer, modify, or repurpose without Buyer's written consent. Return at Seller's expense per best commercial practice.

18. Use of Information; Intellectual Property and Rights

1. Background IP: Each party retains its pre-existing/independently developed IP.
2. Foreground IP: All IP developed by Seller under this PO is Buyer's property; Seller shall assign it and provide necessary documents/licenses.



3. License: Seller grants Buyer a worldwide, perpetual, royalty-free, sublicensable license to Seller's Background IP as needed to use/sell/incorporate the product.

Confidential Buyer data/designs may be used only for this PO and must be returned on completion/termination. No license to Buyer patents/know-how is granted by disclosure. Flow down to all tiers.

19. Indemnification

Seller shall indemnify, defend, and hold harmless Buyer, its affiliates/customers, and their personnel against all losses arising from (i) Seller's negligence, gross negligence, illegal conduct, or willful misconduct, (ii) Seller's breach of these Terms, or (iii) IP infringement/misappropriation or title claims related to Seller-provided materials.

20. Assignment

Seller may not assign rights/interests (including receivables) without Buyer's written consent. Unauthorized assignment/delegation does not relieve Seller of obligations or impair Buyer's rights. Purchase of standard commercial supplies is not restricted.

21. Stop Work, Default, or Termination for Convenience

1. Buyer may issue a written stop-work/suspension order for up to 90 days.
2. Buyer may cancel all/part of the PO for default if Seller (1) fails to deliver on time, (2) breaches other terms, (3) fails to make progress and does not cure within 10 days of notice, or (4) becomes insolvent/assigns for creditors/has a receiver. Seller shall continue uncanceled work. Buyer may cover and charge back all excess re-procurement, expedite, and internal administrative costs.
3. Buyer may terminate for convenience by written notice. Seller shall immediately cease work and cancel orders. Seller is entitled to reasonable charges reflecting the percentage of goods/services completed and accepted; no lost-profits recovery and shall not exceed the contract price. Buyer is not liable for any work that could not reasonably be canceled.

Upon any termination, Seller must submit a substantiated claim within 20 days, late claims are waived. Buyer may source substitutes at Seller's expense for Seller's failure/delay and assess liquidated damages without waiving other remedies.

22. Gratuities/Kickbacks



No gifts/favors to Buyer personnel or their families to secure this or future business. Seller shall comply with all export/import, anti-bribery, and anti-corruption laws (including the FCPA and UK Bribery Act). Flow down to all tiers.

23. Publicity

No publicity, advertising, news releases, or confirmations about this PO or related goods/services without Buyer's written consent. Seller is liable for breaches by its suppliers.

24. Audit Rights and Records Retention

Upon reasonable notice, during normal business hours, Buyer (and applicable U.S. Government customers) may inspect/test and review quality, flight safety, configuration control, quality systems, cybersecurity, supply-chain integrity, and cost/price supporting adjustments/settlements. Audits for cause may be conducted on shorter notice. Seller shall retain all relevant records for at least 7 years. Auditees may designate Confidential Information; Buyer will apply reasonable safeguards. Flow-down to all tiers.

25. Disputes

Disputes not resolved by mutual agreement may be brought in a New York court of competent jurisdiction. Pending resolution, Seller shall continue performance per Buyer's instructions while Buyer pays undisputed amounts.

26. Confidentiality, Cybersecurity, and Data Protection and Breach Notification

1. Buyer's technical/business information is confidential and may be used only to perform this PO; return on completion/termination.
2. Seller shall implement administrative, physical, and technical safeguards appropriate to the sensitivity of Buyer Data. Where Covered Defense Information/CUI is involved, Seller shall comply with DFARS 252.204-7012 and NIST SP 800-171 (current rev.). Report any actual or suspected compromise of Buyer Data without undue delay and in any event within 24 hours of discovery (and, where DFARS applies, within 72 hours), followed by written updates and a final incident report with scope, indicators, containment, and remediation. Seller shall fully cooperate, preserve images/logs for at least 90 days, and indemnify Buyer for all resulting damages (including regulatory, notification, credit monitoring, business interruption).



3. No reverse engineering or unauthorized use/disclosure; no implied license to Buyer IP; flow down to suppliers.
4. Breach notice within 24 hours; written update within 48 hours; comprehensive report within 72 hours (scope, data affected, containment, remediation). Seller shall investigate, remediate, and cover all related costs (including notifications, credit monitoring, regulatory compliance) and indemnify Buyer for fines, fees, and business interruption.
5. Obligations survive performance, termination, or cancellation.
6. The requirements in this clause must be flowed down to all tiers.

27. Export Controls

Seller represents it is a U.S. Person or has disclosed its organization/citizenship/immigration status. Seller shall comply with all applicable ITAR/EAR and related laws, require screening against U.S. restricted party lists, align with REACH/SDS obligations where relevant to substance content, obtain required licenses, and not provide foreign-person access or unauthorized defense services without Buyer's prior written consent. Any consent does not waive legal compliance. Seller shall indemnify Buyer for violations, and any breach is material. Flow down to all tiers and subcontracts and provide shipment-level certifications as required.

28. Conflict Minerals

Provide current, accurate conflict-minerals certifications; conduct good-faith inquiries and, where required, due diligence under a recognized framework; maintain records; and flow requirements to all tiers. Buyer may terminate for inaccurate/incomplete certifications. Seller shall indemnify Buyer for fines, penalties, or claims arising from misreporting or inadequate diligence.

29. Seller's Notice of Discrepancies

Promptly notify Buyer in writing upon discovering or suspecting process discrepancies, major nonconformances, or actual/suspected counterfeit items relating to delivered or pending goods.

30. Force Majeure

Neither party is liable for delays beyond its reasonable control and without its negligence, provided Seller gives written notice within 5 days of the event and the delay could not be avoided by reasonable alternatives/contingencies. Subcontractor delays are excused only



if beyond the control of both Seller and the subcontractor and alternative sources were unavailable in time.

31. Utilization of Small Business Concerns

For U.S. Government programs, Seller shall provide maximum practicable opportunities to small businesses consistent with FAR 52.219-8.

32. Insurance

Seller shall maintain “all-risk” insurance at least equal to the goods’ value (naming Buyer as additional insured and loss payee as interests appear) until delivery to Buyer. For on-premises work, Seller waives claims against Buyer and shall maintain public liability, workers’ comp, and employer’s liability; indemnify Buyer for injury/property damage arising from Seller’s performance/presence; and for workmanship/material issues. Notify Buyer within 30 days of any insurance change. For critical programs, maintain product-liability bonds/insurance covering the full value.

33. Obsolescence

Maintain an obsolescence-management program; immediately notify Buyer of actual/potential issues; propose mitigation/replacement and implementation plan; provide cost analysis; and support continuity (including responses to GIDEP alerts). Seller bears associated costs to avoid production interruptions. Flow down to all tiers.

34. Supply Chain Security and Flow Down

Maintain comprehensive supply-chain security verification; notify Buyer within 24 hours of any incident/compromise; do not use adversarial sources; indemnify Buyer for costs arising from supply-chain security failures. Flow down to all tiers.

35. Business Continuity Requirements

Maintain and annually test business-continuity/disaster-recovery plans with same-day recovery objectives and backup suppliers; align data-backup/recovery with ISO 22301; notify Buyer within 1 hour of events likely to interrupt service >48 hours; allow reasonable audits on agreed dates.

36. Entire Agreement

This PO and these Terms are the entire agreement and supersede all prior understandings. Amendments require a writing signed by both Buyer and Seller.



DOCUMENT REVISIONS:

V102025	Initial Release of revamped T&C's	10/3/2025
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