

# Supply Chain

## For Goods and Services Purchased by Novabone Products, LLC

### 1. Definition of Terms

The following terms have the respective meanings set out below:

- a. Novabone Products, LLC refers to the company placing the purchase order
  - b. Supplier/Seller refers to the party selling goods or services to Novabone Products, LLC. This Party is specified on the Purchase Order.
  - c. Promise Date means the date on which the purchased item is received by Novabone Products, LLC or at the stipulated delivery point.
  - d. Unit Price means the total of any stipulated sums for the Work (or any portion thereof) set forth in the Purchase Order, as amended by any instruction notice.
  - e. Item Number and Description means all materials, processes, equipment, machinery, assemblies, instruments, devices or articles and related components be supplied to Novabone Products, LLC by the Supplier under the Purchase Order and all associated documentation.
  - f. Purchase Order means the purchase order issued by Novabone Products, LLC.
- ### 2. Contractual Documents and Order of Precedence
- a. These documents take precedence in this order: Purchase Order, these Terms and Conditions.
  - b. These documents are subject to subsequent amendments to the Purchase Order, in the form of instruction notices to the purchase order, which will take precedence over the documents they amend.
  - c. No agent, employee or other representative of Novabone Products, LLC has authority to make any promise, agreement or representation not incorporated into a contractual document, and no promise, agreement or representation will bind Novabone Products, LLC unless so incorporated.

### 3. Language

Unless otherwise authorized by Novabone Products, LLC in writing, all records from the Supplier, such as reports, specifications, drawings, and other documentation, shall be in English.

### 4. Price

Unless otherwise indicated on the Purchase Order:

- a. All monetary amounts are stated in US funds
  - b. The Unit Cost includes all activities required to supply the Purchased Item and perform the work relating to the Purchased item all other changes in any cost of the work relating to the Purchased Item to the Supplier.
- ### 5. Terms of Payment

Novabone Products, LLC's standard payment terms are Net 30 days. Any changes to this will be specified on the Purchase Order. All payments are conditional on receipt and acceptance of the Purchased Item before the date payment is made. In addition, Novabone Products, LLC may withhold any payment if there remain outstanding any unresolved, non-conformance issues.

#### 6. Delivery Changes and Cancellation

Novabone Products, LLC reserves the right to extend the ship date and (or) cancel any item in its entirety, with no penalty or cancellation charges, by giving written notice at least six (6) calendar weeks prior to ship date.

The Purchase Order is subject to cancellation by Novabone Products, LLC if the Purchased Items are not delivered in accordance with the schedule specified on the purchase order.

#### 7. Document Control

- a. The Supplier shall control drawings, specifications and supplemental instructions and changes there to the extent necessary to ensure that only documents of the revisions specified in the Purchase Order are utilized.
- b. Supplier shall maintain a system to ensure removal of obsolete documentation from the manufacturing, inspection, and test areas.

#### 8. Material Control

- a. Where contractually indicated on the Purchase Order the Supplier is responsible for ensuring that all material used in the manufacture or processing of the Purchase Order is obtained from end customer approved sources and has proper certification.
- b. The Supplier shall establish controls to ensure that material subject to age control, shelf life, or environmental controls is properly identified, monitored, and maintained.
- c. The Supplier warrants that the goods do not contain any Conflict Minerals. For the purposes hereof, "Conflict Minerals" is defined as any other mineral or its derivatives determined to be financing conflicts in the Democratic Republic of Congo, Central African Republic South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola. These materials consist of but are not limited to:
  - i. Columbite-tantalite (ore from which Tantalum is extracted)
  - ii. Cassiterite (ore from which Tin is extracted)
  - iii. Wolframite (ore from which Tungsten is extracted)
  - iv. Gold
- d. The Supplier warrants that it is not supplying counterfeit parts, and parts are authentic. Parts are to be purchased from the Original Equipment Manufacturer and/or Authorized Dealer. A Counterfeit Part is an unauthorized copy or substitute that has been identified, marked, or altered by an unauthorized source and has been misrepresented to be an authorized part of the legally authorized source. A part that a Supplier becomes aware of or has reason to suspect meets the definition of 'counterfeit part' requires the entire lot of parts to be considered suspect counterfeit and the entire lot must immediately be segregated and quarantined. The supplier must immediately advise Novabone Products, LLC of this occurrence. The supplier must assume responsibility for all costs associated with the delivery and use of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies shall apply regardless of whether the warranty period or guarantee period has ended. Novabone Products, LLC reserved the right to notify the Government Industry Data Exchange Program and other relevant government agencies.
- e. The supplier shall flow the requirements of this Material Control to its suppliers and sub-contractors at any tier for the performance of contractual obligations.

- f. Supplier shall provide upon request from Novabone Products, LLC, the status of the supply chain policies and processes to meet the above requirements.
9. Substitutions and Subcontracting
- a. The Supplier may not subcontract the work or any portion of the work, or location of work or processes, without prior written consent of Novabone Products, LLC.
  - b. The Supplier may not make substitution of materials or processes (if different from the original specifications, drawings, or data) without written acknowledgement and consent from Novabone Products, LLC

#### 10. Right of Access

Novabone Products, LLC, its Authorized Representatives and/or an authorized auditor from Novabone Products, LLC's customer shall have right of entry at all reasonable times, to the Supplier facilities, as may be necessary to verify the quality, records and/or material supplied and confirm Supplier compliance with Regulatory, Technical and Quality Program requirements as identified in the Purchase Order, and conduct audits.

#### 11. Notification

Supplier shall notify Novabone Products, LLC when:

- a. Supplier or Supplier's sub-tiers are found to be non-compliant with Novabone Products, LLC and/or customer specifications.
    - i. Nonconforming product shall not be forwarded to Novabone Products, LLC without advance disposition approval
    - ii. Disposition approval for all Medical device products must be received in writing.
  - b. All proposed changes to product, processes, suppliers and facilities in relation to all Medical device products as identified by Novabone Products, LLC
  - c. Supplier's sub-tier supplier is disapproved by Supplier or Government Agency.
12. Quality Requirements – General
- a. The Supplier shall maintain a quality program that will assure Novabone Products, LLC that the material and workmanship used in the Purchased Item fully meet the Purchase Order requirements.
  - b. The Supplier will be responsible for and perform all inspection, testing and surveillance of the Subcontractors and the Purchased Item necessary to ensure that the Purchased Item meets the requirements of the Purchase Order.
  - c. The Supplier must provide a Certificate of Compliance and other compliance documents as specified in the Purchase Order for materials and processes.
    - i. The Certificate of Compliance must include supplier's name, print and specification numbers with their revisions, Novabone Products, LLC Purchase Order number, quantity shipped, all special requirements defined on the Purchase Order, and waivers or deviations approved by Novabone Products, LLC.
    - ii. The Certificate of Compliance may be in the form of a stamp or printed line included in the packing slip.
  - d. Required Quality Assurance documents must be provided at the time of shipment of goods, in hard copy within the shipment packaging or forwarded electronically. These may include test reports, FAI reports or other types of measurements.
  - e. Non-conforming material including fit, form, and function shall be identified and reports submitted to Novabone Products, LLC for disposition

- i. No non-conforming material may be shipped without written authorization from Novabone Products, LLC.
  - ii. A copy of the dispensation must accompany the shipment.
  - iii. All non-conforming material must be identified and traceable to the report submitted.
- f. 'Limited Life' material supplied per Purchase Order must be accompanied by the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- g. Seller shall ensure that persons under their employ are aware of their contribution to product and/or service conformity, product safety, and the importance of ethical behavior. Seller further commits that it is in compliance with the UK Modern Slavery Act 2015. Any material violation of this Act or unethical by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Agreement may be considered a material breach of this Agreement for which Buyer may elect to cancel any open Orders between Novabone Products, LLC and the Seller, for cause, in accordance with the provisions of this Agreement, or exercise any other right of Novabone Products, LLC for an Event of Default under this Agreement.
- h. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for work under this Agreement.

### 13. Quality Requirements ISO13485

- a. For Purchased Items regulated by ISO13485 the Supplier shall maintain an accredited and documented Quality Management Systems such as ISO9001 or ISO13485 that is subject to review, audit or approval by Novabone Products, LLC or Novabone Products, LLC's customers.
- b. Novabone Products, LLC's Inspector or Novabone Products, LLC' customer or regulatory agencies will inspect, at Supplier's plants, all Purchased Items which are to be delivered to Novabone Products, LLC if a source inspection requirement is specifically called out on the Purchase Order. This includes witnessing the Acceptance Tests.
- c. Novabone Products, LLC's Inspector will inspect at Supplier's plants, supplies to be delivered from Supplier to another Novabone Products, LLC subcontractor if a source inspection requirement is called out on the PO.
- d. Supplier shall prepare and present to Novabone Products, LLC Quality Representative the Acceptance documentation and Records package required by the Purchase Order for each deliverable end item. This includes the Certificate of Conformance.
- e. Supplier shall inspect, test, and accept to applicable industry standard or manufacturer's recommendation, unless expressed in Novabone Products, LLC documentation. Calibrations standard must be traceable to NIST or other governmental standard agency.
- f. Verification by Novabone Products, LLC does not absolve the Supplier of the responsibility to provide acceptable product and not preclude subsequent rejection by the customers.
- g. Manufacture and process completely to the requirements of the print, all specifications referenced therein, and all Purchase Order requirements, including such items as part marking, identification, inspection, stamps, certification, inspection records, etc. All efforts shall be made to ensure that the part is marked, whenever possible, with part identification and lot/serial number. All special processes referenced on the Purchase Order, engineering drawings or specifications must be carried out by OEM approved sources.
- h. Manufacturing and Inspection Control are required for these orders. The Supplier's documented quality system shall provide for the review of the Purchase Order, and Manufacturing and Inspection Plans, to ensure that quality requirements are incorporated into the manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with the Purchase Order.

- i. The Supplier shall submit a First Article Inspection (FAI) report for each deliverable item on the Purchase Order, when requested. This report may be in any format suitable to the Supplier's system but must contain variable data for 100% of all print characteristics and account for 100% of all features such as print notes and processes and must be representative of production processes actually used. All FAI submissions and supporting documentation must be forwarded electronically to your specific Supply Chain representative prior to or with the delivery of the first production lot. The Supplier shall retain one copy of the FAI Report as evidence, for a period of 15 years. Products already accepted by FAI shall repeat FAI or detail FAI under the following conditions:
  - i. Print, specification, manufacturing process or production tool changes that could result in a change to the product configuration.
  - ii. Production tools (exclude assistant tools) reproduced or duplicated.
  - iii. A lapse in production for two years.
- j. The Supplier Certificate of Compliance must be signed by an authorized member of the Supplier's Quality Organization and include a statement that the parts conform in all respect to the Purchase Order/Contract, prints and applicable specifications, and contain the following information, as appropriate:
  - i. Supplier's company name
  - ii. Print and/or specification number(s) and revision(s)
  - iii. Applicable process specification and revision status
  - iv. Serial number(s) and date code/lot number(s) as applicable
  - v. Waivers or deviations approved by Novabone Products, LLC
  - vi. Novabone Products, LLC Purchase Order number
  - vii. Quantity shipped
  - viii. Part Number and revision level as listed on Novabone Products, LLC Purchase Order
  - ix. Statement of traceability
  - x. All special customer requirements that may be defined in customer special process specifications and/or customer clauses
- k. Novabone Products, LLC or our representative shall be afforded the right to verify at source or upon receipt that the purchased product conforms to specified requirements. All records relating to the requirements for all Purchase Orders shall be kept on file for a minimum of 10 years from the shipment date and available for review by Novabone Products, LLC.
- l. Non-conforming material including fit, form, and function shall be identified, and reports submitted to Novabone Products, LLC for disposition. No non-conforming material may be shipped without written authorization from Novabone Products, LLC. A copy of the dispensation must accompany the shipment. All non-conforming material must be identified and traceable to the report submitted.
- m. 'Limited Life' material supplied per Purchase Order must be accompanied by a Certificate of Conformance signed by an authorized member of the Supplier's Quality Organization stating the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- n. Tooling manufactured for a Purchase Order must be physically identified with a Novabone Products, LLC part number, contract number or project identification as a minimum. Such data will be provided to Novabone Products, LLC upon request prior to shipment, to Novabone Products, LLC.

#### 14. Shipping and Packaging Instruction

All packaging will be clearly and indelibly marked to show necessary shipping information. Packaging must be suitable to prevent damage during shipping, and include a packing slip that includes the following:

- a. Novabone Products, LLC address, Novabone Products, LLC Purchase Order number.
- b. The Supplier's shipment identification number, number of packages, crates, boxes, and a detailed packing slip listing each separate item.

#### 15. Delivery

- a. Title to the Purchased Item will transfer to Novabone Products, LLC free and clear of encumbrances of any nature at the time of delivery of the Purchased Item to Novabone Products, LLC.
- b. The Supplier will be responsible for ensuring the Purchased Item will arrive at the stipulated destination in accordance with the promise date specified on the Purchase Order.
- c. In the event of a delay of default in performance by the Supplier, Novabone Products, LLC may at its discretion extend the time period for performance, upon conditions satisfactory to Novabone Products, LLC. Alternatively, in such event Novabone Products, LLC may cancel the Purchase Order, whole or in part, without any further obligations of any nature to Novabone Products, LLC and seek satisfactory performance by alternate supplier. Any extension granted by Novabone Products, LLC will not prejudice its ability to exercise its cancellation rights in the event of further delay or default.

#### 16. Correction of Defects

The Supplier is required to warranty the Purchase Item for a period of 12 months from defects, deficiencies, and failures to meet the requirements of the Purchase Order. Upon notification from Novabone Products, LLC the Supplier will make good every such defect, deficiency, or failure without cost to Novabone Products, LLC. Prior acceptance does not invalidate this obligation. The Supplier will pay all transportation charges for parts both ways between the Supplier's factory or depot and the point of use.

#### 17. Contract Cancellation

Novabone Products, LLC may from time to time, without cause and without affecting the validity of the Purchase Contract, immediately cancel any uncompleted or unperformed work relating to the Purchased Item, in whole in part, by delivering a notice to this effect to the Supplier. Except to the extent any such cancellation arises in respect of any event of default by the Supplier, Novabone Products, LLC will pay the Supplier the amounts set out below, supported by any audit requested by Novabone Products, LLC including an audited performed by Novabone Products, LLC staff:

- a. Percentage of the value of the item as a restocking charge for standard stocked items
- b. Reimbursement at the Unit Cost for all items completed and delivered
- c. Reimbursement for direct out of pocket costs to the Supplier for work relating to the Purchased item in progress directly incurred in the course of the work relating to the Purchased Item, as can be verified in an audit for costs. For greater certainty, there will be no charge for items, which are not customer manufactured for the Contract.
- d. Novabone Products, LLC will not be liable to the Supplier for loss of anticipated profit or any other economic loss whatsoever on the cancelled portion or portions of the work relating to the Purchased Item.

#### 18. Governing Laws

The Contract and the conduct of the parties with respect to the formation and performance of the contract are governed by and are to be construed and interpreted in accordance with the laws of the State of Florida and the laws of the United States applicable in the State of Florida. The parties irrevocably

submit to the non-exclusive jurisdiction of the courts of the State of Florida and the Federal Court governing the State of Florida.

#### 19. Confidentiality

Any confidential information, drawings, data, design, inventions, computer software and other technical information's supplied by Novabone Products, LLC shall remain the property of Novabone Products, LLC and shall be held in confidence by the Supplier. Such information will not be reproduced, used or disclosed to others by the Supplier without the prior written consent of Novabone Products, LLC and shall be returned to Novabone Products, LLC upon completion by the Supplier of its obligations under the Contract.

#### 20. Code of Conduct

All Suppliers are required to adhere to the Novabone Products, LLC Code of Conduct, it can be located at [Policies and Procedures – Halma plc](https://www.halma.com/sustainability/policies-and-procedures) (<https://www.halma.com/sustainability/policies-and-procedures>). It is the responsibility of the Supplier to acquire access to the Code of Conduct and flow down requirements to their sub-contractors.