



FDH Aero – General Terms & Conditions of Purchase

Revision Date: February 26, 2025

Buyer offers to purchase the products and services described in the Order only upon the terms and conditions identified in the Order and these Purchase Order Terms and Conditions. Buyer reserves the right to revoke the offer without notice at any time prior to acceptance. The Order shall be deemed agreed to and accepted by Seller and shall become a binding contract on the terms and conditions identified in the Order when:

- a. the Order or attached acknowledgment is signed by Seller and returned to Buyer,
- b. Seller issues its oral or written acknowledgment,
- c. Seller fails to acknowledge the Order within five (5) days from the date of the Order, or
- d. Seller commences performance.

By accepting the Order, Buyer rejects and Seller waives all terms and conditions contained in Seller's quotation, acknowledgment, invoice, or other documents which are different from or additional to those identified in the Order, and all such different or additional terms and conditions shall be null and void.

1. Definitions

"Authorized Purchasing Representative" means the individual designated as such on the face of the Order, or who is otherwise designated in writing by Buyer as its authorized purchasing representative.

"Buyer" means the entity identified as such on face of the Order.

"Company-Specific Addendum" means certain terms and conditions applicable to the Order which are required by the Buyer.

"Order" means the instrument(s) of contracting as modified by written changes issued by Buyer's Authorized Purchasing Representative, and all documents referenced or incorporated therein.

"Party" means Buyer or Seller, individually; and **"Parties"** means Buyer and Seller, collectively.

"Products" means those goods, supplies, reports, computer software, data, materials, articles, items, parts, components, or assemblies described in the Order.

"Seller" means the entity identified as such on face of the Order.

"Services" means those services described in the Order, including any goods, supplies, materials, articles, items, parts, components, or assemblies incidental to the performance of such services.

2. Seller's Obligations

2.1. Seller shall comply with the terms of the Order, which terms include the following:

- a. These FDH General Purchase Order Terms and Conditions;
- b. Requirements stated or expressly incorporated therein by reference on the face of the Order;
- c. The Company-Specific Addendum (if any) applicable to each Order issued by Buyer;



- d. Descriptions, drawings, planning, and specifications; quality requirements; and other instructions and requirements provided or specified by Buyer from time to time; and
- e. If the Order is issued in support of a "Government" procurement (as designated on the face of the Order), the terms set forth in Buyer's FAR/DFARS Flow-Down Addendum in effect at the time the Order is issued.

2.2. The documents described above are hereby incorporated by reference into the Order.

3. Packaging and Packing, Shipping, Delivery, Title, and Risk of Loss

- 3.1. Seller shall prepare, package, pack and mark all Products in accordance with Buyer's requirements. Seller shall ensure adequate packaging and packing to prevent damage or deterioration of the Products during the handling, shipment, and storage of the Products. Buyer may charge Seller for any damage resulting from improper packaging and/or failure to comply with any such requirements or reject the Products.
- 3.2. Seller shall comply with the following requirements:
 - 3.2.1. Individual boxes/cartons:
 - a. Shall not exceed 40 lbs. in weight and with dimensions no larger than 18" x 14" x 12";
 - b. Boxes over 25 lbs. shall be in double-wall boxes;
 - c. Straps shall not be used.
 - 3.2.2. Chemical packages that can't be packaged in a lower weight are exempt.
 - a. Product must also be protected against corrosion, rust, or any elements which may cause a visual rejection or product failure;
 - b. Silver-plated parts or parts/assemblies containing silver components shall be protected from sulfur-laden fumes, or other sources that cause tarnish;
 - c. Packaging must protect Product against leakage.
 - 3.2.3. When print or specification requirements do not already mandate explicit thread or packaging protection, threads must then be sleeved or individually packaged in a manner to prevent damage.
 - 3.2.4. If Product is sensitive to Electro Static Discharge (ESD), then ESD packaging and identification is required as per specifications. All documentation must be packaged separately from the Products—not sealed in bags with the parts.
 - 3.2.5. If Product is temperature controlled then:
 - d. Seller must provide the minimum and maximum storage temperatures. (This may be shown in a variety of ways that include statements on: Mfg CoC, TDS, SDS, or marked on the manufacturer product labeling);
 - e. Documentation shall show proof that the material was maintained within the required parameters during transit by way of temp recorder or other means. The actual time remaining for use and the maximum allowable time the material was out of the required temperature area shall be provided;
 - f. Material requiring storage at -18°C / 0°F needs qualified packaging (within sealed bag), condition (including cooling agent), and identification (outside labeling).
 - 3.2.6. Seller agrees to drop-ship Products to Buyer's customer(s) at the request of Buyer. In such event, title to and risk of loss for the Products purchased hereunder shall be borne by Seller until the Products are delivered FCA Seller's location (Incoterms® 2020) to Buyer's customer. For drop-ship Products, any required documentation



- shall be delivered with the Products to the Buyer's customer.
- 3.3. Shipping terms shall be as designated on the face of the Order. Seller must ship strictly in accordance with Buyer's instructions and requirements.
 - 3.4. Title and risk of loss to Products shall remain with Seller until such Products are delivered and in accordance with the terms of the Order (except for loss or damage resulting from Seller's fault or negligence or failure to comply with the terms of the Order); however, passing of title shall not relieve Seller of any other obligations under the Order.
 - 3.5. All Parties expressly agree that time is of the essence in the performance of the Order. All deliveries shall be strictly in accordance with the applicable quantities and schedules set forth in the Order. Unauthorized over shipments and early shipments may be returned at Seller's expense.
 - 3.6. Whenever it appears Seller will not meet the Order schedule, Seller shall immediately notify Buyer of the reason and estimated length of the delay. Neither such notification nor an acknowledgment by Buyer shall constitute a waiver of the Order's specified delivery schedule. Seller shall make every effort to avoid or minimize the delay to the maximum extent possible, including the expenditure of premium time and most expeditious transportation. Seller shall be responsible for any additional costs associated with such efforts, reasonable delay and disruption costs incurred by Buyer, and all other costs or damages which Buyer incurs or for which Buyer is responsible as a result of or in connection with late deliveries or performance. Without waiving any of Buyer's other rights or remedies, in the event of an anticipated or actual delay in delivery, Buyer may require Seller to provide, within ten (10) calendar
 - 3.7. days after Buyer's written notice and request, a recovery plan and such additional information as Buyer may request.
 - 3.8. If Seller is unable to meet the required schedules for any reason, other than a change directed by Buyer, Buyer shall have the option to:
 - a. Cancel the Order, in whole or in part; or
 - b. Fill such Order, or any portion thereof, from sources other than Seller and to reduce Seller's Order quantities accordingly at no increase in unit price, without any penalty to Buyer.
 - 3.9. Any preparations made or work performed by Seller or its suppliers or subcontractors prior to issuance of the Order shall be at Seller's expense. Notwithstanding any provision herein to the contrary, in no event shall Buyer be liable for any costs or expenses incurred in connection with or as a result of:
 - a. Procurement of materials in advance of standard industry lead times in effect at the time of such material procurement; and/or
 - b. Commencement of production in advance of Seller's standard lead time for the Product.

4. Inspection and Acceptance

- 4.1. All Products shall meet the quality requirements described in Buyer's Order.
- 4.2. Manufacturers shall provide a certificate of conformance with each shipment, which, in addition to the requirements in QAC-001, states that the Product supplied meets all drawing, specification, and purchase order requirements. The C of C shall reflect the part number(s) listed on the Buyer's Order, the production lot numbers, and shall be signed by an authorized supplier representative of the manufacturer. Distributors shall provide the manufacturer's certificate of conformance in addition to their own C of C.



- 4.3. All documents must be one-sided, one certification per page, legible, reproducible, and no larger than 8 ½" x 11" or A4 in size.
- 4.4. Records and certification packages related to Products sold to Buyer must be available, if requested, within 48 hours of request.
- 4.5. If Products supplied on the Order are subject to Technical Standards Order (TSO) then the following must be stated on the certification documents:

"The parts contained in this shipment have been manufactured and inspected in accordance with TSO-xxxx. The conditions and tests required for TSO approval of this article are minimum performance standards. Aircraft (eg: Fasteners | Bearings | Seals) approved under this TSO are not necessarily interchangeable with other aircraft (eg: Fasteners | Bearings | Seals) approved under this TSO. (eg: Fasteners | Bearings | Seals) of similar dimensional properties may have widely varying performance and metallurgical properties. Substitution of parts may only be done if acceptable to or approved by the administrator."
- 4.6. If Products supplied on this Order are subject to Parts Manufacturing Authority (PMA) then those Products must be marked "FAA-PMA" and identified in accordance with 14 CFR, Part 45.15 and FAA Order: 8110-42 (latest revision).
- 4.7. Upon reasonable notice, representatives of Buyer and Buyer's customers shall have the right to inspect all premises where the Order is being performed and the right to inspect and test all Products and Services, and all related supplies, components, material and workmanship, Seller's quality systems, and compliance with all laws and regulations at all places and during normal business hours including, when practicable, during the period of manufacture or performance and before shipment. If any such inspection or test is required to be made on the premises of Seller or any tier of Seller's suppliers or subcontractors, Seller shall furnish and require such suppliers and subcontractors to furnish, without additional charge, access to all reasonable facilities and assistance for a safe and convenient inspection or test. Seller shall provide to Buyer and Buyer's customers access to its books, records and documentation related to the Order and the Products and copies of all licenses, permits, certifications required for the use of the Products.
- 4.8. Notwithstanding any prior payment or inspection, Products and Services shall be the subject of final inspection and acceptance by Buyer after receipt by Buyer of such Products or Services, unless otherwise specified in the Order.
- 4.9. Neither inspection and acceptance of any Products or Services by Buyer, nor failure by Buyer to inspect and accept or reject Products or Services, shall be deemed to alter or affect the obligations of Seller under the Order or the rights of Buyer and its customers under the Order or as may be provided by law or equity.
- 4.10. Seller shall make its records of all inspection work available to Buyer and Buyer's customers during the performance of the Order and for such longer period as may be specified in the Order or required by applicable law.
- 4.11. Inspection plans and sampling methodology:
 - 4.11.1. Seller's acceptance plan must meet the Quality System Inspection and Sampling methodology of the design holder, identify the inspection requirements, and provide for recording of the results.
 - 4.11.2. Buyer's sampling plan is based on C=0 results and all manufactured lots found to have defective
 - 4.11.3. hardware will be returned to Seller.



5. Inspection and Acceptance

- 5.1. Manufacturing Seller's quality systems shall be certified to the latest revision of ISO9001, AS9100/EN9100, or an approved alternate by Buyer.
 - 5.2. Distributor's quality systems shall be compliant to the latest revision of AS9120/EN9120, AS7103/AS7104, ASA100, or an approved alternate by Buyer.
 - 5.3. Outsource vendors that are used to certify materials, test, and calibration laboratory results shall be certified to ISO/IEC 17025
 - 5.4. Internal manufacturer labs shall be certified to ISO/IEC 17025, NADCAP certified, or compliant with ISO/IEC 17025 and also maintaining certification to AS9100 Management Systems.
 - 5.5. Seller shall be willing to provide a copy of its certification(s) when requested.
 - 5.6. Seller management shall notify Buyer of all significant changes to Seller's quality system. Significant changes include but are not limited to:
 - a. Change in location of facility;
 - b. Change in ownership;
 - c. Change in senior company management;
 - d. Change in quality system;
 - e. Loss of OEM approval or distribution rights;
 - f. Loss or suspension of AS9100, AS9120, NADCAP.
 - 5.7. Seller's failure to comply with the requirements under this clause may result in disapproval as an active and approved supplier to Buyer.
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6. Non-Conforming Products or Services

- 6.1. Seller shall deliver Products that conform to the terms of the Order as stated in the Seller's Obligations clause. If Seller fails to deliver such Products, or delivers defective or non-conforming Products, Buyer may exercise one or more of the following remedies:
 - 6.1.1. Reject all or any part of a delivery of defective or non-conforming Products at Seller's cost, and debit Seller's account, demand a refund and/or require delivery of conforming products.
 - 6.1.2. Retain all or any part of the defective or non-conforming Products at an agreed upon equitable price reduction.
 - 6.1.3. Make, require Seller to promptly make all repairs, modifications, or replacements necessary to enable such Products to comply in all respects with the terms of the Order, at such location(s) as reasonably required by Buyer; or
 - 6.1.4. Terminate the Order, in whole or in part, for default in accordance with the Default, Remedies for Default clause.
- 6.2. Seller shall provide Services that conform to the terms of the Order as stated in the Seller's Obligations clause. If Seller fails to provide such Services, or provides defective or non-conforming Services, Buyer may exercise one or more of the following remedies:
 - 6.2.1. Debit Seller's account, demand a refund and/or require Seller to promptly correct or re-perform the defective or non-conforming Services.
 - 6.2.2. Retain all or any part of the defective or non-conforming Services at an equitable price reduction.



- 6.2.3. Perform, or have a third party perform, replacement Services that comply in all respects with the terms of the Order; or
- 6.2.4. Terminate the Order, in whole or in part, for default in accordance with the Default, Remedies for Default clause.
- 6.3. In the event that Seller provides defective or non-conforming Products or Services, or otherwise fails to conform to the terms of the Order, Seller shall bear all of its own costs in connection with the repair, correction, modification, replacement, or re-performance thereof and shall be responsible for the costs or damages which Buyer incurs or for which Buyer is responsible as a result of or in connection with such defect(s) or non-conformance and the repair, correction, modification, replacement, or re-performance thereof.
- 6.4. Notification, Containment, and Corrective Action of Discrepant Orders
 - 6.4.1. The Seller shall provide prompt written notification to Buyer when suspect nonconforming Products or processes are discovered to have shipped. Notification shall include:
 - a. **Part Numbers**
 - b. **Traceability (lot, serial, and manufacturer-numbers)**
 - c. **Ship dates**
 - d. **Quantities**
 - e. **Purchase Order number**
 - f. **Description of the nonconformance**
 - 6.4.2. Upon notification of non-conformity by Buyer, Seller shall complete containment activity within 48 hours.
 - 6.4.3. When formal corrective action is requested by Buyer:
 - a. Enter containment in the corrective action request within 48 hours
 - b. Submit a formal corrective action response by the specified due date
 - c. Extensions shall be requested on or before the due date
 - 6.4.4. When a shipment is received without the required documentation:
 - 6.4.5. Corrected documents shall be submitted within 48 hours of specific request
 - a. Failure to submit required documentation within 48 hours may result in a formal rejection and/or corrective action
 - b. Shipment is subject to return within 30 days if documents are not corrected
 - c. When a shipment is rejected due to a non-conformance, shipment is subject to return if non-conformance has no supplier response within 30 days.
 - 6.4.6. In the event Seller has determined Buyer has rejected material in error, Seller shall contact Buyer.

7. Warranty

- 7.1. Seller warrants to Buyer and Buyer's customers that all Products delivered under the Order will:
 - a. Be new and used, free from defects in design (unless design was furnished by Buyer), material and workmanship, and manufacturing processes.
 - b. Be suitable for the purposes intended whether expressed or reasonably implied.
 - c. Strictly conform to and perform in accordance with the terms of the Order, including but not limited to applicable descriptions, drawings, planning, and specifications.
 - d. Be produced, designed, packaged, marked, labeled, supplied, delivered, and maintained in accordance with, and comply with, all applicable laws (as defined below).
 - e. Be free from any claim of third party.



- 7.2. If any Product fails to comply in any respect with Seller's warranties set forth in the Order, Buyer shall have the option, in its sole discretion, at Seller's expense, to exercise one or more of the following remedies following the discovery of the Product defect:
- a. Reject or return such Product and debit Seller's account or demand a refund.
 - b. Require Seller to promptly make, all repairs, modifications, or replacements (the "Corrections")
 - c. necessary to enable such Product to comply in all respects with such warranties at such location(s) as reasonably required by Buyer.
 - d. Terminate the Order, in whole or in part, for default in accordance with the Default; Remedies for Default clause.
- 7.3. In addition to the actual cost of any Corrections, Seller shall also be responsible for:
- a. Reasonable costs incurred in the removal and reinstallation of the noncompliant Products.
 - b. Reasonable administrative costs incurred by Buyer in identifying, determining the disposition of, and processing required documentation for the noncompliant Products.
 - c. Reasonable transportation and insurance costs for Products corrected pursuant to the provisions of this Warranty clause.
 - d. Reasonable delay and disruption costs incurred by Buyer.
 - e. Other costs or damages which Buyer incurs or for which Buyer is responsible.
- 7.4. If Buyer requires Seller to make Corrections to any noncompliant Products, Seller shall ensure that Buyer receives such corrected or replacement Products within a period of twenty-one (21) calendar days from receipt of Buyer's notice, unless a longer period is approved by Buyer in writing.
- 7.5. Seller shall process and reimburse Buyer for any claim by Buyer for amounts owed by Seller under this Warranty clause within fourteen (14) calendar days after receipt of Buyer's claim. In the event Buyer's claim is disallowed by Seller, such disallowance shall constitute a dispute within the meaning of the Disputes and Governing Law clause.
- 7.6. Seller's obligation to meet the delivery schedule established in the Order shall not be affected by any Corrections made pursuant to this Warranty clause.
- 7.7. If Products furnished contain manufacturer's warranties, Seller hereby assigns such warranties to Buyer and its customers and users at any tier.
- 7.8. Buyer's rights and remedies under this Warranty clause shall, at Buyer's option, be assignable to and enforceable by Buyer's customers and users at any tier.
- 7.9. Seller warrants that all Services performed under the Order shall:
- a. Be performed in a good and workmanlike manner.
 - b. Strictly conform to the terms of the Order, including but not limited to applicable descriptions, drawings, planning, and specifications.
 - c. Conform to all industry practices and standards.
 - d. Comply with all applicable Laws (as defined below).
 - e. Be free from defects in workmanship.
- 7.10. Seller further warrants that Seller's employees and subcontractors are properly trained and/or licensed as required for the performance of the Services. If any Service fails to comply with Seller's warranties set forth in the Order, Buyer shall have the option, in its sole discretion, at Seller's expense, to exercise one or more of the following remedies:
- a. Correct or re-perform, require Seller to promptly correct or re-perform, or engage a third party to correct or re-perform such Services.
 - b. Demand a refund of the fees for such Services.



- c. Terminate the Order, in whole or in part, for default in accordance with the Default; Remedies for Default clause.
- 7.11. In addition, Seller shall be responsible for:
 - a. Reasonable administrative costs incurred by Buyer in identifying, determining the disposition of, and processing required documentation for the noncompliant Services.
 - b. Reasonable delay and disruption costs incurred by Buyer.
 - c. Other costs or damages which Buyer incurs or for which Buyer is responsible.
- 7.12. Seller acknowledges and agrees that any inspection, testing, acceptance or use of any Products or Services by Buyer does not affect Seller's obligations or Buyer's rights or remedies under the foregoing warranties.
- 7.13. Seller shall immediately notify Buyer upon receipt of any Government-Industry Data Exchange Program ("GIDEP") Alert related to Products and shall provide Buyer with a list of all affected Products by Order, part number, invoice number, serial number, or any other identifying number as applicable. For GIDEP Alerts caused in whole or in part by the Products, Seller shall immediately replace all affected Products at its sole expense including any installation and removal costs for the Products so affected and reimburse Buyer for any damages and commercially reasonable expenses incurred by Buyer.
- 7.14. If the Federal Aviation Administration, or other aviation authority, issues any Airworthiness Directives ("ADs"), or the equivalent of ADs, related to any Products, then Seller shall immediately remove the causes(s) of the ADs or AD equivalents in all Products delivered and to be delivered to each affected Buyer including, but not limited to, Products utilized in the field. Seller shall reimburse Buyer for all costs and damages associated with removal, redelivery and installation of any Products that are incurred by Buyer as a result of such ADs or equivalent ADs.
- 7.15. Seller shall provide all service bulletins, safety bulletins and ADs (collectively "Bulletins") to Buyer immediately upon issuance. Seller shall implement any recommendations contained in the Bulletins on all Products delivered and to be delivered.

8. Prices, Invoicing, and Payment

- 8.1. Buyer shall pay Seller the price and/or rates set forth in the Order for Products received and/or Services performed, as agreed to by the terms of the Order. Unless otherwise stated on the face of the Order, payment of each invoice is due from Buyer no later than thirty (30) days from the later of:
 - a. The date of receipt of Products or completion of Services, as applicable, or
 - b. The date of receipt of a correct invoice.
- 8.2. Except as otherwise stated on the face of the Order or in the Company-Specific Addendum, the prices and/or rates set forth in the Order are stated in:
 - 8.2.1. U.S. Dollars and are not subject to exchange rate adjustments.
 - 8.2.2. The price and/or rates set forth in the Order include all applicable taxes and all profit, wages, salaries, overhead, and other costs and expenses, unless otherwise specifically addressed in the Order. No overtime, expedite charges, or other premium rates will be paid unless specifically authorized by Buyer in the Order.
- 8.3. Except as otherwise stated on the face of the Order or in the Company-Specific Addendum, Seller shall submit a separate invoice for each shipment. Unless otherwise specified in the Order, no invoice shall be issued prior to shipment of Products or completion of Services, as applicable. Seller shall include or provide such information or



supporting documentation as Buyer may reasonably require in support of the invoice. At any time prior to final payment under the Order, Buyer may have invoices audited as to validity. Payment of Seller's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced.

- 8.4. Payment shall not constitute acceptance of Products or Services.
- 8.5. Buyer shall have the right to set off against any Seller invoice any amount owing by Seller to Buyer, whether under the Order or any other contract or order between the Parties.

9. Changes

- 9.1. Buyer may at any time, by written notice to Seller and without penalty, make changes within the scope of the Order to, including but not limited to:
 - a. Products or Services;
 - b. Drawings, designs, specifications, planning, and/or other technical documents;
 - c. Method of shipment, packaging, or packing;
 - d. Place of delivery;
 - e. Quantity of Product (increase or decrease);
 - f. Delivery schedule(s);
 - g. Flow-down requirements from Buyer's customer and/or the U.S. Government;
 - h. Place of inspection; and
 - i. Place of acceptance
 - j. Seller shall immediately comply with such change(s) upon receipt of notice, irrespective of the failure of the Parties to agree to an equitable adjustment as described below.
- 9.2. Except as otherwise expressly set forth in the Order, if the change causes a material increase or decrease in the cost of or time required to perform the Order, then an equitable adjustment may be made in the purchase price and/or delivery schedule and the Order shall be modified in writing accordingly.
- 9.3. Seller shall provide written notice of its intent to assert any claim for equitable adjustment within fourteen (14) calendar days from the date of receipt by Seller of Buyer's written notice of change and shall provide all supporting documentation necessary to verify its claim within thirty (30) calendar days after its delivery of such written notice of intent. Any claim that is not submitted to Buyer in accordance with this paragraph shall be unconditionally waived. If Seller claims the cost of any property made obsolete or excess, Buyer shall have the right to prescribe the manner of disposition of such property, and Buyer may elect to acquire any and all such property for an amount not to exceed the cost claimed by Seller.

10. Adequate Assurance of Performance

- 10.1. If at any time Buyer has grounds for insecurity as to whether Seller's performance will be full, timely, and continuing in accordance with the terms of the Order, then Buyer may request, by written notice to Seller, adequate assurances in writing that Seller is able and willing to perform all of its respective obligations under the Order.



- 10.2. Seller shall prepare and provide with its assurances of performance any information, reports, or other materials as Buyer may request. Upon Buyer's request and as soon as practicable, Seller shall make available its employees, including members of Seller's senior management, to meet with Buyer to discuss those assurances of performance.
- 10.3. If Seller does not provide adequate written assurances within fourteen (14) calendar days after Buyer's written notice and request, then Buyer may, at its sole discretion, terminate the Order.

11. Default; Remedies for Default

- 11.1. Each of the following shall constitute an "Event of Default" under the Order:
 - 11.1.1. Seller fails to deliver the Products or to perform the Services within the time specified in the Order or any extension granted in writing by Buyer;
 - 11.1.2. Seller breaches or fails to perform any of the other provisions of the Order and, if such breach or failure is subject to cure, fails to cure such breach or failure within a period of fourteen (14) calendar days after receipt of written notice from Buyer specifying Seller's breach or failure to perform;
 - 11.1.3. Seller fails to provide adequate assurances of performance in accordance with the Adequate Assurance of Performance clause; or
 - 11.1.4. Seller becomes insolvent or makes a general assignment for the benefit of creditors, or files or has filed against it a petition of bankruptcy or for reorganization or pursues any other remedy under any other law relating to the relief for debtors, or a trustee or receiver is appointed for Seller's property or business.
- 11.2. If any Event of Default occurs:
 - 11.2.1. Buyer may, at its sole option and without liability, immediately terminate the Order, in whole or in part, by giving written notice to Seller, and Buyer shall not be required to accept the tender by Seller of any Products or Services subject to the termination, including any component, part, or feature thereof.
 - 11.2.2. Whether or not Buyer exercises its right to terminate the Order, Buyer may manufacture, produce, or provide, or may engage any other persons to manufacture, produce, or provide, any products and/or services in substitution for (or in addition to) the Products and/or Services to be delivered by Seller. In the event Buyer exercises this right of cover in the absence of a termination, this right of cover shall extend for such time as Buyer determines in its sole discretion is necessary to mitigate or remedy Seller's default(s).
 - 11.2.3. Whether or not Buyer exercises its right to terminate the Order, Seller shall be liable for all losses and damages to Buyer resulting from Seller's Event(s) of Default, including, but not limited to:
 - a. The difference between the price of Products and/or Services under the Order and the aggregate expense, including, without limitation, administrative and other indirect costs, paid or incurred by Buyer to manufacture, produce, or provide, or engage other persons to manufacture, produce, or provide such Product(s) or Service(s);
 - b. Delay and disruption costs incurred by Buyer which are proximately caused by the Event(s) of Default; and
 - c. Any other costs or damages which Buyer incurs or for which Buyer is responsible which are proximately caused by the Event(s) of Default.
- 11.3. If, after a notice of termination is issued pursuant to this Default; Remedies for Default clause, it is determined for any reason that Seller was not in default or that Buyer's termination was not a proper termination for default, the rights and



obligations of the Parties shall be the same as if a notice of termination for convenience had been issued pursuant to the Termination for Convenience clause of the Order.

12. Termination for Convenience

- 12.1. Buyer may terminate the Order, in whole or in part, for convenience without liability by providing to Seller a written notice specifying the extent and effective date of such termination.
 - 12.2. In the event of a termination under this Termination for Convenience clause, Buyer shall be required to pay (to the extent not already paid) the Order price for Products and Services delivered and accepted, and Buyer and Seller shall agree on the amount of payment for any work in process and other long-lead material, if applicable, authorized by Buyer to be acquired or produced for the work terminated. Notwithstanding the foregoing, Buyer shall not in any event be required to pay any amounts in excess of the Order total price and no amount will be allowed for profit on the terminated portion of the Order.
 - 12.3. Seller shall submit a final termination settlement claim, if any, to Buyer, in the form prescribed by Buyer, within two (2) months after the effective date of termination or is deemed to have waived its right to make a settlement claim.
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13. Seller's Obligations Upon Termination

- 13.1. After receipt of a notice of termination, for any reason, and except as directed by Buyer, Seller shall immediately proceed with the following obligations and any other actions directed or authorized by Buyer, regardless of any delay in determining or adjusting any amounts due, if any, under the Termination for Convenience clause:
 - a. Stop work as specified in the notice.
 - b. Place no further subcontracts or purchase orders for materials, services, or facilities, except as necessary to complete the continued portion of the Order.
 - c. Terminate all subcontracts and purchase orders to the extent they relate to the work terminated.
 - d. Promptly provide Buyer an inventory, including location and completion status, of all fabricated or unfabricated Products, work in process, completed work, supplies, and other material produced or acquired for the work terminated.
 - e. As directed by Buyer, transfer title and deliver to Buyer (or Buyer's designee):
 - f. The fabricated or unfabricated Products, work in process, completed work, contract rights, supplies, and other material produced or acquired for the work terminated; and
 - g. The completed or partially completed plans, drawings, information, tooling, equipment, and other property that, if the Order had been completed, would be required to be furnished to Buyer.
 - h. Complete performance of the work not terminated.
 - i. Take any action that may be necessary, or that Buyer may direct, for the protection and preservation of the property related to the Order that is in the possession of Seller and in which Buyer has or may acquire an interest.



- 13.2. Seller's transfer or delivery of Products to Buyer (or Buyer's designee) under this Seller's Obligations upon Termination clause shall be at no cost to Buyer, except that:
- 13.2.1. Under a Termination for Convenience, Seller may include its reasonable costs associated with such transfer and delivery as part of a Termination for Convenience claim; and
- 13.2.2. Under a Termination for Default, Buyer shall take into consideration in mitigation of any claims by Buyer for damages as a result of an Event of Default the value of all Products transferred.
- 13.3. Seller hereby authorizes Buyer, its representatives, or its designees to enter upon Seller's or any of its subcontractors' premises at any time during reasonable business hours, upon reasonable advance written notice, for the purposes of taking inventory and/or physical possession of any of all of the aforesaid items.
- 13.4. Seller shall, if instructed by Buyer, store or dispose of any or all of the aforesaid items in any reasonable manner requested by Buyer.

14. Force Majeure / Excusable Delay

- 14.1. Neither Party shall be liable to the other Party for any failure or delay to meet its obligations to the extent such failure or delay is caused by unforeseeable circumstances beyond the control and not occasioned by the fault or negligence of such Party ("Excusable Delay"). Excusable Delay events may include, but are not limited to, acts of God, war, riots, acts of government, fires, floods, epidemics, quarantine restrictions, freight embargoes, or unusually severe weather, but shall exclude Seller's noncompliance with any rule, regulation or order promulgated by any governmental agency.
- 14.2. Notwithstanding the foregoing, Buyer expects Seller to continue production, recover lost time and support all schedules as established under the Order. Therefore, it is understood and agreed that:
- a. Delays of less than two (2) calendar days' duration shall not be considered to be Excusable Delays unless such delays shall occur within thirty (30) calendar days prior to the scheduled delivery date of any Product; and
 - b. If delay in delivery of any Product or performance of any Service is caused by the default of any tier of Seller's suppliers or subcontractors, where a substitute is available, such delay shall not be considered an Excusable Delay.
- 14.3. Seller shall give to Buyer prompt notice in writing when it appears that an Excusable Delay will delay the furnishing of Products or Services, and Seller shall provide a recovery plan acceptable to Buyer within fourteen (14) calendar days after submission of such notice. Notwithstanding the occurrence of an Excusable Delay, Seller shall use its best efforts to mitigate the effects of the Excusable Delay. In addition, Seller shall endeavor to make available to Buyer substitute Products or Services in an adequate quantity, at no additional charge to Buyer.
- 14.4. If an Excusable Delay extends beyond thirty (30) days, Buyer may cancel or terminate, without penalty or obligation for further payment, the Order.



15. Labor Disputes

Whenever Seller has knowledge that any actual or potential labor dispute involving Seller or any tier of Seller's suppliers or subcontractors is delaying or threatens to delay timely performance of the Order, Seller shall immediately give notice to Buyer, together with all relevant information, including, but not limited to, nature of the dispute, estimated duration, labor organizations involved, and estimated impact on Seller's performance of the Order. Seller shall also provide updated reports throughout the dispute duration.

16. Stop Work

- 16.1. Buyer may, by written direction to Seller, require Seller to stop all or any part of the work called for by the Order for a period of up to ninety (90) calendar days after such written direction is delivered to Seller and for any further period to which the Parties may agree. Any such written direction shall be specifically identified as a Stop Work Order ("SWO") issued pursuant to this Stop Work clause. Upon receipt of an SWO, Seller shall immediately comply with its terms. Within the period of the work stoppage specified by the SWO and any amendments to the SWO, Buyer shall either:
- a. Cancel all or part of the SWO; or
 - b. Terminate all or part of the work covered by such SWO as provided in the Termination for Convenience clause.
- 16.2. To the extent an SWO issued under this Stop Work clause is canceled, or the period of the work stoppage specified by the SWO or any extension thereof expires, Seller shall resume work and the Parties will agree upon a reasonable adjustment to the delivery schedule.
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17. Proprietary Information

- 17.1. "Proprietary Information" means all non public information (including, but not limited to, oral, written, and/or stored information used, prepared by, compiled by or in the possession of a Party or its representatives) that is disclosed, provided, or made available by a Party (the "Disclosing Party") to the other Party (the "Receiving Party") or otherwise received or obtained by the Receiving Party in contemplation of or in connection with the Order, in whatever form or medium disclosed, provided, made available, or received, that (1) is clearly marked as confidential or is information that the Receiving Party knows, or reasonably should have known, is the Confidential Information of the Disclosing Party. If oral or visual, it is identified as confidential at the time of disclosure and confirmed in written summary form marked "Confidential Information" within thirty (30) days following such disclosure; or (2) is information received from others that the Disclosing Party is obligated to treat as confidential. Proprietary Information includes memoranda, reports, analyses, extracts, or notes the Receiving Party produces that are based on, reflect, or contain any of the Disclosing Party's Proprietary Information; and Buyer's Proprietary Information includes any information about the Order, including the existence, terms, contents, or status thereof.
- 17.2. Each Receiving Party agrees that it shall maintain in confidence and secrecy, and not disclose to any third party or use, directly or indirectly, except as set forth below, all Proprietary Information received from or made available by the Disclosing Party or received orally or visually. Each Receiving Party shall protect the Disclosing Party's Proprietary Information from unauthorized disclosure and use with at least the same degree of care the Receiving Party normally exercises to protect its own Proprietary Information to prevent undesired dissemination and use thereof, and in no



case shall the degree of care be less than reasonable care. Each Receiving Party further agrees not to reverse engineer, reverse assemble, or decompile any Proprietary Information or any tangible items disclosed by the Disclosing Party.

17.3. Each Receiving Party may:

- a. Copy the Proprietary Information received from the Disclosing Party on an as-required basis in order to fulfill the Receiving Party's obligations under the Order, provided that all such copies or portions thereof bear copies of the Disclosing Party's original legends (if any); and
- b. Disclose the Proprietary Information to those of the Receiving Party's officers and employees (including officers and employees of its Affiliates), and others under the Receiving Party's control (collectively, "Representatives"), who have a need-to-know for purposes of its performance under the Order. Additionally, the Receiving Party may disclose the Disclosing Party's Proprietary Information to any third party participating in Buyer's customer's program to the limited extent necessary for Seller to perform its obligations under the Order or for Buyer to perform its obligations under such program, in each case provided that such third party has entered into a written agreement of confidentiality with the original Receiving Party that includes provisions for the protection of Proprietary Information substantially the same as provided in this Proprietary Information clause. The Receiving Party shall cause all of its Representatives to observe the terms of this Proprietary Information clause and shall be responsible for any breach of the terms of this Proprietary Information clause by it or its Representatives. "Affiliate" shall mean, with respect to any entity, any other entity directly or indirectly controlling, controlled by, or under common control.

17.4. The obligations imposed by this Proprietary Information clause shall not apply, or shall cease to apply, to any Proprietary Information if or when, but only to the extent that, such Proprietary Information:

- a. Was known to the Receiving Party prior to its receipt of the Proprietary Information as can be reasonably demonstrated;
- b. Passes into the public domain (other than by act or omission attributable to the Receiving Party);
- c. Becomes known to the Receiving Party from sources other than the Disclosing Party under circumstances not involving, to the knowledge of the Receiving Party, any breach of any confidentiality obligation; or
- d. Is independently developed by the Receiving Party who had no substantive knowledge of the Disclosing Party's information or data, as evidenced by the written records thereof.

17.5. It shall not be a breach of the confidentiality obligations herein for a Receiving Party to disclose Proprietary Information in circumstances where, but only to the extent that, such disclosure is required by law or applicable legal process, provided in such case the Receiving Party shall, to the extent not prohibited by law or regulatory process:

- a. Give the earliest notice practicable to the Disclosing Party that such disclosure is or may be required; and
- b. Cooperate, at the expense of the Disclosing Party, in protecting the confidential or proprietary nature of the Proprietary Information which must so be disclosed.

17.6. In the event that Seller has previously agreed to comply with or adhere to Buyer's customer's confidentiality or non-disclosure obligations or requirements, Seller agrees that such obligations or requirements shall continue to apply, in addition to the obligations and requirements set forth in this Proprietary Information clause.

17.7. Except as expressly provided in this Proprietary Information clause or in the Intellectual Property clause, no right in, or license to, any present or future idea, invention, patent, trade secret, proprietary information, copyright, mask work, trade name or trademark is either offered or granted under this Proprietary Information clause, nor may any such right or license be implied by the disclosure or receipt of any information or data hereunder.



18. Information Security

Seller shall implement and maintain commercially reasonable physical and cybersecurity safeguards and security mechanisms to protect the confidentiality and integrity of Buyer's non-public data and the systems that house or handle such data. Seller shall immediately notify Buyer of:

- a. Any unauthorized possession, unauthorized disclosure, or unauthorized use of, loss, or any other potential corruption, compromise, or destruction of any of Buyer's non-public data, or the systems that house or handle that data;
- b. The effect of such use or possession; and
- c. The corrective action taken in response thereto. Seller acknowledges that Buyer may be required to notify its customers, regulators, and/or employees of such security incidents and agrees to assist and cooperate with Buyer, at Seller's expense, with any investigation, disclosures to affected parties, and other remedial measures, in each case, as reasonably requested by Buyer or required by any applicable regulations or privacy laws.

19. Intellectual Property

- 19.1. "Intellectual Property" means patented and unpatented inventions and discoveries, pending patent applications, mask works, copyrighted works and copyrightable subject matter in published works and unpublished works, pending copyright registration applications, computer software, data, databases and documentation thereof, deliverables, trade secrets and other confidential information, know-how and proprietary processes, business methods, formulae, designs, models, technical data and methodologies, trademarks, trade names, and other similar intangible assets.
- 19.2. Seller shall own any Intellectual Property invented, authored, or developed by Seller prior to the date of the Order that relates to the Products delivered or Services performed by Seller under the Order.
- 19.3. Seller represents and warrants that Seller owns, or has and will maintain a license to use, all intellectual property rights necessary for the performance of its obligations under the Order. In addition to and without in any way diminishing or restricting Seller's obligations under this Intellectual Property clause, if any Product or Service, or any component, part or feature thereof, becomes the subject of any claim, suit or action related to the infringement of any intellectual property rights, or in the event of an adjudication that any Product or Service, or component, part or feature thereof, infringes any intellectual property rights, or, if the manufacture, sale, use or maintenance of any Product or Service, or part, component or feature thereof, is enjoined or restricted, Seller shall, in order for Buyer and its customers and users at any tier to have uninterrupted use and enjoyment of such Product or Service, or part, component or feature thereof, at Seller's option and expense:
 - a. Procure for Buyer and its customers and users at any tier the rights, under such intellectual property rights, to manufacture, sell, use or maintain such Product or Services, or part, component or feature thereof;
 - b. Replace such Product or Service, or part, component or feature thereof with one of a similar nature and quality that is non-infringing; or
 - c. Modify such Product or Service, or part, component or feature thereof to make same non-infringing.
- 19.4. Except to the extent such infringement arises from Seller's compliance with formal specifications issued by Buyer and such infringement could not be avoided in complying with such specifications, Seller shall indemnify, defend, and hold harmless Buyer, and its Affiliates, its officers, directors, employees, subcontractors, agents, successors and assigns



(collectively, “Buyer’s Indemnitees”) from and against any and all claims, suits, actions, awards (including, but not limited to, awards based on intentional infringement of patents known to Seller and exceeding actual damages and/or actual attorneys’ fees), liabilities, damages, penalties, fines, costs, expenses, and attorneys’ fees arising from any actual or alleged infringement of any intellectual property rights, patent, copyright, trademark, industrial design, or based on misappropriation or wrongful use of information or documents related to any Product or Service or otherwise related to Seller’s performance under the Order. The Buyer Indemnatee shall duly notify Seller of any such claim, suit, or action, and Seller shall, at its own expense, fully defend such claim, suit, or action on behalf of the Buyer Indemnitees.

20. Counterfeit Products

- 20.1. Seller must be the Original Component Manufacturer (OCM) of the product or the OCM’s Authorized Distributor with traceability to the OCM. Buyer will only accept hardware with an unbroken chain of custody from these authorized manufacturers or distributors. Authorized distributors shall provide certification to OCM approved distribution, or provide evidence of certification, or approval from the appropriate OCM of the product supplied to Buyer.
- 20.2. Seller represents and warrants that it shall not furnish “counterfeit products” to Buyer, defined as Products or separately identifiable items or components of Products that may without limitation:
 - a. Be an illegal or unauthorized copy or substitute of an original equipment manufacturer or original component manufacturer (collectively “OEM”) item;
 - b. Are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture;
 - c. Do not contain the proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design;
 - d. Have been re-worked, re-marked, re-labeled, repaired, reclaimed, refurbished; or otherwise modified from OEM design but are represented as OEM authentic or as new;
 - e. Have not passed successfully all OEM required testing, verification, screening, and quality control processes; or
 - f. Fail to meet the requirement of an “Approved Part” as defined in FAA Advisory Circular 21-29C and any updated version thereof. Counterfeit products shall be deemed to be non-conforming and defective, and in addition to any other rights Buyer may have at law or pursuant to this Order, Seller shall disclose the source of the counterfeit product to Buyer and cooperate with Buyer with respect to any investigations or remedial actions undertaken by Buyer.
- 20.3. Seller shall provide to Buyer, upon Buyer’s reasonable request, the identity of its suppliers and/or the location of manufacture of the Products or any subcomponents of the Products, as applicable, or any other relevant information as Buyer may reasonably request, in order to confirm compliance by Seller and/or Buyer with applicable Laws or the Order.



21. Indemnification; Limitation of Liability

- 21.1. Seller shall defend, indemnify and hold harmless Buyer and its affiliates, its directors, officers, employees and agents, successors, assigns and customers ("Indemnitees") from and against all actions, causes of action, liabilities, claims, suits, judgments, liens, awards and damages (including reasonable attorneys' fees), arising out of or in connection with the Order or any act or omission, or any violation of any applicable law or regulation of or by Seller, its agents or employees. In no event shall Seller's obligations hereunder be limited to the extent of any insurance available to or provided by Seller.
- 21.2. In no event will Buyer be liable to Seller for any incidental damages, consequential damages, special damages, indirect damages, loss of profits, loss of revenues or loss of use, even if informed of the possibility of such damages. Buyer's aggregate liability to Seller for damages arising out of or related to this Agreement is limited to the value of the Products purchased by Buyer under the Order that gives rise to the claim. To the extent permitted by applicable law, these limitations and exclusions will apply regardless of whether liability arises from breach of contract, warranty, tort, by operation of law, or otherwise. These exclusions of damages shall be deemed independent of, and shall survive, any failure of the essential purpose of any limited remedy under the terms of the Order.

22. Insurance

Seller shall maintain liability insurance, at its cost, with a reputable insurance company, providing adequate coverage for commercial general liability, product liability and for intellectual property infringement with respect to the Products supplied under the Order. If requested by Buyer, Seller will furnish certificates of insurance from its insurance carriers evidencing compliance with the foregoing obligation.

23. Compliance With Laws

- 23.1. Each Party shall comply with all applicable Laws. For purposes of these General Purchase Order Terms and Conditions, the term "Laws" shall mean any federal, state, provincial, local or foreign law, rule, regulation, order or other similar authority, including, but not limited to employment, safety, health, and environmental laws, now and hereinafter in effect.
- 23.2. Seller represents and warrants that, if the Order involves delivery of any Hazardous Material, the packaging and shipment of such Hazardous Material shall be made in accordance with all applicable Laws, and Seller shall submit a copy of a current Safety Data Sheet (SDS) to Buyer prior to delivery of that material. "Hazardous Material" shall mean any pollutant, contaminant or other substance regulated as a result of its potential to pose a meaningful risk to public health or the environment.
- 23.3. Seller further represents and warrants that:
 - a. The Products and any substances contained therein or utilized in the production thereof are not prohibited or restricted by, and shall be offered, supplied and utilized in compliance with, all applicable Laws, including but not limited to European Regulation (EC) No. 1907/2006, as may be amended, concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"); and



- b. All such Products have been pre-registered, registered, evaluated, addressed in notifications and/or authorized as required under REACH. Seller shall bear all costs, charges and expenses related to pre-registration, registration, evaluation and authorization required under REACH of the Products and substances in Products that are the subject of the Order.
 - c. Seller shall provide REACH UK compliance or non-compliance status along with the identification code for allowed non-compliant articles.
 - d. Seller shall provide REACH and RoHS compliance or non-compliance status along with the identification code for allowed non-compliant articles.
 - e. Seller shall provide information on whether UV-328 is incorporated into or used in the manufacture of the article.
 - f. Seller shall provide information pertaining to compliance with Toxic Controlled Substances Act clauses that may affect the manufacturing of or the article itself.
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24. Export and Import Compliance

- 24.1. Seller shall comply with all applicable import and export control U.S. and non-U.S. laws and regulations including, but not limited to, the International Traffic in Arms Regulations (ITAR, 22 CFR 120-130), the Export Administration Regulations (EAR, 15 CFR 710-774), the Arms Export Control Act, the International Emergency Economic Powers Act (IEEPA), Title 19, Parts 1-199 (Customs Duties) of the Code of Federal Regulations, regulations and orders administered by the Treasury Department's Office of Foreign Assets Control, including, but not limited to, 31 CFR 501-598 and the Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, et seq. ("FCPA"), European Union and country-specific import and export regulations including EU and/or country-specific sanctions regimes, and other applicable laws and regulations. Seller shall retain documentation evidencing compliance with those laws and regulations. Seller shall indemnify and hold Buyer harmless from any fines, penalties, or other liability imposed by any government entity arising from any failure of Seller to comply with such laws and regulations.
- 24.2. Seller shall not disclose any technical data, nor deliver or export any Product manufactured by use of technical data:
 - a. Out of the United States;
 - b. To a national of a third country; or
 - c. To foreign persons within the United States, without proper authorization from the U.S. Government.
- 24.3. Upon Buyer's request, Seller shall notify Buyer of the Harmonized Tariff Systems Classification Numbers and the Export Control Classification Numbers ("ECCNs") for the Products, as well as the ECCNs for any components or parts thereof (if different from the associated Product(s)).
- 24.4. If the Order supports commercial aircraft end use, Seller represents and warrants that:
 - a. The Products, and the parts and components thereof, provided under the Order are not "defense articles" (as defined in ITAR or the 600 series of the EAR); and
 - b. The Services provided under the Order are not "defense services" (as defined in ITAR).
 - c. Seller further represents and warrants that an official capable of binding Seller to a contract knows or has



- d. otherwise determined that the Products, and the parts and components thereof, are not described on the United States Munitions List (as set forth in ITAR) and are not subject to a 600 series ECCN (as set forth in the EAR). Upon Buyer's request, Seller shall provide documentation or other information that supports or confirms these representations.
- 24.5. To the extent that any Products, or any parts or components thereof, were specifically designed or modified for a military end use or end user, Seller shall notify Buyer of this fact and shall provide Buyer written confirmation from the U.S. Department of State that such Products, and all such parts and components thereof, are not subject to ITAR. Such confirmation may consist of a Commodity Jurisdiction Determination or General Correspondence response.
- 24.6. If Seller is not a U.S.-based entity or person, the following additional subparagraphs shall apply:
 - a. Where applicable, if Buyer or Seller is unable to obtain any required governmental approvals or licenses relating to import or export of Products, materials, or technical data relating to the Order from the government of its country, Buyer may terminate the Order, in whole or in part, without liability to Seller.
 - b. Export licenses under which technical data was exported must be renewed upon their expiration if performance under the Order extends beyond the period of validity of the license. In the event Buyer is unable to obtain such renewal, Buyer may terminate the Order, in whole or in part, without liability to Seller.
- 24.7. Seller shall include the substance of paragraphs 24.1 through 24.7 of this Export and Import Compliance clause in Seller's orders and subcontracts issued at all tiers pursuant to the Order.
- 24.8. Seller and its sub-tiers who either ship directly or package Products for shipment shall comply with all requirements of the border security programs of the destination country (e.g., Customs Trade Partnership Against Terrorism (C-TPAT), Authorized Economic Operator (AEO), Partners in Protection (PIP) or similar).
- 24.9. If Seller will ship the Products to any third countries (other than the U.S. or Seller's country) it shall comply with the export and import laws and regulations of that country to the extent the contractual terms of delivery may require it to do so.

25. Conflict Minerals

- 25.1. Seller agrees to assist and cooperate with Buyer to comply with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 13(p) of the Securities Exchange Act of 1934, as amended, and related implementing rules thereunder (collectively, and as they may be amended from time to time, the "Conflict Mineral Rules") relating to the sourcing of a "conflict mineral" (as defined in the Conflict Mineral Rules), including tin, tantalum, tungsten and gold from the Democratic Republic of the Congo and adjoining countries ("DRC Countries"). Seller further agrees to assist and cooperate with Buyer to implement and further Buyer's Conflict Minerals Policy, as it may be amended from time to time. In addition to the foregoing, Seller commits to, and to cause Seller's suppliers to, have in place supply chain policies and processes:
 - a. To undertake a reasonable inquiry into the country of origin of conflict minerals incorporated into Products that Seller provides to Buyer and to communicate the results of such inquiry to Buyer;
 - b. To establish a due diligence framework approved by Buyer, to determine if conflict minerals sourced from the DRC Countries are "DRC conflict-free" as defined in the Conflict Mineral Rules; and
 - c. To take risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures.



26. Access to Premises

If the Order requires Seller's personnel to enter Buyer's or Buyer's customers' premises, Seller agrees to comply with, and require its personnel to comply with, such rules, regulations and instructions pertaining to access and security as may be prescribed by Buyer and/or Buyer's customers from time to time.

27. Payment for Labor and Material; Waiver of Liens

- 27.1. Seller shall be responsible for the prompt payment of its suppliers, subcontractors, and other persons who furnish goods, services, materials, equipment, supplies or other items used or to be used in the performance of the Order. Seller shall keep all property owned or controlled by Buyer or Buyer's customer(s) free and clear of all liens, claims and encumbrances arising out of or relating to the performance of the Order by Seller or its suppliers, subcontractors, or other persons.
 - 27.2. Seller shall indemnify, defend, and hold harmless the Buyer Indemnitees from and against any and all claims, demands, causes of action or suits, of whatever nature, and any and all laborer's, material men's, mechanic's or other liens or encumbrances upon property owned or controlled by Buyer or Buyer's customer(s), arising out of or relating to any payment or other obligation owed to any third party by Seller or its suppliers, subcontractors or other persons, or any actual or alleged breach or default of any agreement or purchase order for goods, services, materials, equipment, supplies or other items furnished or to be furnished to Seller or its suppliers, subcontractors or other persons, in connection with the Order.
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28. Assignment

- 28.1. Seller shall not assign (by operation of law, merger or otherwise) the Order or any of its rights or obligations under the Order without Buyer's prior written consent that shall not be unreasonably withheld, delayed or conditioned. Any assignment by Seller without Buyer's prior written consent will be null and void and shall constitute an "Event of Default" under the Order. For purposes of all the foregoing, an assignment shall also be deemed to have occurred upon a Change in Control of Seller. A "Change in Control" shall mean:
 - a. The merger, consolidation, or combination of Seller with an unaffiliated entity as a result of which Seller is not the surviving entity;
 - b. The sale of all or substantially all of the assets of Seller to an unaffiliated entity; or
 - c. A change in ownership of at least fifty percent (50%) of the outstanding equity interests of Seller, excluding any transfer of such interests to any Affiliate of Seller.
- 28.2. All the terms, agreements, covenants, representations, warranties and conditions of the Order are binding upon, and inure to the benefit of and are enforceable by, the Parties and their respective successors and permitted assigns.



29. Notices

All notices required or permitted to be given under or pursuant to the Order shall be in writing and shall be deemed to have been properly delivered when sent by:

- a. Registered, air courier, or certified mail, postage prepaid; or
- b. Electronic mail (provided that such electronic delivery shall be deemed to have occurred upon the other Party's acknowledgment of receipt); Addressed to the Party to whom it was sent at the address of such Party set forth on the face of the Order, or at such other address as such Party has subsequently designated to the other in writing by notice given in accordance with this section. Notice shall be deemed effective upon delivery.

30. Retention of Records

- 30.1. Seller shall maintain complete and accurate records and documents supporting all Products and Services provided, and costs and expenses incurred, by Seller in the performance of the Order. Such records and documents shall be made available for examination, reproduction, and audit at Seller's office at all reasonable times from the date of the Order according to the retention schedule below after final payment or settlement under the Order, or for such longer period as may be required by Buyer's applicable quality requirements. Seller shall provide assistance to interpret such records and information, if requested by Buyer. Notwithstanding the foregoing, upon termination or expiration of the Order, Seller shall, at the written request of Buyer, make a reasonable effort to return all copies of Buyer's Proprietary Information in written or tangible form, except that a single copy may be maintained in Seller's archives to be used solely for the purpose of interpreting the Parties' legal rights and obligations under the Order.
 - a. Radiographic film - eleven (11) years unless an alternate term is approved.
 - b. Non-traceable, non-serialized parts – eleven (11) years
 - c. Traceable parts as identified on the drawing or purchase order - Indefinitely
 - d. Serialized parts as identified on the drawing or purchase order - Indefinitely
 - e. Critical parts as identified on the drawing - Indefinitely
 - f. Distributor standard off the shelf product - 7 years
 - g. Certifications must be available to FDH within 48 hours from request.
- 30.2. Minimum retention periods, beginning with the date the Order was completed. In the case where a specification, contract or Order requires a greater retention period, the more stringent requirement will apply.

31. Disputes and Governing Law

- 31.1. Any dispute arising under or relating to the Order shall be reduced to writing and submitted to the other Party. The manager of Buyer's Authorized Purchasing Representative and Seller's equivalent manager or executive shall use their best reasonable efforts to resolve the dispute. If they are unable to resolve the dispute within thirty (30) calendar days after submission of the dispute, Buyer's senior procurement executive and Seller's equivalent level executive



shall attempt to resolve the dispute.

- 31.2. For any dispute that cannot be resolved to both Parties' mutual satisfaction within ninety (90) calendar days after the initial submission of the dispute, or such other time as the Parties agree upon in writing, either Party may bring action. Except as otherwise stated on the face of the Order or in the Company-Specific Addendum, such action shall be brought exclusively in federal or state court within the State of Delaware. Each Party irrevocably waives the defense of an inconvenient forum in connection with any such suit.
- 31.3. Notwithstanding the foregoing, any Party may immediately seek injunctive or other equitable remedies in any court of competent jurisdiction in order to prevent breaches of the Order, or to enforce specifically the terms and provisions thereof.
- 31.4. Pending final resolution of any dispute, Seller shall proceed diligently with performance of the Order.
- 31.5. Except as otherwise stated on the face of the Order or in the Company-Specific Addendum, both Parties agree that, irrespective of the place of performance of the Order, the Order will be construed and interpreted according to the law of the Commonwealth of the State of Delaware, excepting that state's principles on conflicts of law. The U.N. Convention on Contracts for the International Sale of Goods shall not apply to the Order.
- 31.6. To the maximum extent permitted by law, the Parties hereby waive their rights to trial by jury of any cause of action, claim, counterclaim or cross complaint in any action, proceeding or hearing on any matter whatsoever arising under, relating to, or in any way connected with the Order, the relationship of Seller and Buyer or any claim of injury or damage, or the enforcement of any remedy under any law now or hereafter in effect.

32. Miscellaneous

- 32.1. Entire Agreement. Except as provided in the Proprietary Information clause, any Vendor Managed Inventory Agreement, and/or any Electronic Commerce Agreement entered into by and between the Parties, the Order sets forth the entire understanding of the Parties and supersedes and cancels all prior understandings, proposals, communications, and agreements between the Parties, whether written or oral, concerning the matters addressed in the Order.
- 32.2. Order of Precedence. In the event of any conflict or inconsistency between the terms of the Order or between the terms of the Order and the terms of any other document regarding the subject matter of the Order, the conflict or inconsistency shall be resolved by giving precedence in the following order:
 - a. Terms expressly stated on the face of the Order (excluding any documents incorporated by reference on the face of the Order);
 - b. Any documents expressly incorporated by reference on the face of the Order;
 - c. The Company-Specific Addendum applicable to the Order, if any.
- 32.3. Remedies. The rights and remedies set forth in the Order are cumulative and in addition to any other or further rights and remedies available at law or in equity. Buyer shall be entitled to recover from Seller the costs (including reasonable attorneys' fees) incurred in enforcing the terms of the Order, and any rights or remedies that Buyer may have thereunder, at law or in equity.



- 32.4. Partial Invalidity. If any provision of the Order is held to be void or unenforceable by a court of competent jurisdiction, all other provisions of the Order shall remain valid and enforceable.
- 32.5. Non-Waiver. A Party's failure at any time to enforce any provision of the Order shall not constitute a waiver of such provision or prejudice a Party's right to enforce such provision at any subsequent time. Any waiver of any provision of the Order may only be effectuated in writing.
- 32.6. Headings. The descriptive headings contained in the Order are for convenience of reference only, and in no way define, limit or describe the scope or intent of the Order.
- 32.7. Survival. The terms and conditions of the Order regarding proprietary information, intellectual property, warranties, indemnification, and disputes, and all others that by their sense and context are intended to survive the performance, termination or expiration of the Order shall survive and continue in effect.
- 32.8. Language. All contractual documents and all correspondence, invoices, notices, and other documents shall be in English. In the event that there is a conflict between the English version and another language version, the English language shall be the controlling language.
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Buyer's FAR/DFARS Flow-Down Addendum

Seller represents and certifies that neither Seller or its parent (if any), its subsidiary(ies) or affiliate(s) is included on any of the restricted party lists maintained by the U.S. Government or any other governments, including but not limited to the Specially Designated Nationals List, Denied Parties List, or the consolidated list of asset freeze targets designated by the United Nations, European Union, and United Kingdom. Seller shall immediately notify Buyer if or its parent (if any), its subsidiary(ies) or affiliate(s) is, or becomes, listed on one of these lists or if any of its trade privileges are denied, suspended, or revoked in whole or in part by the applicable authorities.

If a U.S. Government contract is referenced on the face of the Order, to the extent that Seller is only providing Goods and/or services that qualify as "commercial items" within the meaning of 48 C.F.R. ("FAR") 2.101, Seller and Buyer agree that, consistent with FAR 44.403, FAR 52.244-6(c), and/or DFARS 252.244-7000, the following federal procurement regulations in effect on the date of Buyer's Order are incorporated into such Order by reference :

FAR 52.203-13, Contractor Code of Business Ethics and Conduct.
FAR 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009
FAR 52.204-21, Basic Safeguarding of Covered Contractor Information Systems
FAR 52.204-24, Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment
FAR 52.219-8, Utilization of Small Business Concerns.
FAR 52.222-21, Prohibition of Segregated Facilities.
FAR 52.222-26, Equal Opportunity.
FAR 52.222-35, Equal Opportunity for Veterans.
FAR 52.222-36, Equal Opportunity for Workers with Disabilities.
FAR 52.222-37, Employment Reports on Veterans.
FAR 52.222-40, Notification of Employee Rights Under the National Labor Relations Act.
FAR 52.222-50, Combating Trafficking in Persons.
FAR 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements.
FAR 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services-Requirements.
FAR 52.222-54, Employment Eligibility Verification.
FAR 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026.
FAR 52.232-40, Providing Accelerated Payments to Small Business Subcontractors.
FAR 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels.
DFAR 252.225-7007, Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies
DFAR 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals
DFAR 252.225-7052, Restriction on the Acquisition of Certain Magnets, Tantalum, and Tungsten
DFAR 252.227-7015, Technical Data - Commercial Products and Commercial Services
DFAR 252.227- 7037, Validation of Restrictive Markings on Technical Data
DFAR 252.236-7013, Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers
DFAR 252.246-7003, Notification of Potential Safety Issues
DFAR 252.247-7023, Transportation of Supplies by Sea and

The term "Contractor" and similar terms in the FAR and DFARS provisions shall be construed to mean "Seller," "Contracting Officer" shall mean "Buyer," and the "Government" shall mean "Buyer" or the "Government" for the purposes of their application to the Order. Seller shall include the applicable clauses referenced in this Clause 32(g) in its lower-tier purchase orders as required.