

This Agreement is made by and between Spika Design & Manufacturing, Inc. ("SPIKA") and the supplier of goods and/or services to SPIKA ("SUPPLIER"). As a SUPPLIER to SPIKA, it is understood that your organization agrees to meet the following stipulations and requirements. These requirements are to be considered Terms and Conditions to all purchase orders issued by SPIKA. Any changes to these Terms and Conditions will be stated on the purchase order. These terms and conditions apply to all SUPPLIERS of products and services to SPIKA which are used in products supplied by SPIKA to our customers.

1. BACKGROUND AND PURPOSE

SPIKA is a specialist in the design, engineering, and manufacturing of customized work platforms and mechanical ground support equipment. SPIKA supplies customized work platforms and equipment to many industries and companies around the world. When engaging a SUPPLIER, it is necessary for SPIKA to obtain the highest quality products and services, innovative solutions, and fulfillment of all its contractual obligations to its customers, including but not limited to quality and durability, functionality, meeting delivery date(s), complying with confidentiality obligations and ensuring continuity of supply of spare parts and fulfillment of warranty obligations.

2. PO AND CONTRACT

These terms and conditions of purchase shall govern any and all purchases by SPIKA from SUPPLIER identified on a duly authorized SPIKA Purchase Order ("PO"). SUPPLIER agrees to perform the services and/or to produce the goods set forth on SPIKA'S PO in full conformity therewith, and as outlined in any accompanying documentation i.e., fabrication drawings, statements of work ("SOW"), etc. Unless specifically agreed to in writing by SPIKA'S authorized procurement officer ("Procurement Officer"), SPIKA objects to, and shall not be bound by, any term or condition that differs from SPIKA'S PO, SOW, these Terms & Conditions, or fabrication drawings/prints.

3. SCHEDULE AND DELIVERY

SUPPLIER shall strictly adhere to the shipment or delivery schedule(s) set forth in the PO. In the event of any anticipated delay in SUPPLIER'S performance, SUPPLIER shall promptly notify SPIKA of the reason(s) for the delay, and undertake all reasonable, good faith efforts (including overtime, expedited shipment, etc.) to avoid or minimize any delay(s). SUPPLIER shall pack the goods to prevent damage and in accordance with any written instructions communicated by SPIKA. Unless otherwise specified in SPIKA'S PO, delivery of all goods shall be FOB SPIKA at its US headquarters located in Lewistown, MT. SUPPLIER shall make the transportation arrangements, pay the shipping costs, and remain responsible for the goods until the goods are delivered and SPIKA or SPIKA'S designee takes possession at the destination specified in writing by SPIKA. SUPPLIER shall store completed goods for up to forty-five (45) calendar days after the delivery date without additional charge upon written request by SPIKA.

4. QUALITY CONTROL AND INSPECTION

SUPPLIER shall establish and maintain a quality control system acceptable to SPIKA for the goods to be produced and/or services to be performed pursuant to the PO. 100% Quality Control Inspection is the preferred method of quality inspection. Random sampling should only be utilized if prior authorization is agreed on and sample size and selection methods should be recorded and in accordance with AQL as defined by ISO 2859-1. SUPPLIER agrees to admit representatives of SPIKA, SPIKA'S customer(s), and/or regulatory authorities to the premises of SUPPLIER and/or its agents and suppliers during regular business hours on reasonable prior notice to observe and inspect the SUPPLIER'S performance under the PO and to perform tests on the goods to be produced under the PO. SUPPLIER may be asked to provide test specimens to SPIKA for design approval, inspection/verification, investigation, or auditing. SUPPLIER shall promptly notify SPIKA in writing of non-conforming goods delivered or to be delivered under the contract, including the quantity and specific identity of any impacted goods. SPIKA will determine how the non-conformity(ies) will affect acceptance/rejection of the goods.

5. COUNTERFEIT PARTS DETECTION AND AVOIDANCE

- 5.1. Seller shall not furnish Counterfeit Parts, which are defined as unauthorized copies, imitation, substitute or modified parts (e.g. materials, parts, components, subassemblies) which are misrepresented as a specified genuine part(s) of an original or authorized manufacturer. Counterfeit and Suspect Counterfeit Parts shall be deemed non-conforming to this Contract. A Suspect Counterfeit Part is a part for which there is objective and credible evidence indicating that it is likely counterfeit.
- 5.2. Seller shall plan, implement and control processes appropriate to the organization and the products for the prevention of Counterfeit or Suspect Counterfeit Part use and their inclusion in Goods. Seller's Counterfeit Parts prevention processes shall address the following:
 - 5.2.1. Training of appropriate persons in the awareness and prevention of Counterfeit Parts;
 - 5.2.2. Application of a parts obsolescence monitoring program;
 - 5.2.3. Controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources;
 - 5.2.4. Requirements for assuring traceability of parts and components to their original or authorized manufacturers, authorized distributors, or other approved sources;
 - 5.2.5. Verification and test methodologies to detect counterfeit parts;
 - 5.2.6. Monitoring of counterfeit parts reporting from external sources;

- 5.2.7. Quarantine and reporting of suspect or detected counterfeit parts, including preventing reentry into the supply chain;
- 5.2.8. Notification (no later than 30 days after detection) to SPIKA if Counterfeit or Suspect Counterfeit parts are detected;
- 5.2.9. Replacement of Counterfeit or Suspect Counterfeit parts at the SUPPLIER'S expense

6. FOD PREVENTION

To prevent Foreign Object Damage (FOD), SUPPLIER shall be responsible for preventing foreign objects or material from entering and remaining in deliverable items. Awareness and control/mitigation of FOD generating processes is paramount to the delivery of acceptable parts, and can result in non-conformity or rejection of goods if excessive FOD is present.

7. CHANGE ORDERS

SPIKA may direct changes within the general scope of the PO, including but not limited to technical requirements, designs, performance, shipment, time, or place of delivery. SUPPLIER agrees to comply immediately with any such direction to SUPPLIER given in writing by SPIKA. If SUPPLIER determines that such change materially increases or decreases the cost or time required by SUPPLIER to complete the PO, SUPPLIER shall notify SPIKA thereof within ten (10) business days after SPIKA directs the change(s). SPIKA and SUPPLIER shall negotiate an equitable adjustment in price or schedule, or both, to reflect the change(s), but in any event such change(s) shall be comparable to any such increase or decrease to which SPIKA is bound with its customer pertaining to the subject matter of the PO. SPIKA shall have the right to verify the amount of the SUPPLIER'S claim in accordance with the Financial Records and Audit Paragraph of this agreement below.

8. NOTIFICATION OF OPERATIONAL CHANGES

SUPPLIER must notify SPIKA of any changes to processes, products, or services. This includes, but is not limited to, changes of external providers, changes of location of manufacture, and changes of material. SUPPLIER must receive written approval to continue the contract after such a change. SUPPLIER must inform SPIKA of changes in financial or other circumstances which might affect purchasing or operating decisions.

9. TERMINATION

SPIKA may terminate all or part of the PO at any time, with or without cause.

6.1.Termination without Cause by SPIKA: In the event that SPIKA terminates the PO without cause as the result of SPIKA'S customer's termination, in whole or part, of the customer's contract with SPIKA for the supply of the applicable goods or services that are the subject of the PO by SPIKA with SUPPLIER, SUPPLIER shall be entitled to compensation for its performance under the PO based on the percentage of its performance completed up to the time of the termination by SPIKA of the PO, including SUPPLIER'S binding obligations to its sub SUPPLIERS, but in no event shall SUPPLIER be entitled to any compensation from SPIKA which is greater than the compensation actually received by SPIKA from its customer for such termination prorated in proportion to all expenses incurred by SPIKA, including SPIKA'S binding commitments to all of its SUPPLIERS and subcontractors, on that portion of the PO placed by SPIKA'S customer which said customer has terminated. In the event the termination by SPIKA is without cause, but is not the result of SPIKA'S customer termination, in whole or part, of its contract with SPIKA for the supply of the goods or services that are the subject of the PO by SPIKA with SUPPLIER, SUPPLIER shall be entitled to compensation from SPIKA which is equal to the percentage of its performance completed up to the time of termination by SPIKA of the PO, including SUPPLIER'S binding obligations to its sub SUPPLIERS. SPIKA shall have the right to verify the amount of the SUPPLIER'S claim in accordance with the Financial Records and Audit Paragraph of this Agreement below.

6.2.Termination with cause by SPIKA: SPIKA may terminate the PO placed with SUPPLIERS, in whole or in part, if SUPPLIER fails to deliver the goods and/or services specified in the PO by the time specified in the PO or any written extension, SUPPLIER fails to perform or to make progress, so as to endanger performance of the PO, SUPPLIER supplies non-conforming goods and/or services, or SUPPLIER suspends its business operations or performance under the PO, or is insolvent, appoints a receiver for SUPPLIER'S business or its business operations performing the PO, or makes any assignment, reorganization or other similar arrangement for the benefit of its creditors.

10. FINANCIAL RECORDS AND AUDIT

SUPPLIER shall retain all financial records and documents pertaining to its performance hereunder for a period of no less than three years after final payment. Such records and documents shall date back to the time the PO was issued and shall include without limitation, price lists, invoices, underlying data and basis for costs, estimates, and inventory records. SPIKA shall have the right to examine, reproduce and audit all SUPPLIER records related to pricing, incurred costs, and proposed costs associated with any proposals (prior to or after contract award), invoices or claims.

11. ACCEPTANCE AND REJECTION

8.1 Notice of Rejection: SPIKA shall accept SUPPLIER'S goods and/or services or give SUPPLIER notice of rejection or revocation of acceptance within ten (10) business days after delivery notwithstanding any payment, prior test or inspection, or passage of title. No inspection, test, or failure to inspect or test or to discover any defect or other non-conformance shall relieve SUPPLIER of any obligation under the PO or any rights or remedies of SPIKA.

8.2 Remedies: If SUPPLIER delivers nonconforming or defective goods and/or services, SPIKA may, at its option, at SUPPLIER'S expense (i) return the applicable goods and/or services for credit or refund, (ii) require SUPPLIER to promptly correct or replace the applicable goods and/or services, (iii) correct the applicable goods and/or services, or (iv) obtain replacement goods and/or services from an alternate source.

12. CONFIDENTIAL AND PROPRIETARY INFORMATION

SUPPLIER agrees to keep strictly confidential and protect from unauthorized use and disclosure: all confidential, proprietary and/or trade secret information, whether or not specifically designated as such, furnished by SPIKA or SPIKA'S customer(s), directly or indirectly, to SUPPLIER, prior to or after being engaged by SPIKA including but not limited to plans, proposals, specifications, drawings, marketing plans, pricing or cost data, or any other tangible or intangible items embodying such information, including tooling, models, source code, object code, and software ("Proprietary Information"). Proprietary Information shall not include information that is lawfully in the public domain, lawfully disclosed to or known by SUPPLIER without restriction or generally known in the trade or industry prior to disclosure hereunder. SUPPLIER agrees to use Proprietary Information solely and exclusively for the purpose of fulfilling its duties under the PO once placed by SPIKA, and for no other purpose. SUPPLIER agrees to return all such Proprietary Information furnished by SPIKA or its customer(s) to SUPPLIER, directly or indirectly, to SPIKA within thirty (30) calendar days of the termination or cancellation of an PO placed by SPIKA or of notice by SPIKA to SUPPLIER that SPIKA is not awarding an PO to SUPPLIER or otherwise immediately upon written request by SPIKA.

13. INTELLECTUAL PROPERTY

As used herein, Intellectual Property ("IP") shall mean improvements, innovations, know-how, technical data, drawings, specifications, process information and software, and includes common law and statutory rights to the foregoing, including but not limited to patents, utility models, designs, trade secrets, copyrights, and the like. It is understood that SPIKA designs and builds work platforms and mechanical ground support equipment across a variety of industries, and that SPIKA is the owner of all IP developed, purchased, or otherwise lawfully obtained prior to the contract, or developed by SPIKA over the course of the contract.

14. SPIKA PROPERTY

SUPPLIER shall clearly mark, maintain an inventory of, and keep segregated or identifiable all SPIKA'S property and all property to which SPIKA acquires an interest by virtue of the contract. SUPPLIER assumes all risk of loss, destruction, or damage of such property while in SUPPLIER'S possession, custody or control, including any transfer to SUPPLIER'S subcontractors. Upon request, SUPPLIER shall provide SPIKA with adequate proof of insurance against such risk of loss. SUPPLIER shall not use such property other than in performance of the contract without SPIKA'S prior written consent. SUPPLIER shall notify SPIKA'S Procurement Officer if SPIKA'S property is lost, damaged, or destroyed. As directed by SPIKA, upon completion, termination or cancellation of the contract, SUPPLIER shall deliver such property, to the extent not incorporated in delivered goods, to SPIKA in good condition subject to ordinary wear and tear and normal manufacturing losses.

15. WARRANTY

SUPPLIER warrants that the goods and/or services supplied to SPIKA under the PO shall conform to all specifications, instructions, tolerances, and requirements set forth in the PO and shall be free from defects in material and workmanship. This warranty shall survive inspection, test, and acceptance of, and payment for, the goods and/or services furnished pursuant to the PO. The warranty shall run to SPIKA and its customer. SPIKA or its customer may, at its option, either (i) return the goods and/or services for refund or credit, or (ii) require prompt correction or replacement of the nonconforming or defective goods and/or services. Return of non-conforming or defective goods and/or services shall be at SUPPLIER'S expense. The duration of SUPPLIER'S warranty shall be for (1) year from the date of the start-up by SPIKA'S customer.

16. TAXES

Unless the PO specifies otherwise, the price to be paid to SUPPLIER includes all taxes, impositions, charges, and exactions imposed on or measured by the PO except for applicable sales and use taxes that are separately stated on SUPPLIER'S invoice. Prices shall not include any taxes, impositions, charges, or exactions for which SPIKA has furnished a valid exemption certificate or other evidence of exemption.

17. NO ASSIGNMENT, DELEGATION OR SUBCONTRACTING

SUPPLIER shall not assign, transfer, delegate or subcontract to any unaffiliated person or business its right or interest in the PO without the prior written consent of SPIKA. In the event SPIKA consents to any assignment, transfer, delegation, or subcontracting, it shall not relieve SUPPLIER of any of its obligations under the PO. Moreover, SUPPLIER is required to flow down, and verify completion of, any applicable contractual requirements that are included with the order. This article shall not limit SUPPLIER'S ability to purchase standard commercial supplies or raw materials.

18. PUBLICITY

SUPPLIER, and any of their suppliers or subcontractors, shall be obligated not to release any publicity, advertisement, news release or other form of public announcement regarding this PO or the program or customer to which it relates without the prior written approval by SPIKA.

19. INDEMNITY

19.1. The work performed by Subcontractor shall be at its exclusive risk. To the fullest extent permitted by law, Subcontractor will defend, indemnify and hold harmless all indemnified parties from any and all claims for bodily injury and property damage (other than damage to the work itself), including the loss of use of property resulting therefrom, which arise or are in any way connected with the work performed, materials furnished or services provided by Subcontractor, Subcontractor's subcontractors or anyone employed directly or indirectly by any of them under this agreement.

Indemnified parties includes the Contractor, Owner (if different from Contractor), affiliated companies, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors and their assigns.

Claims include any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and consultants' fees).

19.2. Subcontractor is not obligated to indemnify and defend Contractor or owner for claims due to the sole negligence or willful misconduct of indemnified parties. Any obligations assumed pursuant to this agreement will not be construed to negate, abridge or reduce other rights or obligations of indemnity, which otherwise exist as to a party or person described in this agreement.

19.3. Subcontractor's indemnification and defense obligations under this contract extend to claims occurring after this agreement is terminated as well as while it is in force and continue until it is finally adjudicated that any and all actions against the indemnified parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws.

20. INSURANCE REQUIREMENTS

20.1. During the Term of this Agreement, SUPPLIER, shall at its own cost, obtain and keep in force for the benefit of SUPPLIER and SPIKA all insurance/and or bonds required by law and the following insurance with minimum limits as set forth below: (i) Worker's Compensation and Employers Liability Insurance per statutory requirements; (ii) Commercial General Liability with minimum limits for Bodily Injury and Property Damage on an occurrence basis of: \$1,000,000 per occurrence; \$2,000,000 aggregate; (iii) Business Automobile Liability Insurance covering all vehicles used in connection with the work and covering Bodily Injury and Property Damage with a minimum limit equal to: \$1,000,000 per accident.

20.2. Additional insurance requirements: (i) At SPIKA'S request, SUPPLIER shall furnish SPIKA with certificates of insurance and with copies of original endorsements effecting coverage required by this clause. SPIKA reserves the right to require complete, certified copies of all required insurance policies, at any time. (ii) All policies provided for herein shall expressly provide that such policies shall not be canceled, terminated, or altered without sixty (60) days' prior written notice to SPIKA.

21. ACKNOWLEDGEMENT OF RESPONSIBILITY

SUPPLIER acknowledges their responsibility and contribution to the conformity of product and services, product safety, and the importance of ethical behavior. Ethical and safety violations can be reported (anonymously) to 406-924-3892 or ethics@spikamfg.com

22. RELATIONSHIP OF SPIKA AND SUPPLIER

SPIKA and SUPPLIER are independent contracting parties. Nothing in the PO or these terms and conditions shall make either party the agent or legal representative of the other for any purpose whatsoever nor grant either party any authority to bind or create any obligation on behalf of, or in the name of, the other party.

23. GOVERNING LAW

The PO and these Terms & Conditions and any written amendment or modification agreed in writing between the parties shall be governed and construed in accordance with the laws of the State of Montana.

24. REVISION HISTORY

REVISION	DATE	DESCRIPTION
REL	10/14/2019	Initial Release
A	10/28/2019	Added section for evaluation
B	06/08/2021	Reworked to better suit outsourced parts/processes

C	1/4/2024	Added Indemnity section
D	9/25/2025	Added additional flow downs

PROCESS OWNER
 Logan Standley, Supply Chain Manager

APPROVED BY
 Shandon Reay, COO


 Logan Standley (Sep 24, 2025 14:38:30 MDT) 09/25/2025
 Signature


 Michael Pavlovick (Sep 25, 2025 10:03:26 MDT) 09/25/2025
 Signature