



SCO 201 Supplier Terms & Conditions

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Supplier Terms & Conditions

Revisions

Rev	Date	Description	By	Operations Manager Approval	VP Approval
-	01/13/22	Initial Release	J. Tassin	J. Peck	C. Holland
A	08/04/22		M. Wooton	J. Peck	M. Harness
B	11/09/22	IP language in paragraphs 12 and 13 revised.	M. Harness	DocuSigned by: <i>Jerry Peck</i>	DocuSigned by: <i>E. M. Harness</i>
C	07/05/23	Language on human trafficking	J. Tassin	DocuSigned by: <i>Jerry Peck</i>	DocuSigned by: <i>E. M. Harness</i> E. M. Harness (Jul 5, 2023 16:58 EDT)

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1 PURPOSE

The purpose of this document is to define supplier terms and conditions for significant parties (“Seller”) preparing to engage in work with Bascom Hunter Technologies, Inc. (“Buyer”).

2 ACCEPTANCE

A purchase order constitutes a binding contract upon the terms and conditions herein when accepted by the Seller, either by acknowledgement or by commencement of shipments. If any of Seller’s prior proposals, quotations or writings are in conflict with the terms of this order, the terms hereof shall govern. If Seller accepts purchase order, the Buyer terms and conditions are the prevailing terms and conditions. It is agreed that the provisions, terms, or conditions of this order constitute the entire contract between the parties. No alterations, modifications, or deletions of any of the terms or provisions of this order made by the Seller will be binding upon the Buyer, unless expressly accepted in writing by Buyer.

3 DELIVERY DATES

- (a) Subject to, time, quantity, and delivery to the Delivery Location on the Delivery Date are of the essence under this Agreement.
- (b) Seller shall assemble, pack, mark, and ship Goods strictly in the quantities, by the methods, to the Delivery Locations, and by the Delivery Dates, specified in the applicable Purchase Order.
- (c) Notwithstanding anything in this Agreement to the contrary, Buyer shall have the right to terminate all or a portion of a Purchase Order in the event Seller is unable to deliver any portion of the Goods thereunder to the Delivery Location on the Delivery Date, and Buyer shall have the right to return all or a portion of the Goods delivered under such Purchase Order and, in each case, charge Seller with any loss or expense incurred by Buyer in association with such failure by Seller, unless Buyer and Seller agree to a mutual resolution and Buyer updates applicable PO. Unless approved by Buyer in writing in advance, any delivery made in advance of the Delivery Date shall, at Buyer’s option either (1) be accepted, but the time for payment of the applicable invoice will remain based on the scheduled Delivery Date, or (2) be returned to Seller, at Seller’s expense.


4 EXTRA HANDLING CHARGES

Any extra handling charges incurred due to the failure of seller to fill the order, as per instruction, will be billed back to the seller.

5 TERMS

Seller shall provide Goods to Buyer for the prices set forth on the applicable Purchase Order. Unless expressly stated otherwise in the applicable Purchase Order, the stated purchase price shall be inclusive of, and Seller is solely responsible for, all costs and expenses relating to packing, crating, boxing, transporting, loading and unloading, customs, Taxes, tariffs and duties, insurance, and any other similar financial contributions or obligations relating to manufacturing, sale and delivery of the Goods.

Except for any amounts disputed by Buyer in good faith, Buyer shall pay all invoiced amounts due to Seller within ninety (90) days following the later of (a) Buyer’s receipt of Seller’s invoice, (b) Buyer’s receipt of

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applicable Goods, or (c) the scheduled Delivery Date. Payment of invoices will not be deemed acceptance of the Goods or waive Buyer’s right to inspect, but rather such Goods will be subject to acceptance under Section 2. Seller shall offer Purchaser its customary discount for cash payments made in advance of the applicable invoice due date. Purchaser shall have no obligation to pay any invoice not delivered within one (1) year of the Delivery Date.

Buyer shall notify Seller of any dispute with any invoice within sixty (60) days from the date that payment of such invoice is due. Notwithstanding anything to the contrary, Seller shall continue performing its obligations under this Agreement during any such dispute.

6 TERMINATION

Buyer may terminate this Agreement (including all related Purchase Orders), upon Notice to Seller:

if Seller is in breach of, or threatens to breach, any representation, warranty, or covenant of Seller under this Agreement and either the breach cannot be cured or, if the breach can be cured, it is not cured by Seller within a commercially reasonable period of time under the circumstances, in no case exceeding seven (7) days following Seller’s receipt of Notice of such breach;


if Seller fails to, or threatens to fail to, timely deliver Goods conforming to the requirements of, and otherwise in accordance with, the terms and conditions of this Agreement and any Purchase Order;

if Seller (i) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (ii) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency Law; or makes or seeks to make a general assignment for the benefit of its creditors; or

in the event of a Force Majeure Event affecting the Seller’s performance of this Agreement for more than thirty (30) days;

7 WARRANTIES

Unless otherwise agreed to in writing by the parties, Seller’s product will be defect-free, of good design, material, and workmanship, and 100% conforming to all Buyer’s specifications for a period of 24 months after receipt of the product. Seller warrants that it has absolute title to and full right to transfer the goods sold under this agreement and that there are no liens, claims, or encumbrances of any kind against the goods. Seller warrants that it has no obligation or commitment, and will not assume any obligation or commitment, that is inconsistent with its obligations under, or the terms and conditions of, this agreement. Seller also warrants that the goods sold under this agreement, and their subsequent sale or use, either alone or in combination according to Seller’s specifications or recommendations, will not infringe any domestic or foreign patents, trademarks, copyrights, trade secrets, intellectual property, industrial or proprietary rights (“Intellectual Property”) of any third party. Seller also warrants that the goods delivered under this agreement will: (a) be merchantable, as defined by UCC § 2-314; (b) conform without deviation or variation to the requirements of this agreement, including any descriptions, specifications, drawings, data, samples, or any quality insurance requirements such as, but not limited to, Buyer Quality standards whether provided by Seller or Buyer; (c) fit for the particular purpose for which they are intended to be used by Buyer (of which Seller has been advised unless stated to the contrary in this

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agreement); and (d) be new and free from any used or reconditioned components. The warranties of the Seller provided in this paragraph are in addition to, rather than exclusive of, any other warranties, whether express, implied in fact or by law, or otherwise created. Seller's warranties shall survive inspection, test, delivery, acceptance, use and payment by Buyer, and shall inure to the benefit of, and will be deemed to have been made directly to, Buyer and its Affiliates (as hereinafter defined), their respective Agents (as hereinafter defined) and any other person to whom the warranties would extend under applicable law. Seller recognizes that any breach of its warranties might result in special, incidental or consequential damages for which it will be responsible.

8 GENERAL INDEMNITY

Seller shall indemnify, defend, and hold harmless Buyer, its officers, directors, employees and agents from any and every liability, claim of liability, allegation, judgment, cost, expense, reasonable attorney's fees, loss or damage whatsoever, including, without limitation, death or injury to any person or damage to any property, resulting from or arising out of Seller's performance hereunder.

9 PATENT INDEMNITY

Seller agrees to indemnify and hold purchaser, its successors, assigns, customers and the users of the products ordered herein, harmless against loss, damage or liability including costs and expenses, which may be incurred on account of any claim, demand, suit or judgment involving infringement or alleged infringement of any patent rights in the manufacture, use or disposition of any article or material supplied here-under, provided purchaser shall notify seller or any such claim, demand or suit, and to the extent possible, the seller shall be permitted to defend the same or make settlement in respect thereof.

10 ASSIGNMENT

Seller may not assign, transfer, or subcontract this Purchase Order or any right or obligation hereunder without Buyer's written consent.

11 FORCE MAJEURE


Purchaser shall not be responsible for failure to receive delivery if occasioned by unforeseeable causes beyond the control and without the fault or negligence of purchaser. At the purchaser's option, the total quantities covered by this order may be reduced to the extent of shipments refused or by the delivery period specified may be extended by a time equal to that during which shipments shall be refused and such shipments thereafter made during the period of extension.

12 CONFIDENTIAL DATA

Seller agrees to treat as strictly secret and confidential all specifications, drawings, blueprints, samples, electronic model files, financial data, emails or other forms of communication and other information which may be supplied from time to time by the Buyer or Buyer's representative and agrees not to disclose any of this information relating to this order to any person without the expressed written consent of the Buyer.

13 INTELLECTUAL PROPERTY RIGHTS

Each of the Parties acknowledges and agrees that:

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each Party retains exclusive ownership of its Background Intellectual Property Rights;

Buyer does not transfer to Seller any of its or their customer’s Intellectual Property, which may include drawings, electronic model files, samples, technical data or specifications, and Seller may not use or disclose any Buyer’s Intellectual Property to others outside the Seller’s company except to produce and supply Goods to Buyer hereunder, unless written permission is received from the Buyer;

Seller does not transfer to Buyer any of Seller’s Background Intellectual Property Rights, except that Seller grants to Buyer and its customers the right to use and resell Goods, incorporate Goods purchased from Seller into finished goods, and sell such finished goods to its customers; all Foreground Intellectual Property Rights will be owned by Buyer;

Seller assigns to Buyer all of Seller’s right, title, and interest in and to all Foreground Intellectual Property Rights, and, to the extent that any Foreground Intellectual Property Rights are copyrightable works or works of authorship (including computer programs, technical specifications, documentation, and manuals), the Parties agree that such works are “works made for hire” for Buyer under the US Copyright Act; and

Seller shall only use the Foreground Intellectual Property Rights to produce and supply Goods to Buyer.


Seller grants to Buyer an irrevocable, non-exclusive, worldwide, perpetual, royalty-free license, with the right to grant sublicenses, to use Seller’s Background Intellectual Property Rights to produce, use, sell and to obtain, from alternate sources, products and services similar to the Goods (including related systems and components) following the expiration or earlier termination of this Agreement and in connection with Buyer’s rights hereunder to purchase Goods from an alternative source at any time during the Term hereof.

14 INSURANCE

In the event that Seller’s objections here-under require or contemplate performance of services by Seller’s employees, or persons under contract to seller, to be done on purchaser’s property, or property of purchaser’s customers, the seller agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the purchaser. Seller shall maintain all necessary insurance coverage’s including public liability and workers’ compensation insurance. Seller shall indemnify and save harmless and defend purchaser from any and all claims or liabilities arising out of the work covered by this paragraph. Seller shall maintain all necessary insurance coverage’s including public liability and workers’ compensation insurance. Seller shall indemnify and save harmless and defend purchaser from any and all claims or liabilities arising out of the work covered by this paragraph.

Seller shall maintain all necessary insurance coverage’s including public liability and workers’ compensation insurance, subject to the following minimum limits:

- Commercial General Liability insurance written on an “occurrence” basis with a combined single limit for bodily injury and property damage of at least \$1,000,000 per occurrence, and \$2,000,000 annual aggregate. Coverages shall include but not necessarily be limited to premises and operations, products and completed operations, contractual liability, broad form property damage liability, and personal and

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advertising liability. The policy shall name Buyer as an additional insured include a waiver of subrogation in favor of Buyer.

- With respect to Aviation vendors: Aviation General Liability insurance, including products and completed operations liability, premises liability, grounding liability and war liability, with limits of at least

\$1,000,000 per occurrence and \$2,000,000 in the aggregate. The policy shall name Buyer as an additional insured and include a severability of interest's provision.

15 PRICES

Seller agrees and represents that the prices specified in this order do not exceed current selling prices for the same or substantially similar articles, and for comparable quantities, and that such prices are not in the excess of the maximum prices permitted by any applicable governmental regulations existing at the date of this order. Seller will give the purchaser the benefit of any price decline to actual time of shipment except that should purchaser permit shipment to be made before specified shipping date, purchaser shall have advantage of lower prices which occur before specified shipping date.

16 INSPECTION/TESTING

Payment for the goods delivered here-under shall not constitute acceptance thereof. Purchaser shall have the right to inspect such goods and to reject any or all said goods which are in purchaser's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned to seller at its expense and, in addition to purchaser's other rights, purchaser may charge seller all expenses of unpacking, examining, repacking and reshipping such goods. The Seller will also be obligated to send the remaining order quantity not present in the initial delivery at their own expense. In the event purchaser receives goods whose defects or non-conformities are not apparent on initial examination, testing or inspection purchaser reserves the right to require replacement, as well as payment of damages. Nothing contained in this purchase order shall relieve in any way the seller from the obligation of testing, inspection, and quality control.


Acceptance of the applicable Purchase Order is consent for inspection by the Buyer and other applicable authorities if necessary.

17 WAIVER

Purchaser's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or purchaser's waiver of any breach here-under shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

18 EQUAL OPPORTUNITY

Vendor agrees to comply with all laws prohibiting discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex, age or because of physical or mental handicap, including Title VII of the Civil Rights Act of 1964 as amended, Executive Orders 10925, 11141 and 11246 as amended. Sections 402 and 503, the regulations at 41 C.F.R. parts 60-1 through 60-60, 60-250 and 60-741, and ASPR 12-802 as modified by ASPR-12-803m which are part of hereof by reference.

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19 COMPLIANCE

Seller warrants that all goods and services sold here-under shall have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations, including EEO and Affirmative Action, to which they are subject. Seller shall execute and deliver such documents as may be required to effect or to evidence compliance. All laws and regulations required in agreements of this character are hereby incorporated by this reference, as applicable, including provisions of 38 U.S. Code 4212, Executive Orders 11246, 11375, 11758, 11701, 12086, 13201 (including 29 CFR Part470) as amended, and any subsequent executive orders relating to equal opportunity for employment on government contracts.

20 COMBATING OF HUMAN TRAFFICKING

Bascom Hunter Technologies, Inc. strictly prohibits human trafficking in all our operations and in those of all subcontractors, suppliers, and agents in our global supply chain. Workers will not be subject to any form of forced, compulsory, bonded, or indentured labor. All work must be voluntary, and workers will have the freedom to terminate their employment at any time without penalty, upon giving reasonable notice.

21 NOTES FOR MANUFACTURED PARTS

- Unless otherwise specified in the Purchase Order, a Certificate of Conformance is required for all parts and must reference our Purchase Order Number, Part Number, Revision and Serial Number or Lot Number, if applicable
- Unless otherwise specified in the Purchase Order, Material Certifications are required and must reference our Part Number, Revision, and Purchase Order Number.
- Unless otherwise specified in the Purchase Order, Finishing Certifications are required for all processes and must reference process specification, our Part Number, Revision and Serial Number or Lot Number, if applicable
- All parts must be tagged or otherwise marked with the following information: Part Number, Revision, Purchase Order Number, and Serial Number (if applicable). If Serial Number marking is required, the number sequence will be as specified in the Purchase Order.
- The Buyer reserves the right to, at any time, 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 shipping or packaging; (d) place or time of delivery; or (e) any other matters affecting this Purchase Order.
- Buyer may terminate the Purchase Order for its convenience, in whole or in part, 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. • Seller shall be responsible for proper packaging, loading, and tie-down to prevent damage during transportation. Buyer's weight and/or count will be accepted as final and conclusive on all shipments not accompanied by a packing list. Delivery to Buyer shall be construed as the on dock date at Buyers facility (required date) as noted on

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PO. Buyer will not accept shipments prior to two weeks in advance of the required dock date unless otherwise authorized in writing.

- No substitution of materials or accessories may be made without written permission from the Buyer.










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Final Audit Report

2023-07-05

Created:	2023-07-05
By:	Jacques Tassin (tassin@bascomhunter.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAbNrcCfsD6OhmuYFnOzkzHHn0QnifAXUn

"SCO 201 Rev.C Supplier Terms and Conditions (to be signed)" History

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