

TERMS AND CONDITIONS OF PURCHASE

1. Acceptance. These Terms and Conditions of Purchase apply to all orders for parts and products placed by Apollo Aerospace Components, Limited, or, as applicable, its subsidiary or affiliate companies placing the Order shall be the entity of record for all commercial and legal purposes ("Buyer") including, without limitation, a purchase order, release, requisition, work order and including documents provided by electronic data interchange ("Order"). Buyer and Seller collectively may be referred to as "Parties" or individually as "Party" to these Terms and Conditions. Buyer's Order for electrical and/or hardware components for use in the aerospace industry, including any related services ("Goods"), from Seller is expressly conditioned on, and limited to, Seller's acceptance of these Terms and Conditions of Purchase ("Terms and Conditions"). The Order is an offer or counteroffer by Buyer to purchase the Goods described in the Order in accordance with these Terms and Conditions. Signing and returning the acknowledgment copy of the Order, commencement of performance, or delivery of Goods hereunder shall constitute unqualified and unconditional acceptance of these Terms and Conditions. Any additional or different terms in Seller's forms are hereby deemed to be material alterations and notice of objection and rejection of them is hereby given. Seller agrees that it will not assert, as a defense to the enforcement of these Terms and Conditions any limitation set out in its acceptance or acknowledgement of the Order. Any reference in the Order to any offer or proposal made by Seller is solely to incorporate the description or specifications of Goods and/or services in Seller's proposal, but only to the extent that the description or specifications do not conflict with the description and specifications in the Order, and any references to or attachment of Seller's terms and conditions in Seller's proposal, acknowledgment or invoicing of the Order shall not alter the terms hereof.
2. Specifications and Quantities. All Goods and/or services furnished under this Order must comply strictly with Buyer's specifications, instructions, drawings, data, samples and other descriptions ("Specifications"), unless Seller has obtained Buyer's prior written permission to make changes. If there is a conflict between Seller's published specifications and Buyer's Specifications, Seller agrees to immediately advise Buyer in writing and proceed with this order on the basis of Buyer's Specifications. Seller shall not make any changes to the Specifications, the manufacturing location or the raw material source without the prior consent of Buyer prior to implementation of any such change. Quantities listed in the Order are Buyer's best estimate of the quantities of goods it might purchase from Seller for the contract term specified in the Order.
3. Price and Payment. Prices shall be as specified in the Order and are fixed and firm for the duration of the Order. No changes to the prices stated in the Order shall be permitted except as expressly agreed in a written amendment signed by an authorized representative of Buyer. Seller shall not increase prices, add surcharges, add tariffs, or otherwise modify pricing without Buyer's prior written consent, and any attempt to do so shall be void and of no effect.
4. Price Inclusivity. Unless otherwise expressly stated in writing on the face of the Order, all prices are inclusive of and Seller shall not separately charge Buyer for: (a) all tariffs, fuel charges, customs duties, import duties, export duties, and similar governmental charges; (b) all federal, state, provincial, local, and foreign taxes (including sales, use, excise, value-added, and goods and services taxes), except that Buyer shall pay applicable sales or use tax if Buyer provides Seller with a valid tax exemption certificate; (c) all packaging, labeling, marking, and container costs, including specialized packaging required for aerospace components (such as electrostatic discharge (ESD) protection, foreign object debris (FOD) prevention, moisture barrier bags, desiccants, and damage prevention packaging); (d) all crating, palletizing, and shipping preparation costs; (e) freight, transportation, and delivery charges to Buyer's designated facility; and (f) all other costs and expenses necessary to deliver conforming Goods to Buyer. Packaging shall be fit for purpose, suitable for aerospace components, and adequate to prevent damage, contamination, corrosion, electrostatic discharge, and foreign object debris during transportation, handling, and storage. Seller shall comply with all packaging requirements specified by Buyer or required by applicable aerospace industry standards.
5. Payment Terms. Payment shall be net sixty (60) days from the end of the month (EOM) in which Buyer receives both the Goods and a correct, compliant invoice from Seller, unless otherwise agreed by Buyer in writing. Invoices must reference the Order number, part numbers, quantities, and unit prices, and must be accompanied by all required documentation including certificates of conformance, test reports, and traceability documentation. Buyer shall have no obligation to pay for Goods that do not conform to the requirements of the Order or for which required documentation has not been provided.
6. Early Payment Discount: If Buyer makes payment within fifteen (15) days of the invoice date, Buyer shall be entitled to deduct a five percent (5%) discount from the invoice amount. Seller agrees that acceptance of such discounted payment shall constitute payment in full and Seller waives any claim for the discounted amount.

7. Most Favored Customer: Notwithstanding any other provision of this Order, Seller warrants to Buyer that all prices, terms, warranties and benefits taken as a whole ("Terms") granted to Buyer are at least as favorable as those offered by Seller to any of its other like customers for the same or similar goods in similar quantities. If, during the term of the Order, Seller should enter into an arrangement with any other like customer that provides more favorable Terms, Seller shall so notify Buyer and the Order shall be immediately amended to provide to Buyer the more favorable Terms. Seller agrees that any price reduction made in goods and/or services covered by this Order subsequent to the placement of the Order will be immediately applied to the Order.
8. Changes. Buyer reserves the right at any time, and at no charge, to make changes in drawings, designs, Specifications, quantities and delivery schedules, method of shipping and packing and inspections as to any goods covered by the Order, and Seller will be bound by any such changes. Any differences in price or time for performance resulting from such changes shall be equitably adjusted, agreed to by Buyer in advance and shown on a supplemental purchase order. Any claim by Seller for adjustment under this Section 8 must be asserted within thirty (30) days from the date of notification of the change; provided, however, that Seller shall continue to supply goods ordered pending Seller's claim and resolution thereof.
9. Delivery and Shipping Requirements. Time and quantities are of the essence of the Order. Deliveries of Goods or services ordered hereunder are to be made in the manner, quantities and at the times specified by the Order and Seller agrees to 100% on-time delivery of the quantities and at the times specified by Buyer. Unless otherwise specified, delivery shall occur when the Goods are delivered to Buyer's designated facility and accepted by Buyer.
10. Shipping Quantity Tolerance: Seller may ship quantities within plus or minus five percent (+/-5%) of the ordered quantity (the "Tolerance"), provided that Buyer reserves the right to reject any shipment that exceeds the Tolerance or that Buyer determines, in its sole discretion, is not acceptable. Buyer shall have no obligation to accept or pay for quantities in excess of the ordered quantity plus the Tolerance. For quantities shipped within the Tolerance, Buyer shall pay only for the actual quantity delivered and accepted. Shipments outside the Tolerance may be rejected and returned to Seller at Seller's expense.
11. Shipping and Packaging Requirements: All shipments must comply with the following requirements: (a) Maximum weight of any single shipping box or container shall not exceed twenty (20) kilograms; (b) All shipments with a total weight exceeding fifty (50) kilograms must be shipped on pallets suitable for forklift or pallet jack handling; (c) All Goods must be packaged in accordance with Section 3 (Price and Payment) requirements for aerospace-suitable packaging including ESD protection, FOD prevention, and damage prevention as applicable; (d) Each box, container, and pallet must be clearly labeled with the Order number, part number(s), quantity, Seller's name, and any handling instructions or warnings; and (e) Hazardous materials must be packaged, labeled, and documented in accordance with all applicable regulations and Section 15 (Packing) requirements.
12. Supplier Performance Protection and Late Delivery Costs: Any premium shipping expenses and other related expenses necessary to meet Buyer's delivery schedules shall be Seller's sole responsibility. Unless excused by Section 14 (Force Majeure), in the event Seller fails to deliver the Goods and/or services hereunder in accordance with the delivery dates or other agreed schedule incorporated into the Order, and such delay is not solely attributable to the acts or omissions of Buyer, then: (a) Seller shall immediately notify Buyer in writing of the delay, the cause, the expected duration, and Seller's plan to mitigate the delay; (b) Seller shall make all reasonable efforts to minimize the impact of the delay on Buyer and Buyer's customers, including expediting production, using faster shipping methods at Seller's expense, and providing interim solutions; (c) Seller shall reimburse Buyer for any and all charges, costs, expenses, and damages incurred by Buyer as a result of Seller's late delivery, including but not limited to: (i) premium freight and expediting charges incurred by Buyer to obtain replacement Goods or to expedite delivery to Buyer's customers; (ii) costs of alternative sourcing or cover purchases; (iii) line stoppage costs, production downtime, and idle labor costs; (iv) customer chargebacks, penalties, liquidated damages, and claims asserted against Buyer by Buyer's customers; (v) costs of storage, handling, and inventory carrying costs; (vi) lost profits and business opportunities; and (vii) any other direct, incidental, and consequential damages resulting from the late delivery; and (d) Buyer, in addition to the foregoing and any other remedies available to it under law or in equity, shall be entitled to the remedies outlined in section 24 (Default and Remedies), including the right to cancel the Order without liability.
13. Buyer's Right to Cancel or Reschedule: Buyer shall have the right, at no charge to Buyer and without liability to Seller, to: (a) cancel the Order or any portion thereof at any time prior to shipment by Seller, or if Seller has not yet commenced production of the Goods, or within thirty (30) days of the scheduled delivery date, whichever provides Seller with the greatest notice; (b) reschedule delivery dates or quantities at any time prior to thirty (30) days before the scheduled delivery date; (c) cancel the Order if shipment or performance is not made in accordance with the schedules for quantities or time periods specified in the Order; and (d) refuse to accept delivery if shipments are made in advance of the schedules specified in the Order, if quantities are outside the Tolerance specified above, or if the Goods do not conform to the requirements of the Order. In the event of

cancellation or rescheduling by Buyer under this subsection, Seller shall have no claim against Buyer for any costs, damages, lost profits, or other compensation, except that if Buyer cancels an Order after Seller has commenced production of custom Goods specifically manufactured for Buyer (and not usable for Seller's other customers), Buyer shall reimburse Seller's reasonable, documented, direct material costs actually incurred and not recoverable by Seller, up to a maximum of fifty percent (50%) of the Order value, provided Seller submits such claim with supporting documentation within thirty (30) days of cancellation.

14. Force Majeure. Neither Buyer nor Seller shall be liable for failure to perform any of its obligations hereunder, to the extent such failure is due to fire, flood, storm, other natural disaster, acts of government, terrorism, national emergency war, epidemic, pandemic or quarantine, or any other event beyond the control of and without the fault of the affected party, provided that the affected party has given the other notice of such occurrence within five (5) days of becoming aware of the same. Such notice shall describe the event causing the delay, the expected duration, remediation plans and plans for the supply or purchasing of goods during such event. Seller shall not be excused from performance under this section for delays or defaults due to labor problems, inability to obtain financing, increases in the cost of raw materials or energy, or tariffs or other governmental action that impacts costs/prices. If Seller cannot provide adequate assurances that a delay will not exceed fourteen (14) days or if a delay lasts more than fourteen (14) days, Buyer may terminate the Order without any obligation or liability to Seller for such termination.
15. Packing. Seller shall properly pack, mark and ship the goods to Buyer in accordance with the Order and the Buyer's, or Buyer's customer's, requirements. For any goods that may contain potentially hazardous or restricted materials, if requested by Buyer, Supplier shall promptly furnish to Buyer a detailed list of and quantities of all potentially hazardous materials in the goods. Before shipping such goods, Supplier shall furnish to Buyer sufficient warning and notice (including appropriate labels on the goods, containers and packaging) of any hazardous material that is any part of the goods, and special handling instructions necessary to advise all carriers, Buyer and their respective employees and agents as to how to exercise necessary care and caution to best prevent any bodily injury or property damage in the handling, processing, use or disposal of such goods. Supplier shall comply with all applicable laws and regulations pertaining to product and warning labels.
16. Inspection, Certificates of Conformance, Traceability, Right of Access, Title and Risk of Loss. All Goods are subject to Buyer's inspection and testing, including at the source if deemed necessary by Buyer or required by Buyer's customer or government regulation. Buyer, Buyer's customer, and government representatives shall have the right to access Seller's facilities and all relevant records (including quality records, test data, inspection records, manufacturing records, and traceability documentation) during normal business hours upon reasonable notice for the purpose of assessing Seller's compliance with the Order requirements, quality system adequacy, and product conformity and compliance.
17. Traceability Requirements: Seller shall provide full traceability for all Goods to the original equipment manufacturer (OEM), including: (i) OEM name and identification; (ii) OEM date code or date of manufacture by the OEM; (iii) Seller's date of manufacture or assembly (if different from OEM date); (iv) lot number, batch number, or serial number as applicable; and (v) complete supply chain pedigree documentation linking the Goods back to the original manufacturer. Such traceability information shall be: (a) included in the certificate of conformance accompanying each shipment; (b) permanently marked, labeled, or tagged on the Goods and/or packaging as appropriate and as specified by Buyer; (c) maintained in Seller's records and made available to Buyer, Buyer's customers, and regulatory authorities upon request; and (d) sufficient to enable complete recall or corrective action for any affected lot, batch, or serial number. Seller shall provide Buyer with a certificate of conformance with each shipment certifying that the Goods conform to all requirements of the Order, applicable specifications, and drawings. Such certificate shall include, at a minimum: the Order number, part number, revision level, quantity shipped, OEM name, OEM date code or date of manufacture, Seller's date of manufacture (if applicable), lot number or batch number or serial number traceability, inspection and test results, material certifications, country of origin, and an authorized signature with printed name and title. Seller waives any rights to require Buyer to inspect the Goods, and payment for the Goods furnished or failure to conduct an inspection shall not constitute acceptance thereof.
18. Quality Queries and Response Time: Seller shall respond in writing to any quality queries, nonconformance reports, corrective action requests, or requests for information from Buyer within seven (7) calendar days of receipt of such query or request. Seller's response shall include: (a) acknowledgment of the issue; (b) root cause analysis or preliminary findings; (c) immediate containment actions taken; (d) corrective actions to address the specific nonconformance; (e) preventive actions to prevent recurrence; (f) timeline for implementation of corrective and preventive actions; and (g) any other information requested by Buyer. Failure to respond within seven (7) days may result in Seller being placed on quality hold, suspension of shipments, removal from Buyer's approved supplier list, or termination of the Order at Buyer's sole discretion.
19. Rejection Rights and Return Costs: If any of the Goods or services are found at any time (whether before or after delivery, inspection, acceptance, payment, or incorporation into Buyer's products) to be defective, nonconforming, counterfeit, suspect,

or otherwise not in conformity with the requirements of the Order, Seller shall immediately notify Buyer in writing and shall not ship any suspect or nonconforming Goods without Buyer's prior written approval and specific instructions. Buyer, in addition to any other rights which it may have under warranties or otherwise, shall have the right to: (a) reject and return such Goods to Seller at Seller's sole expense, including all costs of transportation, freight, packaging, handling, insurance, and customs duties in both directions (outbound from Buyer and return from Seller); (b) require Seller to collect rejected Goods from Buyer's facility at Seller's expense within ten (10) days of notice of rejection, failing which Buyer may dispose of or return the Goods at Seller's expense; (c) receive a full refund of the purchase price for any such rejected Goods plus all transportation charges, inspection costs, sorting costs, handling costs, and storage costs paid or incurred by Buyer; (d) require Seller to reimburse Buyer for all costs incurred in inspecting, testing, quarantining, sorting, reworking, or dispositioning the nonconforming Goods; and (e) require Seller to send a qualified representative to Buyer's facility at Seller's expense to inspect, sort, or disposition nonconforming Goods if requested by Buyer. Such rejected Goods and/or services shall not be replaced without Buyer's prior written authorization. All replacement Goods shall be shipped via the fastest available method at Seller's expense and shall be clearly marked as replacements for rejected Goods.

- a. Buyer may reject the entire shipment of Goods, where it consists of a quantity of similar Goods and sample inspection discloses that the Goods inspected contain defects or do not conform to specifications or samples, unless, at Buyer's discretion, Seller agrees to reimburse Buyer for the cost of a complete inspection and sort of the Goods included in such shipment. If Buyer elects to perform sorting or rework of nonconforming Goods, Seller shall reimburse Buyer for all associated labor, materials, overhead, and administrative costs at Buyer's standard rates.
- b. Title to and risk of loss or damage to the Goods and/or services shall transfer to Buyer at the time Seller delivers and Buyer accepts delivery of the Goods and/or services. Risk of loss or damage during shipment shall be the responsibility of Seller. Title to rejected Goods shall revert to Seller immediately upon notice of rejection.

20. Adequate Assurance. If Seller's financial condition is found to be or becomes unsatisfactory to Buyer during the term of the Order, or should Seller's ability to perform become doubtful, Buyer may demand immediate assurance of performance, and in the event that such assurance is not forthcoming within five (5) working days, Buyer may terminate this Order, and no rights shall accrue to Seller against Buyer on account of any such termination. Buyer's obligations are conditioned upon the continuance of Seller's solvency and Seller's ability to perform within the delivery schedule.

21. Warranties. In addition to any other express or implied warranties provided by applicable law or otherwise, Seller warrants and guarantees to Buyer, its successors, assigns, customers and end users, that the Goods shall: (a) be new, genuine, and not counterfeit, refurbished, or previously used; (b) conform to all Specifications, drawings, samples, brochures, manuals and other descriptions furnished by, or accepted in writing by an authorized representative of Buyer; (c) comply with applicable aerospace industry standards including AS9100, AS9120, or equivalent quality management system standards, and comply with all laws as set forth in section 36 (Compliance with Laws) in the countries where the Goods are manufactured and sold; (d) be merchantable and fit for the purpose for which they are intended, Seller acknowledging that it knows the Goods are intended for use in aerospace applications where safety and reliability are critical; (e) be of the highest quality suitable for aerospace applications, and free from all defects in design, materials and workmanship (including latent defects); (f) meet or exceed all specified reliability, performance, and shelf-life requirements, and Seller shall provide shelf-life dating and storage requirements as applicable; (g) be manufactured, inspected, and tested in accordance with Buyer's quality requirements and applicable aerospace industry standards; (h) be fully traceable to the original equipment manufacturer (OEM) with complete pedigree documentation, including OEM name, OEM date code or date of manufacture, Seller's date of manufacture (if applicable), and lot number, batch number, or serial number, and Seller shall maintain and provide upon request complete traceability records including material certifications, test reports, manufacturing records, and supply chain documentation linking the Goods to the original manufacturer; (i) be free from counterfeit parts and components, and Seller shall implement and maintain a documented anti-counterfeiting program consistent with industry standards including SAE AS5553 or AS6174, and shall source Goods only from original manufacturers or their authorized distributors with documented proof of authenticity and authorization; (j) be free and clear of any and all liens and encumbrances of whatsoever nature and kind; (k) to the extent consisting of services, be performed in a professional, good and workmanlike manner by qualified, trained, experienced workers in accordance with the highest standards of the aerospace industry; and (l) to the extent consisting of software, (i) conform in all material respects to, and properly and correctly perform in accordance with, its documentation; and (ii) not contain any program routine, device, code or instructions, or other undisclosed feature, including malware, viruses, or backdoors, that is capable of accessing, modifying, deleting, damaging, disabling, deactivating, interfering with or otherwise harming any computers, networks, data or other electronically stored information, or computer programs or systems. The warranty period shall be the longest of: (a) three (3) years after delivery for Goods used in aerospace applications, (b) the maximum period provided by applicable law, or (c) the warranty period Buyer provides its customers for products that include the Goods. All warranties of Seller express or implied, and all remedies of Buyer, in this section or elsewhere, shall survive

indefinitely any delivery, inspection, tests, acceptance, payment or processing. Buyer's approval of any design, drawing, material, process or specifications will not relieve Seller of these warranties.

22. Shelf Life Requirements: For all Goods that have a limited shelf life, storage life, or expiration date as defined by the original equipment manufacturer (OEM) or applicable industry standards, Seller warrants that upon delivery to Buyer, the Goods shall have remaining shelf life of at least the greater of: (i) eighty percent (80%) of the original manufacturer's specified total shelf life; or (ii) three (3) years, whichever results in a longer remaining shelf life period. For example, if the OEM specifies a total shelf life of 10 years from date of manufacture, the Goods must have at least 8 years of remaining shelf life upon delivery to Buyer (80% of 10 years equals 8 years, exceeding the 3-year minimum). Conversely, if the OEM specifies a total shelf life of 2 years, the Goods must have at least 3 years of remaining shelf life upon delivery (the 3-year minimum exceeds 80% of 2 years, which totals only 1.7 years). Each shipment of Goods with limited shelf life shall be clearly and legibly marked on both the Goods and the outer packaging with: (a) the date of manufacture or date code in a format specified by Buyer or, if not specified, in ISO 8601 format (YYYY-MM-DD); (b) the expiration date or shelf-life end date; (c) the total shelf life period specified by the OEM (in years and months); (d) the remaining shelf life at time of delivery (in years and months); and (e) the percentage of remaining shelf life at time of delivery. Seller shall provide complete shelf-life information in the certificate of conformance for each shipment, including calculations demonstrating compliance with the greater-of requirement. Goods that do not meet the minimum shelf-life requirements set forth in this section may be rejected by Buyer and returned to Seller at Seller's sole expense, and Seller shall replace such Goods with conforming Goods having adequate remaining shelf life within the timeframe specified by Buyer. Seller shall implement and maintain a first-in-first-out (FIFO) inventory management system to ensure that Goods with the longest remaining shelf life are shipped first, and Seller shall not ship Goods that do not meet the minimum remaining shelf life requirements without Buyer's prior express written approval, which Buyer may grant or withhold in its sole discretion.
23. Competitive Pricing. Seller represents, warrants, and covenants that, at all times during the term of this Agreement and with respect to each order for parts hereunder, the price, quality, delivery, service, technology, warranties, and overall performance offered by Seller to Buyer shall be and remain competitive with, and no less favorable than, those offered by Seller to any other customer for comparable parts and by other reputable suppliers in the market for similar parts. If at any time Seller is not so competitive, Seller shall promptly meet such terms or, at Buyer's option, Buyer may cancel any affected orders and source the parts elsewhere without liability.
24. Default and Remedies. Seller shall be in default under the Order if: (a) Seller does not comply with the Order in all respects including timely delivery; (b) any Goods provided by Seller do not conform to the warranties or other requirements of the Order, whether such non-conformity is discovered before or after acceptance by Buyer; (c) Seller repudiates or threatens to breach any of the terms of the Order including, without limitation, threatens not to deliver Goods or perform services under any Order; (d) Seller makes an assignment for the benefit of creditors, or proceedings in bankruptcy or insolvency are instituted by or against Seller or Seller seeks accommodation from Buyer, financial or otherwise, in order to meet its obligations under the Order; (e) at any time in Buyer's sole judgment Seller's financial or other condition or progress on the Order shall be such as to endanger the quality of the Goods or Seller's timely performance; or (f) Seller fails to respond to quality queries or corrective action requests within the timeframes specified herein
25. Remedies and Consequential Damages. Upon any default hereunder, if the default is not cured within ten (10) days following notice of the default, or such lesser time as may be reasonable in the circumstances, in addition to all other remedies hereunder or under applicable law or in equity, Buyer may exercise any one or more of the following remedies: (i) cancel or delay delivery of all or any portion of the Order without liability, except the obligation to pay the purchase price for conforming Goods received by Buyer prior to cancellation and accepted in accordance with the Order; (ii) terminate the Order and any other orders with Seller; (iii) require Seller to repair or replace any or all Goods determined by Buyer to be non-conforming, at Buyer's option and at Seller's sole expense, either at Buyer's facility or at any other location designated by Buyer, with all transportation, labor, and material costs borne by Seller; (iv) require Seller to pay all transportation, freight, customs, storage, handling, inspection, sorting, rework, and other charges arising from delivery, storage, return, and disposition of nonconforming Goods; (v) purchase replacement Goods from a third party and recover from Seller any excess in the price of the replacement Goods over the price of the non-conforming Goods, plus all costs of identifying, qualifying, and transitioning to the replacement supplier; (vi) recover from Seller any and all direct, indirect, incidental, consequential, special, and other damages, losses, costs, charges and expenses relating to such default, including but not limited to: (a) customer chargebacks, penalties, liquidated damages, and claims asserted against Buyer by Buyer's customers resulting from Seller's late delivery, nonconforming Goods, or other breach; (b) production line stoppage costs, downtime costs, idle labor costs, and lost production resulting from Seller's failure to deliver conforming Goods on time; (c) premium freight, expediting charges, and other costs incurred by Buyer to expedite delivery to Buyer's customers or to obtain replacement Goods; (d) costs of inspection, testing, sorting, rework, repair, and disposition of nonconforming Goods; (e) costs of recall, field service actions, warranty claims, and corrective actions resulting from defective or nonconforming Goods; (f) costs of grounding or

taking aircraft or equipment out of service; (g) loss of customer goodwill, damage to Buyer's reputation, and loss of future business opportunities; (h) regulatory fines, penalties, and costs of regulatory investigations or enforcement actions; (i) costs of alternative sourcing and supply chain disruption; and (j) any other foreseeable or unforeseeable damages resulting from Seller's breach, late delivery, or supply of nonconforming Goods; and (vii) recover attorneys' fees and costs of enforcement of the foregoing remedies, plus interest on all of the foregoing at the highest rate permitted by applicable law. Buyer shall have the right to set off any costs, expenses, losses and damages against any and all sums owing to Seller under this Order or any other order or agreement between Buyer and Seller.

26. Seller acknowledges and agrees that the damages described in this section are a foreseeable consequence of Seller's breach, late delivery, or supply of nonconforming Goods, and that Buyer's ability to recover such damages is a material inducement to Buyer entering into this Order. Seller expressly waives any defense that such damages are not recoverable as consequential damages or are otherwise limited or excluded.
27. Indemnification. Seller agrees to defend, indemnify and hold harmless Buyer, its customers and each other third party to which Goods are provided ("Indemnified Parties") from and against any and all losses, damages (including consequential, incidental and special damages), claims, demands, expenses, liabilities, costs (including reasonable attorney's fees and court costs), injuries to any person (including death) and/or damages to property ("Losses") caused in whole or in part by: (a) Seller's acts or omissions arising out of the performance of the Order by Seller, its employees or agents, including but not limited to, any Losses arising from (i) breach of contract or improper performance by Seller; (ii) defective design, material or workmanship in the Goods furnished hereunder; (iii) breach of warranty; (iv) recalls, service bulletins, field service actions, airworthiness directives, corrective action notices, or any other corrective actions required by regulatory authorities or deemed necessary by Buyer related to the Goods, including all costs of notification, inspection, removal, replacement, reinstallation, and associated labor and materials; (v) breach of laws, orders, regulations or standards; (vi) any safety-related defect or failure of the Goods; (vii) supply of counterfeit, fraudulent, or nonconforming Goods; and (viii) any failure to comply with aerospace industry quality standards or customer requirements; and (b) any actual or alleged infringement of patents, copyrights, trademarks, trade names, trade secrets and/or other intellectual property rights arising out of or resulting from the sale and/or use of any Goods hereunder, provided that Buyer notifies Seller of any such claim, suit or action known to Buyer, and Buyer agrees to provide Seller with reasonable assistance regarding such claim, suit or action at Seller's expense. If use of any Goods found to be infringing hereunder is enjoined, Seller shall, at Buyer's option and Seller's expense, either (A) procure for Buyer the right to continue using the allegedly infringing Goods; or (B) modify or replace it with non-infringing Goods suitable to Buyer's form, fit and function standards, safety standards, and customer requirements, or (C) accept the return of the Goods for a full refund. Seller shall not be liable for indemnification under this section to the extent the alleged infringement is the result of Specifications provided by Buyer; provided, however, that such specifications could not have been implemented by Seller in any non-infringing manner.
28. Insurance. In addition to all other insurance coverage required by applicable law or as requested by Buyer, Seller shall provide workers' compensation, automobile and comprehensive general liability insurance, including coverage for contractual liability, products liability and completed operations, in amounts and with coverage's acceptable to Buyer. Buyer shall also be named as an additional insured on such policies (other than the workers' compensation insurance policy). Upon request by Buyer, Seller shall promptly furnish Buyer with a certificate of insurance acceptable to Buyer showing the amount of coverage, policy number and date of expiration of the insurance, indicating that Buyer is an additional insured on such policies and requiring that Buyer be given thirty (30) days written notice prior to any modification, lapse or cancellation of any policy. If Seller is self-insured for workers' compensation coverage, Seller shall, if requested by Buyer, provide the applicable certificate establishing such status to Buyer. Seller, on behalf of itself and its insurers, hereby waives any right of subrogation against Buyer for any liability, costs or expenses imposed on Seller or its insurers. The limitations of Seller's insurance will not limit or release Seller from Seller's obligations or liabilities under the Order. Seller shall be liable for payment of all deductibles and self-retentions.
29. Confidential Information. Any information or knowledge which Buyer may have disclosed or may hereafter disclose to Seller in connection with the goods or the Order shall be deemed confidential and proprietary information of Buyer and shall not be disclosed by Seller or used for the benefit of Seller or any third party without the prior written consent of an officer of Buyer. Buyer retains ownership of all proprietary rights in any information disclosed to Seller in connection with the goods or the Order. Upon Buyer's request such data, designs, drawings, specifications, know-how or other information and all copies thereof shall be promptly returned to Buyer, except electronic archival back-up copies which are not accessible in the ordinary course of business, and which copies shall continue to be subject to the non-use and non-disclosure provisions. Any knowledge or information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the goods or the Order shall not, unless otherwise specifically agreed upon in writing by an officer of Buyer, be deemed to be confidential or proprietary information, and accordingly shall be acquired free from any restriction. Seller shall not engage in the sale or manufacture of any goods to any other third party (including the customers of Buyer) to the extent the goods, the

manufacturing process or customer relationship is based upon information transmitted by Buyer pursuant to the terms of this Section.

30. Continuing Availability of Maintenance, Replacement, and Repair Parts. Seller shall notify Buyer in writing at least twelve (12) months prior to the date on which Seller intends to discontinue manufacturing or supplying Goods covered by this Order or no longer make such Goods available, or upon Seller's receipt of notice from its suppliers of any such discontinuance, whichever is earlier. Such notice shall include the effective date of discontinuance, the reason for discontinuance, and any available information regarding potential substitute or replacement Goods. Seller agrees to offer for sale to Buyer, at the then existing Order price, the opportunity for a lifetime buy of such Goods in quantities reasonably determined by Buyer to meet its anticipated future requirements. Seller shall provide Buyer with at least ninety (90) days from the date of notice to determine lifetime buy quantities and place orders. In the event Seller fails to supply the foregoing notice or lifetime buy opportunity, or Seller is unable to assist Buyer in obtaining another source of supply, then in addition to whatever other rights and remedies Buyer may have at law or in equity, Buyer may require Seller, without obligation or charge to Buyer, to provide Buyer with all technical information, drawings, specifications, tooling, manufacturing process documentation, test procedures, and any other rights or intellectual property required so that Buyer can have manufactured or obtain such Goods from other sources. Seller shall cooperate fully with Buyer and any alternate source in transitioning the supply of Goods.
31. Termination. Buyer may terminate the Order in whole or in part by written notice to Seller. In the event this Order is terminated as a result of Seller's default, then Buyer, in addition to any other remedies available to it under law or in equity, shall be entitled to the remedies outlined in section 24 (Default and Remedies). If this Order is terminated for the convenience of Buyer, Seller shall be compensated proportionately to the extent that goods and/or services have been delivered to and accepted by Buyer prior to the effective date of termination. Other than to this extent, Buyer shall not be liable to Seller for any damages on account of its failure to accept all of the goods and/or services ordered.
32. Limitation of Buyer's Liability. In no event shall Buyer be liable to Seller for interest, loss of anticipated profits, loss of revenue, loss of business opportunities, penalties, incidental, consequential, special, punitive, or exemplary damages in connection with the Order, including but not limited to damages arising from Buyer's cancellation, rescheduling, or reduction of orders, Buyer's rejection of nonconforming Goods, or Buyer's termination of the Order. Buyer's maximum liability to Seller under this Order, regardless of the form of action, shall not exceed the amounts actually paid by Buyer to Seller for conforming Goods delivered and accepted under the Order. This limitation of liability shall not apply to Buyer's obligation to pay for conforming Goods delivered and accepted in accordance with the Order.
33. Audit and Right of Access. Buyer, Buyer's customers, and government representatives or regulatory authorities (including but not limited to the Federal Aviation Administration, European Union Aviation Safety Agency, Civil Aviation Authority, and other civil aviation authorities) shall have the right, upon reasonable notice during normal business hours, to access Seller's facilities, and to examine, inspect, audit, and copy Seller's applicable records for the purpose of: (a) verifying compliance with quality standards, specifications, and aerospace industry requirements including AS9100, AS9120, or equivalent standards; (b) assessing Seller's quality management system and manufacturing processes; (c) conducting source inspection of Goods prior to shipment; (d) verifying compliance with the requirements of this Order; (e) investigating nonconformances, defects, or quality issues; (f) verifying traceability and authenticity of Goods and materials; (g) auditing Seller's anti-counterfeiting controls and supply chain management; and (h) verifying any claim for reimbursement by Seller. Buyer will provide reasonable advance written notice regarding the scope and timing of audits, except that no advance notice is required for audits conducted for cause, including investigation of suspected nonconformances, counterfeit parts, or quality system failures. Seller shall provide full cooperation and access to personnel, facilities, and records. Seller shall flow down these audit and access rights to its sub-tier suppliers. Seller may not exclude any areas from audit that are relevant to the Goods supplied under this Order or required to verify compliance with Order requirements.
34. Record Retention. Seller shall maintain and preserve all records related to the Goods supplied under this Order for a minimum of ten (10) years from the date of shipment to Buyer, or longer if required by applicable law, regulation, or customer requirements. Records subject to this retention requirement include, but are not limited to: quality records, certificates of conformance, inspection and test records, manufacturing and process records, material certifications and test reports, traceability documentation (including OEM date codes, dates of manufacture, and lot/batch/serial numbers), nonconformance and corrective action records, calibration records, training records, supplier qualification and approval records, and all documentation necessary to demonstrate compliance with the requirements of this Order and applicable aerospace quality standards. Such records shall be stored in a manner that ensures their integrity, legibility, and retrievability, and shall be made available to Buyer, Buyer's customers, and regulatory authorities within a reasonable time upon request. Seller shall notify Buyer in writing at least ninety (90) days prior to any planned destruction of records or transfer of record custody, and shall offer Buyer the opportunity to take possession of such records at no cost to Buyer.

35. No Waiver. No delay or failure by either party to exercise or enforce at any time any right or provision in this order shall be considered a waiver thereof or of such party's right thereafter to exercise or enforce each and every right and provision of this order. To be valid, waivers shall be in writing, but need not be supported by consideration. No single waiver shall constitute a continuing or subsequent waiver.
36. Compliance with Laws; Aerospace Quality and Safety Requirements. Seller, and all Goods supplied by Seller, shall comply with all applicable laws, rules, regulations, orders, conventions, ordinances, permits and standards (including industry standards) of the countries of origin and destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of the Goods, including, but not limited to, those relating to antitrust, data protection, environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety, all laws relating to bribery, fraud, kickbacks or anti-corruption, including, without limitation the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and all data and privacy security acts and regulations including, without limitation, the European Union General Data Protection Regulation. In addition, Seller shall comply with the following aerospace-specific requirements:
- a. **Quality Management System:** Seller shall establish, maintain, and continuously improve a quality management system that meets or exceeds the requirements of AS9100, AS9120, or an equivalent aerospace quality standard acceptable to Buyer. Seller shall maintain current certification to such standard and provide Buyer with a copy of its quality manual and current certification certificate upon request.
 - b. **Counterfeit Parts Prevention and Detection Program:** Seller shall establish, document, implement, and maintain a comprehensive counterfeit parts prevention and detection program consistent with SAE AS5553, AS6174, or equivalent industry standards acceptable to Buyer. This program shall include, at a minimum: (i) procurement of Goods and components only from original equipment manufacturers (OEMs) or their authorized distributors, with documented evidence of authorization and authenticity; (ii) documented procedures for supplier qualification, approval, and monitoring; (iii) inspection and testing procedures to detect counterfeit, fraudulent, or suspect parts; (iv) training for personnel involved in procurement, receiving, and inspection; (v) maintenance of complete supply chain traceability and pedigree documentation for all Goods and components; and (vi) procedures for reporting, quarantine, and disposition of suspect or confirmed counterfeit parts.
 - i. **Notification and Quarantine:** Seller shall immediately notify Buyer in writing (within 24 hours of discovery or suspicion) if Seller discovers, suspects, or is notified of any counterfeit, fraudulent, suspect, or nonconforming parts or materials in its supply chain or in Goods supplied or to be supplied to Buyer. Upon such discovery or suspicion, Seller shall: (i) immediately quarantine all suspect or affected Goods and materials and prevent their shipment or use; (ii) conduct a thorough investigation to determine the scope and root cause; (iii) provide Buyer with a detailed written report of the investigation, findings, and corrective actions within five (5) business days; (iv) remove and replace all counterfeit, suspect, or nonconforming parts at Seller's sole expense; and (v) implement corrective and preventive actions to prevent recurrence.
 - ii. **Supplier Removal and Disqualification:** Buyer reserves the right, in its sole discretion, to require the immediate removal of Seller and/or any of Seller's sub-tier suppliers from Buyer's approved supplier list and to terminate this Order and any other orders with Seller, without liability to Buyer, if: (i) counterfeit, fraudulent, or suspect parts are discovered in Goods supplied by Seller or its sub-tier suppliers; (ii) Seller fails to maintain an adequate counterfeit parts prevention program; (iii) Seller fails to maintain required quality system certification or controls; (iv) Seller's quality performance is unacceptable as determined by Buyer; (v) Seller fails to maintain required traceability and documentation; (vi) Seller sources Goods from unauthorized or unqualified suppliers; or (vii) Seller fails to comply with any material requirement of this Order. Seller shall flow down this supplier removal provision to all sub-tier suppliers.
 - iii. **Indemnification for Counterfeit Parts:** In addition to all other indemnification obligations under this Order, Seller shall defend, indemnify, and hold harmless Buyer, its customers, and end users from and against any and all losses, damages, costs, expenses, and liabilities arising from or related to counterfeit, fraudulent, suspect, or nonconforming parts supplied by Seller or its sub-tier suppliers, including but not limited to: (i) costs of investigation and root cause analysis; (ii) costs of inspection, testing, sorting, and quarantine; (iii) costs of removal, replacement, rework, and reinstallation of affected Goods; (iv) costs of notification to customers and regulatory authorities; (v) costs of any recall,

service bulletin, airworthiness directive, or corrective action; (vi) costs of grounding or taking aircraft or equipment out of service; (vii) regulatory fines and penalties; (viii) customer claims, chargebacks, and penalties; and (ix) damage to Buyer's reputation and business relationships. Seller shall replace all counterfeit or suspect parts with genuine parts from OEMs or authorized distributors at Seller's sole expense and within timeframes specified by Buyer.

- c. Foreign Object Debris (FOD) Prevention: Seller shall implement and maintain a FOD prevention and control program to prevent contamination of Goods.
- d. Safety and Airworthiness: Seller shall immediately notify Buyer of any condition, defect, or nonconformance that could affect the safety, airworthiness, or regulatory compliance of any aircraft, aerospace system, or equipment in which the Goods may be installed. Seller shall cooperate fully with any safety investigation, recall, service bulletin, or corrective action.
- e. Key Characteristics: Where Buyer has identified key characteristics, critical characteristics, or safety-critical features in the Specifications or drawings, Seller shall implement appropriate controls and verification methods to ensure compliance.
- f. Upon Buyer's request, Seller shall certify in writing its compliance with the foregoing.

37. Export Controls and Trade Compliance. Seller acknowledges that the Goods being purchased under this Order are electrical and hardware components intended for use in aerospace applications and may be subject to export control laws and regulations. Seller shall comply with all applicable U.S. and international export and re-export control laws and regulations, including but not limited to: (a) the Export Administration Regulations (EAR) maintained by the U.S. Department of Commerce; (b) the International Traffic in Arms Regulations (ITAR) maintained by the U.S. Department of State; (c) trade and economic sanctions regulations maintained by the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC); (d) export controls and economic sanctions maintained by the European Union, United Kingdom, and other applicable jurisdictions; and (e) anti-boycott regulations. Seller shall not transfer, export, re-export, or release any Goods, technical data, software, or technology received from Buyer, directly or indirectly, to any destination, entity, or person prohibited or restricted under applicable export control or sanctions laws without prior authorization from the appropriate government authorities. Seller shall provide Buyer, upon request, with all information necessary for Buyer to comply with export control and trade compliance requirements, including export control classification numbers (ECCNs), Harmonized Tariff Schedule (HTS) codes, country of origin, and any ITAR designation. Seller shall immediately notify Buyer if Seller, or any of its owners, officers, directors, or sub-tier suppliers, is or becomes listed on any restricted party list, including the U.S. Denied Persons List, Entity List, Specially Designated Nationals List, or equivalent lists maintained by other governments. Seller shall screen all sub-tier suppliers against applicable restricted party lists. Seller agrees to indemnify and hold harmless Buyer for any fines, penalties, claims, losses, damages, costs (including legal costs), expenses and liabilities (including costs of investigation of potential export controls or economic sanctions violations) that may arise as a result of Seller's breach of any of the export control or economic sanctions provisions within this section.

38. Forced Labor. Seller warrants that in relation to the supply of goods under the terms of the Order: (a) it does not employ, engage or otherwise use any child labor; (b) it does not use forced labor in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits upon starting work; (c) it complies with the laws on working hours and employment rights in the countries in which it operates; (d) it agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by it when performing its obligations under the Order; and (e) it certifies that materials incorporated into its goods comply with the laws regarding slavery and human trafficking of the country or countries in which it is doing business. Seller shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies. In addition to any other inspection and audit rights provided to Buyer herein, Buyer reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon Seller's premises to monitor compliance by Seller of the warranties set out above and Seller shall, subject to compliance with law, furnish Buyer with any relevant documents requested by Buyer in relation thereto.

39. Conflict Minerals. In accordance with applicable "Conflict Minerals" laws, Buyer must determine whether its goods contain tin, tantalum, tungsten or gold ("3TG") originating in the Democratic of the Congo and adjoining countries. To the extent Seller supplies goods containing 3TG to Buyer under any Order, Seller commits to have a supply chain process to ensure and document a reasonable inquiry into the country of origin of the 3TG minerals incorporated into such goods. If requested, Seller will promptly provide information and representations that Buyer reasonably believes are requested to meet its conflict minerals compliance obligations.

40. Chemical Substances Identification. By acceptance of this order, Seller certifies that any chemical substance(s) furnished pursuant to this order have been properly labeled, and that proper information regarding the substance(s), e.g., material safety data sheets, have been provided to Buyer in accordance with any and all federal, state or local legislation.
41. Applicable Law and Venue. Where Buyer is located in North America, all Orders shall be governed by and construed and enforced in accordance with the laws of the State of Ohio, USA, excluding its conflict of law provisions. The jurisdiction for any claims shall be the State or Federal courts venued in Cleveland, Ohio. Outside North America: Where Buyer is located outside North America, all Orders shall be governed by and construed and enforced in accordance with the laws of the country where Buyer is located, with any dispute, controversy or claim arising out of or in connection with the Order, these Terms and Conditions of Purchase settled by arbitration in accordance with the Arbitration Rules of the Chamber of Commerce in the jurisdiction where Buyer is located. The arbitral tribunal shall be composed of three (3) arbitrators. The language to be used in the arbitral proceedings shall be English. Buyer and Seller expressly agree that the U.N. Convention on Contracts for the International Sale of Goods shall not apply to this order and is specifically and wholly excluded. Seller and Buyer hereby waive any and all right to trial by jury in any claim arising directly or indirectly out of the Order.
42. Assignment. No assignment of this order by Seller shall be binding unless agreed to by Buyer in writing.
43. Entire Agreement. These Terms, together with any Purchase Order, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior or contemporaneous agreements, understandings, negotiations, and discussions, whether oral or written. Any modification hereto shall only be permitted through mutual agreement.