



Crux Manufacturing Supplier Terms and Conditions

1. **Acceptance** – The Supplier shall accept this order by acknowledgment hereof within two business days of the date of issue. Crux Manufacturing may terminate this order at any time at any time prior to such acceptance, with or without cause. This order is subject to these terms and conditions and the Supplier's acceptance is conditional on the Supplier's assent to these terms and conditions. Any provision of the Supplier's quotation, proposal, acknowledgment, confirmation, or other form or writing inconsistent with or in addition to these terms and conditions contained in this order are hereby objected to and rejected by Crux Manufacturing and will not constitute a part of the contract of sale.
2. **Warranty** – The Supplier warrants that all the materials and articles furnished hereunder will be exact conformity with this order and with any other description, specification, drawing, or sample supplied by Crux Manufacturing or the Supplier; shall be free from defects in material and/or workmanship and shall be merchantable and fit for the purpose, if any, indicated by Crux Manufacturing to the Supplier.
3. **Inspection and Acceptance of Goods** – All goods shall be delivered subject to Crux Manufacturing's right of inspection and rejection. Defective goods or goods which fail to conform in any respect with Crux Manufacturing's specifications will be held for the Supplier's instructions for resolution. Crux Manufacturing shall have the right to cancel those goods and any unshipped portion of the order. Payment for goods on this order prior to inspection shall not constitute acceptance thereof and acceptance of the goods by Crux Manufacturing shall not relieve the Supplier from any of its obligations and warranties.
4. **Extra Charges** – No additional charges of any kind, including charges for boxing, packing, crating, or other extras will be allowed unless agreed to in writing in advance by Crux Manufacturing. Before proceeding with any work or shipping any goods involving possible claims by the Supplier for extra compensation above the price specified in the order, The Supplier shall submit to Crux Manufacturing a detailed statement of such items together with the price thereof.
5. **Invoices** – Separate invoices must be rendered for each shipment to show Crux Manufacturing's purchase and part numbers. Bill of lading or express must accompany invoices and must include weight and rate of freight. A packing list must be placed in all packages and boxes and a purchase order number must appear on all invoices, packing lists, and bills of lading.
6. **Installation** – In the event that the goods ordered hereunder require connection or installation thereof, the Supplier agrees to furnish the services of a supervisor or expert connected with the Supplier, either without charge or at an agreed upon rate per day. Such supervisor shall not be deemed an agent of employee of Crux Manufacturing while performing his duties with respect to goods covered by this order, and the Supplier will assume full responsibility for acts and omissions of such party.
7. **Miscellaneous** – The interpretation, validity and enforcement of this agreement shall be interpreted according to the internal laws of the state of Texas. It constitutes the entire agreement between the parties and may not be modified or amended except in writing signed by Crux Manufacturing. It may not

be assigned by the Supplier without Crux Manufacturing's prior written consent. Any remedy provided herein shall not be exclusive of any remedy provided under any other applicable law, regulation, rule, or ordinance.

8. **Property** – All tools, gauges, fixtures, and drawings furnished by Crux Manufacturing or which Crux Manufacturing specifically authorizes the Supplier to acquire for work on this order shall be the property of Crux Manufacturing. They shall be listed and maintained in an appropriate condition so that they do not degrade and that they remain without defect.
9. **Notification of Nonconforming Material** – The Supplier agrees to notify Crux Manufacturing prior to the shipping of any material that is suspect of nonconformance to a specified requirement. This notification must be in such a manner that Crux Manufacturing can provide a timely agreement to accept such material.
10. **Notification of Changes In-process, Material, Manufacturing or Production Facilities** – The Supplier agrees to notify Crux Manufacturing in the event that an agreed upon process will be or has changed to the degree it MAY affect the products performance either at Crux Manufacturing or the end user. Once a manufacturing or production facility has been awarded a contract the Supplier may not move Crux Manufacturing's business without notification and approval by Crux Manufacturing.
11. **Source Inspection** – When deemed necessary by Crux Manufacturing the Supplier shall allow for source or on sight inspection by either Crux Manufacturing, its customer or both. The Supplier will be provided reasonable notification of any such inspection.
12. **Requirements of the Supplier** – The Supplier must meet the following requirements. Exceptions are to be addressed with the Crux Manufacturing on an individual basis.
 - Implement and maintain a quality management system holding standards of ISO9001:2015, AS9100 D, or NADCAP accreditation on special processes.
 - When directed, use Crux Manufacturing designated or approved external the Suppliers
 - Notify Crux of nonconforming processes, products, or services and obtain approval for their disposition.
 - Crux Manufacturing will perform periodic reviews including process, product, and service conformity.
 - Maintain On-Time Delivery and Quality of at least 95%.
 - Prevent the use of counterfeit parts
 - Flow down to the Suppliers external providers applicable requirements.
 - Retain documented evidence for a minimum of 7 years.
 - Competence, including any required qualification of persons.
13. **Supplier's Contribution** – The Supplier acknowledges the following:
 - They contribute to Crux Manufacturing's overall product conformity
 - They contribute to the Crux Manufacturing's overall product safety
 - They are to act in an ethical behavior
14. **Crux Manufacturing's Information for Suppliers**– Based on customer and/or QMS requirements, Crux Manufacturing shall flow down to the supplier on the purchase order any applicable requirements for:

- Required documentation to be supplied to Crux Manufacturing
 - Control and monitoring of the supplier's performance to be applied
 - Test, inspection, and verification (including production process verification)
 - The use of statistical techniques for product acceptance and related instructions for acceptance
15. **Key Characteristics**– When key characteristics have been identified by Crux Manufacturing, the Supplier agrees to flow down all applicable requirements to any subcontracted work in which they are being compensated for including but not limited to:
- Drawings
 - Product Specifications
 - Regulatory requirements
 - Documentation (written or electronic media)
16. **Packaging** – The Supplier shall protect the product from contamination and/or damage by foreign objects (FOD) during manufacturing, test, packaging, and transportation. When packaging of material is supplied to the Supplier for the purpose of returning material or product to Crux Manufacturing the Supplier shall maintain the packaging in the condition it is received.
17. **Records** – When directed by Crux Manufacturing all quality records providing evidence of conformity to requirements must be maintained in retrievable form or format for the specified time in the contract. When no retention time is specified, records will be maintained and retrievable for 7 years. After the retention time has expired documents and records are to be destroyed.
18. **Failure to Deliver** – If the Supplier is more than 7 days past due of the delivery date specified in this order, Crux Manufacturing may cancel this order, or the unfulfilled portion of this order, without penalty or other cost to Crux Manufacturing. In the event that Crux Manufacturing elects not to terminate this order pursuant to its rights under this section, the Supplier agrees that such election does not relieve the Supplier from liability for any damages that may inure to Crux Manufacturing, and any assistance given by Crux Manufacturing to the Supplier shall not release the Supplier from the faithful performance of this order.
19. **Revision Levels** – Unless otherwise specified industry specifications listed on purchase orders or accompanying documents are to be to the latest revision.
20. **Material Test Report** – Original mill material test reports are to be forwarded to Crux Manufacturing for any purchase orders for raw material (plate, bar, rounds, etc.)
21. **Non-Conformances** – Crux Manufacturing requires a five-part corrective action to include:
- Root cause
 - Immediate corrective actions
 - Actions taken to prevent recurrence
 - Product evaluation (if applicable)
 - Submittal of objective evidence