

DRT AEROSPACE, LLC
STANDARD TERMS AND CONDITIONS OF PURCHASE

September 3, 2026

1. DEFINITIONS

Capitalized terms not otherwise defined herein shall have the following meanings:

- 1.1. **"Affiliate"** means any entity controlling, controlled by, or under common control of a party to an LTA.
- 1.2. **"Authorized Purchasing Representative"** means the individual who is a designated procurement representative who has the ability to make changes to a Purchase Order. For the avoidance of doubt, an Authorized Purchasing Representative shall not include any engineering, technical or sales employee.
- 1.3. **"Buyer"** means DRT Aerospace, LLC, or any subsidiary, division, affiliate, successor or assign of DRT Aerospace LLC, doing business with Supplier pursuant to these Terms and Conditions.
- 1.4. **"Delivery Date(s)"** means the date of delivery for Goods or Services Goods specified in a Purchase Order delivered to DRT Dock.
- 1.5. **"DFARS"** means Department of Defense Federal Acquisition Regulation Supplement.
- 1.6. **"FAR"** means Federal Acquisition Regulation.
- 1.7. **"Goods"** means materials, supplies, reports, computer software, drawings, manuals, data, Services or any other specified documentation set forth in a Purchase Order.
- 1.8. **"Intellectual Property"** means patented and unpatented inventions and discoveries, pending patent applications, copyrighted works and copyrightable subject matter in published works and unpublished works, pending copyright registration applications, computer software data, databases and documentation thereof, trade secrets and other confidential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.
- 1.9. **"Lead Time"** means the maximum time, including manufacturing and material lead time, afforded to Supplier for the delivery of Goods from Supplier's receipt of a delivery requirement under a Purchase Order to the delivery of such Goods.
- 1.10. **"Long Term Agreement"** or **"LTA"** means an agreement between the Parties that provides for Buyer to purchase Goods or Services from Supplier through the

release of Purchase Orders against that Long Term Agreement. Each LTA incorporates these Terms and Conditions by reference unless stated otherwise in the LTA.

- 1.11. **“Parties”** means Buyer and Supplier collectively.
- 1.12. **“Property/Tooling”** means all property and tooling (including, but not limited to, all materials, dies, jigs, tools, patterns, molds, apes, gauges, models, equipment, fixtures, software, tools and other items) whether furnished or made available by Buyer or Buyer’s customers, or fabricated, acquired, or otherwise provided by Supplier or its subcontractors, for the use in the performance of a Purchase Order.
- 1.13. **“Proprietary Information”** means all information that is confidential, business sensitive, or proprietary in nature about Buyer, its subsidiaries or its other affiliates, or their respective businesses, assets, plans, or activities, including, without limitation, trade secrets, names and expertise of employees and consultants, know-how, formulae, processes, ideas, inventions (whether or not patentable), schematics, and other technical, business, financial, company and product development information and data (whether or not reduced to writing and regardless of the medium in which maintained), and any other confidential or non-public information that is disclosed or made available to Supplier or its Representatives (as defined below) by or on behalf of Buyer or any of its subsidiaries or other affiliates, along with all copies, notes, analyses, compilations, studies, or other materials prepared by or on behalf of Supplier or any of its Representatives that contain or reflect such information. The existence and terms of any LTA or Purchase Order shall be considered Proprietary Information. Notwithstanding the foregoing, Proprietary Information shall not include information that: (i) is in the public domain as of the effective date of any LTA or comes into the public domain other than through the breach of any obligation by Supplier or any of its Representatives; (ii) is lawfully obtained by Supplier from a third party without breach of any obligation and otherwise not in violation of the rights of Buyer or any of its subsidiaries; (iii) is known to Supplier at the time of disclosure as shown by its written records in existence at the time of disclosure; or (iv) is independently developed by Supplier; provided, that Supplier can demonstrate that it did so without making any use of any Proprietary Information or other information disclosed by or on behalf of Buyer in confidence to any third party.
- 1.14. **“Purchase Order”** means a paper or electronic document issued by Buyer to Supplier to initiate the ordering of Goods or Services, including any changes, modifications, or supplements thereto.
- 1.15. **“Supplier”** means the party to whom Buyer is issuing the Purchase Order.

- 1.16. **“Services”** means those services described in the Purchase Order to be provided by Supplier to Buyer, including, but not limited to, design, engineering, maintenance, and repair services required for the manufacture or delivery of Goods.
- 1.17. **“Specifications”** means, with respect to each Good or Service, the written requirements for the manufacture, test, qualification, workmanship of such Good or the performance of such Service, including but not limited to descriptions, designs drawings, layouts, plans, parts lists, process and material specifications, inspection and test procedures, etc., as they may be modified by Buyer from time to time.
- 1.18. **“Terms and Conditions”** means these DRT Aerospace Standard Terms and Conditions of Purchase, as they may be modified or amended from time to time.

2. SUPPLIER’S BASIC OBLIGATIONS

- 2.1 Supplier shall comply with the terms of the Purchase Order, which terms include, but are not limited to:
- (i) these Terms and Conditions;
 - (ii) the terms of any applicable LTA;
 - (iii) requirements stated on the face of the Purchase Order or expressly incorporated therein by reference on the face of the Purchase Order;
 - (iv) the Specifications, including, but not limited to, those provided by Buyer or listed in Buyer’s Purchase Order, or in a statement of work approved by Buyer
 - (v) quality requirements, including, but not limited to, those referenced on a Purchase Order;
 - (vi) Property/Tooling requirements set forth in Buyer’s Purchase Order or otherwise communicated by Buyer; and
 - (vii) shipping instructions, including, but not limited to, those referenced on a Purchase Order.

The documents described in (i) through (vii) above are hereby incorporated by reference into the Purchase Order.

- 2.2 Either Supplier’s full or partial performance, or written acknowledgement against a Purchase Order, whichever occurs first, shall constitute acceptance of the Purchase Order, including any amendments thereto. Any quotation, invoice, or any other Supplier provided communication that contains different or conflicting terms and conditions to that of a Purchase Order are rejected unless otherwise accepted in writing by Buyer.

- 2.3 Supplier shall ensure Goods are engineered and manufactured, and Services are provided, with the degree of skill, diligence, attention, and care consistent with generally accepted industry standards applicable to similar Goods or services, and in accordance with any standards set out in the Specifications. Supplier shall further ensure that all of its employees and subcontractors involved in performance of its obligations under the Purchase Order are made aware of these and other obligations of Supplier that affect the form, fit, or function of Goods and Services delivered pursuant to the LTA or Purchase Order, and the importance of full compliance with these requirements.
- 2.4 Supplier shall certify by email the standard delivery lead-time for each Good on or around October 1st of each calendar year within term of Purchase Order, or as otherwise directed by Buyer. In addition to the above obligation, Supplier shall immediately notify Buyer of any changes to standard delivery lead-time of Goods.

3. INVOICING AND PAYMENT

- 3.1 Payment of invoices issued under any Purchase Order shall be made in U.S. dollars and shall be due and payable 90 days after Buyer's receipt of Goods provided Buyer's delivery and invoicing requirements have been met.
- 3.2 Supplier shall submit a separate invoice for each shipment and shall include the following information taken from the Purchase Order: Purchase Order number, item number, part number, quantity, unit price, extended item price, and any applicable discount payment terms. Supplier's invoice shall also include Supplier's vendor number, phone number and address; the invoice number, invoice date, total amount due, ship date, and shipper number or packing slip number. No invoice shall be issued prior to shipment of Goods.

4. ORDER OF PRECEDENCE

Any inconsistency between the terms of the Purchase Order and these Terms and Conditions shall be resolved by giving precedence in the following order:

- (i) terms expressly stated on the face of the Purchase Order (excluding documents incorporated by reference);
- (ii) terms expressly stated on the face of any applicable LTA or (excluding documents incorporated by reference);
- (iii) these Terms and Conditions (excluding documents incorporated by reference or referenced herein);
- (iv) terms included in any Statement of Work, if applicable; and
- (v) any other documents incorporated by reference or referenced on a Purchase Order, LTA, or these Terms and Conditions.

5. DELIVERY, SHIPPING, TITLE AND RISK OF LOSS

- 5.1 The Parties agree that time is of the essence in Supplier's performance of a Purchase Order and, accordingly, Supplier shall deliver the Goods and perform the Services by the Delivery Date.
- 5.2 Notwithstanding the Changes clause of these Terms and Conditions, Buyer may make changes to the Delivery Dates, without price adjustment or cost impact, provided that such new Delivery Dates are consistent with Lead Time. Modified Delivery Dates inside the applicable Lead Times shall be considered need dates ("Need Date(s)"). Supplier shall use commercially reasonable efforts to comply with such Need Dates and if Supplier agrees to such Need Date, then the Need Date shall be considered a Delivery Date.
- 5.3 Notwithstanding any provision herein to the contrary, including, but not limited to, the Termination for Convenience clause and the Changes clause, in no event shall Buyer be liable for any costs or expenses incurred in connection with or as a result of: (i) procurement of materials in advance of Lead Times in effect at the time of such material procurement or (ii) commencement of production in advance of Lead Time for the Product. Supplier understands and agrees that any forecast information that Supplier may receive from Buyer is for planning purposes only and shall not create an obligation on the part of Buyer to issue Purchase Orders for such Goods or Services.
- (i) Without affecting any other right of Buyer, Buyer may cancel any Purchase Order, in whole or in part, without liability to Supplier, at any time prior to the commencement of Lead Time.
 - (ii) Shipping terms shall be FCA Buyer's specified destination (Incoterms 2020) for all shipments in the United States and DDP Buyer's specified destination (Incoterms 2020) for Goods shipped outside of the United States as described in the Purchase Order.
 - (iii) Title and risk of loss shall pass to Buyer upon receipt at the specified delivery point in accordance with the Purchase Order; however, passing of title shall not relieve Supplier of any other obligations under the Purchase Order.
 - (iv) All deliveries shall be strictly in accordance with the applicable quantities and schedules set forth in the Purchase Order. Unauthorized early or over-shipments may be returned at Supplier's expense.
 - (v) If Supplier anticipates that it will not meet a Delivery Date, Supplier shall immediately notify Buyer in writing of such delay, including the reason and anticipated length of the delay. Upon Buyer's request, Supplier must provide Buyer adequate assurance of performance.
 - (vi) If Supplier is unable to meet the Delivery Date for any reason, other than a change directed by Buyer, Buyer shall have the option to: (i) cancel the Purchase Order, in

whole or in part, or (ii) fill such Purchase Order, or any portion thereof, from sources other than Supplier and to reduce Supplier's Purchase Order quantities accordingly at no increase in unit price, without any penalty to Buyer. Further, if Supplier fails to meet a Delivery Date and such delay is not as a result of an Excusable Delay, then, commencing one week after the Delivery Date, Buyer may assign liquidated damages of 2.5% of the price of the Goods or Services subject to the delay for each week after the Delivery Date that the delivery is late, pro-rated for partial weeks up to delivery, up to a maximum of 15% of the total price for all late Goods or Services.

- (vii) Supplier shall also be responsible for any additional costs associated with such requirements and any other costs or damages which Buyer incurs or for which Buyer is responsible as a result of late deliveries, including, but not limited to, any fees, damages, or penalties charged to Buyer by Buyer's customer.
- (viii) THIS DELIVERY, SHIPPING, TITLE AND RISK OF LOSS CLAUSE DOES NOT LIMIT BUYER'S RIGHTS OR REMEDIES UNDER ANY OTHER PROVISION OF THIS ORDER OR AS PROVIDED BY LAW OR EQUITY.

6. PACKAGING AND PACKING

Supplier shall use all reasonable and prudent measures, consistent with industry standards, to protect the Goods from any damage or from otherwise being rendered noncompliant with the Supplier's warranty obligations hereunder, unless otherwise stated in the Purchase Order. Without limiting the foregoing, Supplier shall comply with International Standards for Phytosanitary Measures (ISPM) 15 (packaging material treatment requirements) and NAS412 (Foreign Object Damage Prevention) as applicable. Any costs to Buyer resulting from failure to comply with packaging requirements will be charged to Supplier.

7. ACCEPTANCE AND REJECTION, NONCONFORMING GOODS

- 7.1 Supplier shall only deliver Goods to Buyer that have passed inspection in accordance with the applicable process control and inspection systems and conform to all the requirements of the Purchase Order.
- 7.2 Notwithstanding (i) delivery of; (ii) payment for, (iii) use thereof, (iv) transfer of title or risk of loss to Buyer, Goods and Services shall be subject to final inspection and acceptance by Buyer and, subject to any contrary notice from Buyer, acceptance shall be deemed to have taken place three months after receipt by Buyer of such Goods or Services (the "Inspection Period").
- 7.3 During the Inspection Period, Buyer may: (i) reject all or a portion of any nonconforming Goods; (ii) accept all or a portion of the nonconforming Goods with a price reduction for the cost of repair or diminution of value; or (iii) make, make Supplier, or a third party make, all repairs, modifications, or replacements necessary to enable such Goods to comply in all respects the terms of the Purchase Order (the "Corrections"). Supplier shall be liable to Buyer for all

costs incurred or suffered by Buyer in connection with the nonconformance of the Goods or Services in question, including but not limited to the costs of substitute Goods or Services, costs of labor and material to make Corrections (or to have Corrections completed by a third party), shipping costs, expediting fees, late fees or other pass-through charges imposed by Buyer's customer, contract breakage fees, storage and material handling fees, and net costs resulting from having to scrap any Goods (all such costs, fees and similar obligations of Buyer due to such nonconformance, "Defect Costs").

- 7.4 Within thirty (30) days of Supplier's receipt of Buyer's notification of a nonconformity, Supplier shall investigate, at its sole cost and expense, such nonconformity and deliver to Buyer a written report of its investigation and conclusions, which shall include a corrective action plan acceptable to Buyer. In addition, within five (5) business days of Buyer's request, Supplier shall make available to Buyer all records related to conformity of the Goods or Services in question with the Purchase Order, including, but not limited to, all manufacturing records, work instructions, records of all inspections and tests, material quality and content information, shipping and storage information, as well as any records related to the suitability and qualification of Supplier's facilities and personnel to produce, test and deliver the Goods or Services in question in accordance with the Purchase Order (all such records, the "Supplier Data").
- 7.5 Neither inspection and acceptance of any Goods or Services by Buyer nor failure by Buyer to inspect and accept or reject Goods or Services, shall be deemed to alter or affect the obligations of Supplier under the Purchase Order or the rights of Buyer and its customers under any Purchase Order, these Terms and Conditions, any other agreement then in effect or as may be provided by law or equity.

8. PRICE WARRANTY

Seller warrants that the price does not exceed the price charged by Seller to any other customer purchasing the same or similar Goods in like or smaller quantities/volumes under similar conditions during the period of the Purchase Order. If Supplier offers or charges any other buyer a lower price for a similar Good ("Lower Price"), Seller shall immediately notify Buyer and, within ten (10) business days from such notification, apply such Lower Price to all affected Goods and reimburse Buyer for overpayment of Goods in the amount of the difference between the Lower Price and that charged Buyer over the period starting from the date Lower Price had been issued by Supplier to the date of price change of Goods.

9. CHANGES

- 9.1 Buyer's Authorized Purchasing Representative may at any time by written notice to Supplier make changes to the Purchase Order, including changes with respect to: (i) any Specifications and drawings; (ii) method of shipment, packaging, or packing; (iii) place of delivery; (iv) method or manner of performance or quality requirements; (v) quantity; (vi) delivery schedule(s); or (vii) Customer flow down requirements ("Changes"). Supplier shall immediately comply with such Change(s) upon receipt of notice, irrespective of the failure of the Parties to agree to an equitable adjustment. Supplier shall not change manufacturing location, process, special process source, raw material source, inspection methodology,

software affecting product acceptance, ownership, or key subcontractor utilized in fulfillment of this Purchase Order without Buyer's prior written approval.

- 9.2 Except as otherwise expressly set forth in the Purchase Order, if the Change causes an increase or decrease in the cost or time required to perform the Purchase Order, an equitable adjustment may be made in the price or delivery schedule and the Purchase Order will be modified accordingly. Notwithstanding the above, if any Change is a requirement from Buyer's customer, Supplier will receive an equitable adjustment only to the extent Buyer receives such adjustment from its customer.
- 9.3 If Supplier believes that Buyer's conduct constitutes a Change, Supplier shall notify Buyer's Authorized Purchasing Representative immediately in writing as to the nature of such conduct and its effect upon Supplier's performance. Supplier shall take no action to implement any such Change without written direction from Buyer's Authorized Purchasing Representative.
- 9.4 Any claim for adjustment to cover increased costs shall be unconditionally waived unless asserted in writing and delivered to Buyer within fifteen (15) calendar days after the date of the Authorized Purchasing Representative's written notice resulting in the change.
- 9.5 If Supplier claims the cost of any property made obsolete or excess, Buyer shall have the right to prescribe the manner of disposition of the property to include the right to acquire that property for the cost claimed.
- 9.6 Buyer has the right to examine any of Supplier's pertinent books and records for the purpose of verifying Supplier's claim.
- 9.7 Failure to agree to any adjustment shall constitute a dispute within the meaning of the Disputes clause hereof. However, the existence of a dispute shall not excuse Supplier from proceeding with its performance against the Purchase Order as changed.

10. STOP WORK ORDER

- 10.1 Buyer may, at any time, by written direction to Supplier (a "Stop Work Order"), require Supplier to stop all or any part of the work called for by the Purchase Order, for a period of up to one hundred and twenty (120) calendar days and for any further period to which the Parties may agree at each such time. Supplier shall immediately comply with the terms of any Stop Work Order at no cost to Buyer.
- 10.2 To the extent a Stop Work Order is canceled by Buyer, or the period of work stoppage specified by the Stop Work Order, or any extension thereof expires, Supplier shall resume work, and the Parties will agree upon a reasonable adjustment to the delivery schedule.

11. LABOR DISPUTES

Whenever Supplier has knowledge that any actual or potential labor dispute involving Supplier, Supplier's subcontractors, or Supplier's sub-tier suppliers, Supplier 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 Supplier's performance of the Purchase Order. Should such dispute result in a delay in performance by Supplier, and as a direct consequence, Buyer incurs a late delivery penalty from Buyer's customer, Supplier shall reimburse Buyer the monetary value of such penalty within 30 days from Buyer notification. In addition, Supplier shall notify Buyer at least ninety (90) calendar days prior to the expiration of any labor agreement.

12. ADEQUATE ASSURANCE OF PERFORMANCE

- 12.1 If at any time Buyer has reasonable grounds for insecurity as to Supplier's full, timely, and sustained performance in accordance with the terms of the Purchase Order, Buyer may request, and Supplier shall provide adequate assurances from Supplier of its ability and willingness to continue to perform all of its respective obligations under the Purchase Order.
- 12.2 If Supplier is unable to provide adequate assurance within fifteen (15) calendar days after Buyer's written notice, Buyer may, at its option, treat the Purchase Order as materially breached by Seller, and Supplier will assist Buyer, as needed, to transition the Goods to another supplier, including compensating Buyer for the cost associated with the transition.

13. WARRANTY

- 13.1 Supplier warrants to Buyer that all Goods delivered under the Purchase Order will: (i) be merchantable; (ii) be free from defects in materials, workmanship, and manufacturing processes; (iii) be suitable for the purposes intended whether expressed or reasonably implied; (iii) conform to the terms of the Purchase Order, including but not limited to the Specifications; (iv) be free from defects in design (if the design is not provided by Buyer) and (v) be free of all liens and encumbrances on title. Supplier shall notify Buyer as promptly as possible but no later than twenty-four (24) hours of the discovery of any defects, latent or otherwise, in Goods delivered pursuant to a Purchase Order. This warranty shall run to Buyer and its successors, assigns and customers.
- 13.2 Supplier warrants to Buyer that all Services provided under a Purchase Order have been performed in a professional and workmanlike manner and in accordance with the accepted industry standards and practices by appropriately licensed, trained and supervised personnel who have experience in their respective fields.
- 13.3 If any Goods fail to comply in any respect with the warranties set forth above, Buyer shall have the option, in its sole discretion, at Supplier's expense, to require Supplier to repair, replace or refund amounts paid for such Goods. Supplier shall be liable to Buyer for Defect Costs related to such failure to comply with the warranties set forth above and Buyer's actions pursuant to this paragraph. In addition, within five (5) business days of a request by Buyer, Supplier shall make all Supplier data in connection with the Goods in question available to Buyer.

- 13.4 In addition to Defect Costs, Supplier shall be responsible for and shall save and hold Buyer harmless from, and Buyer shall have the right to recover from Supplier, any other loss or damage (including consequential damages) that Buyer may suffer, or any other costs that Buyer may incur, due to the breach of these warranties. Supplier acknowledges that the Goods may be incorporated in aircraft parts manufactured by Buyer. Supplier further acknowledges that, in the event those aircraft parts are subject of recall, service letter, service bulletin, airworthiness directive or similar actions as a result of any defects in Goods delivered by Buyer or other breach of warranty, Supplier will indemnify Buyer for any losses related thereto.
- 13.5 The rights and remedies of Buyer set forth in this Warranty clause shall be in addition to, and not in lieu of, any other rights or remedies Buyer may have under the Purchase Order, or in law or equity.

14. TERMINATION FOR DEFAULT

- 14.1 Buyer may, by written notice to Supplier, terminate the Purchase Order in whole or in part, if Supplier:
- (i) Fails to deliver conforming Goods or Services on time or to perform any other obligation under the Purchase Order within the time specified in the Purchase Order or any extension granted in writing by Buyer;
 - (ii) Fails to perform any non-delivery obligation hereunder and fails to cure such obligation within ten (10) business days after receipt of the notice from Buyer specifying Supplier's failure to perform;
 - (iii) Fails to provide adequate assurances of performance in accordance with Article 13 of these Terms and Conditions; or
 - (iv) 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 in the event a trustee or receiver is appointed for Supplier's property or business.
- 14.2 If Buyer terminates the Purchase Order in whole or in part pursuant to this Article 15, Buyer shall have no liability in relation to those Goods not delivered and accepted prior to the termination. Supplier shall also be liable to Buyer for any delay and disruption costs incurred by Buyer, and any other costs or damages that Buyer incurs or for which Buyer is responsible as a result of Supplier's default, including without limitation re-procurement costs, requalification costs, non-recurring costs, and any penalties or damages required to be paid to Buyer's customer or any government authority.

- 14.3 If the failure to perform is caused by an Excusable Delay, as described in Article 17 herein, Supplier shall not be liable for any excess costs of re-procurement, according to the terms of that Article.
- 14.4 If the Purchase Order is terminated for default, Buyer may require Supplier to transfer title and deliver to Buyer, as directed by Buyer, any (i) completed Goods; (ii) partially completed Goods, supplies and materials (including raw material), parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that Supplier has specifically produced or acquired for the terminated portion of the Purchase Order; (iii) Property and Tooling; (iv) Intellectual Property; and (v) Supplier Data. Upon direction of Buyer, Supplier shall also protect and preserve property in its possession in which Buyer has an interest, including any Property and Tooling and Intellectual Property.
- 14.5 If, after notice of termination under this Section, it is determined that Supplier was not in default, then the rights and obligations of the Parties shall be determined as if the notice of termination had been issued pursuant to the Termination for Convenience section.

15. TERMINATION FOR CONVENIENCE

- 15.1 Buyer may, at any time, terminate all or part of an LTA or Purchase Order, for its convenience upon written notice to Supplier.
- 15.2 Upon termination, in accordance with Buyer's written notice of termination, Supplier shall immediately proceed with the following obligations and any other actions directed or authorized by Buyer's Authorized Purchasing Representative, regardless of any delay in determining the amounts due under this Termination for Convenience clause:
- (i) cease terminated work as of the date specified in the notice;
 - (ii) place no further subcontracts or orders for materials, services or facilities except as necessary to complete any continued portion of the Purchase Order;
 - (iii) deliver to Buyer at the pre-termination Purchase Order price any and all Goods that were ordered by Buyer and completed consistent with Lead Time prior to the date of termination;
 - (iv) prepare and submit to Buyer an itemization of all completed and partially completed Goods and Services;
 - (v) if directed by Buyer, deliver any work in process or materials; and
 - (vi) complete performance of any non-terminated work.

- 15.3 In the event Buyer terminates a Purchase Order for convenience after performance of the work has commenced, Buyer will compensate Supplier for the actual and reasonable work in process costs incurred by Supplier with respect to Goods based on the appropriate level of completion consistent with Lead Time. Supplier shall undertake efforts to mitigate its own and Buyer's liabilities under this Section, including providing prompt notice to all sub-tier contractors. In order to receive compensation, Supplier's termination claim must be submitted within sixty (60) days from the effective date of the termination.
- 15.4 Buyer shall not be liable to Supplier for any costs or damages except as described above, and in no event will Buyer be liable for lost or anticipated profits, unabsorbed overhead or other indirect costs or for any sum in excess of the price attributable to the portion of the Purchase Order terminated.
- 15.5 Notwithstanding anything above, Buyer shall not be liable to Supplier for any costs or damages whatsoever for a termination of convenience due to a particular program of any of Buyer's Customers, should such termination be due to the cancellation, in whole or part, of such program.

16. EXCUSABLE DELAY

If the delivery of any Product or the performance of any obligation under a Purchase Order is delayed as a result of causes that are, at one and the same time, unforeseeable, unavoidable, outside Supplier's control, and without its fault or negligence, or that of any tier of its suppliers, and provided that Supplier provides Buyer, within three (3) days of Supplier's learning of such cause, written notice to the effect that a failure or delay by Supplier will occur or has occurred ("Excusable Delay"), the schedule for delivery of such Product or performance of such obligation may be revised as determined by Buyer. In the event that Buyer's performance under any customer order or other obligation is jeopardized in any way by Supplier's failure or delay in performance due to Excusable Delay, Supplier shall provide a recovery plan acceptable to Buyer within ten (10) calendar days after such notice and Buyer may cancel its purchase of affected Goods or Services without liability to Supplier. Notwithstanding the foregoing, Buyer may terminate all or any portion of a Purchase Order affected by Excusable Delay if Supplier is unable to resume normal performance within thirty (30) days of commencement of the cause for the Excusable Delay.

17. BUYER'S ASSISTANCE

In the event that Buyer or Buyer's customer determines that Supplier's delay or failure to perform under the Purchase Order requires Buyer's or Buyer's customer's technical or manufacturing assistance, Buyer may provide such technical or manufacturing assistance at Supplier's cost, at such level and scope, and for such period of time, as is reasonably necessary to remedy or mitigate the risk to Buyer or Buyer's customer's production system(s) or schedule(s). This Buyer Assistance clause does not limit Buyer's rights or remedies under any other provision of the Purchase Order or as provided by law or equity.

18. INSPECTION AND AUDIT RIGHTS

After reasonable notice by Buyer, Buyer, Buyer's authorized representatives, Buyer's customers and any relevant regulatory authority, shall have the right to inspect all premises where the Purchase Order is being performed and the right to review, inspect and test all Goods and Services, and all related supplies, components, material and workmanship, and to review all Supplier Data, at all places and times 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 Supplier or any tier of Supplier's suppliers or subcontractors, Supplier shall furnish and require such suppliers and subcontractors to furnish, without additional charge, access to all reasonable facilities, including appropriate office space and assistance necessary for a safe and convenient inspection, test or review.

19. PROPERTY AND TOOLING

Except as otherwise specified in the Purchase Order, Buyer or Buyer's customer, as applicable, shall own and retain title to: (i) any and all Property and Tooling furnished or made available by Buyer or Buyer's customers for use in the performance of the Purchase Order; and (ii) any and all Tooling fabricated, acquired or otherwise provided by Supplier or its suppliers or contractors for use in the performance of this Purchase Order. Supplier shall not use such Property or Tooling other than in the performance of the Purchase Order without Buyer's prior written consent. Supplier shall bear all risk of loss, damage or destruction of such Property and Tooling while it remains in Supplier's possession, custody or control and Supplier shall submit a current inventory of such Property and Tooling at Buyer's request. Buyer reserves the right to audit and inspect the Property and Tooling inventory at any time. Upon completion, expiration or termination of the Purchase Order, Supplier shall comply with Buyer's direction regarding the transfer, removal, delivery, retention or destruction of such Property and Tooling.

20. INDEMNIFICATION

Supplier shall indemnify, save, defend and hold harmless, Buyer, its affiliates and each of their officers, employees, directors, agents, shareholders, and subcontractors from all suits, claims, demands, judgments, awards, actions, liabilities, losses, costs, or expenses, including attorney's fees, arising from any (i) negligence of Supplier or its sub-tier suppliers or contractors, (ii) breach of the terms of the Purchase Order, or (iii) other act or omission of Supplier related to the performance of the Purchase Order, including, without limitation, any relating to or arising out of any sickness, injury or death of Supplier's employees or contractors. Buyer may supersede in the defense of any claim subject to this indemnity and assume and conduct the defense in its sole discretion. In such instance, Supplier shall be relieved of the cost of such defense, but not the cost of any settlement or damages. Buyer will not enter into a settlement of any such claim without Supplier's consent, which shall not be unreasonably withheld.

21. INSURANCE

- 21.1 Without limitation of Supplier's indemnification obligations hereunder, irrespective of the place of performance, Supplier, at its own expense, shall procure and keep in force the following insurance coverages in the minimum amounts indicated:

- (i) Commercial General Liability coverage, written on an “occurrence” basis with a combined single limit of at least \$1,000,000 per occurrence, and \$5,000,000 in the aggregate, for bodily injury and property damage in a form providing coverage of not less than a standard commercial general liability policy;
 - (ii) Aviation Liability coverage, including Goods and completed operations liability, covering bodily injury and property damage, in an amount not less than \$30,000,000 per occurrence arising or resulting from the performance of the Purchase Order;
 - (iii) Worker’s Compensation coverage for all of its employees and representatives as required by the laws of the state(s) or country, as applicable, in which the work is performed and Employer’s Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence; and
 - (iv) Comprehensive Automobile Liability – Bodily injury/property damage covering all vehicles used in connection with the Goods in the amount of \$1,000,000 combined single limit each occurrence.
- 21.2 All insurance shall be procured from insurers licensed to provide insurance in the state(s) or country, as applicable, in which the work is performed, and each insurer (including reinsurers) with a minimum A.M. Best's rating of A VII or Standard & Poor’s rating of A. All of Supplier’s insurance coverages shall be primary and without contribution from any insurance coverages that may be otherwise carried by Buyer.
- 21.3 Supplier shall provide Buyer with certificates of insurance evidencing that the required minimum coverage is in effect and that Buyer is named as an additional insured, provide a waiver of subrogation clause in favor of Buyer, and provide that all coverage provided by Buyer shall be primary, which certificates shall be renewed at the beginning of each calendar year. Such insurance shall not exclude the actions of any subcontractor that Supplier may utilize under the Purchase Order. The insurance provided by Supplier hereunder shall have no effect on any obligations imposed upon Supplier under the Purchase Order. Supplier shall notify Buyer within ten (10) days of any changes in its insurance coverage.

22. INTELLECTUAL PROPERTY

- 22.1 If the Purchase Order is issued in support of a procurement other than under a Government subcontract: (i) Supplier shall retain title to any Intellectual Property authored or developed by Supplier prior to the date of the Purchase Order that relates to the Goods or Services delivered under the Purchase Order, and Supplier hereby grants Buyer a non-exclusive royalty-free, irrevocable, non-terminable, transferable, worldwide right and license to practice and use, and to license others to practice and use such Intellectual Property to the extent necessary to make, have made, sell, offer for sale, or use any articles, processes, services or inventions incorporating or

embodying such Intellectual Property to the extent that such Intellectual Property would interfere with Buyer's, its subcontractors' or its customers' use and enjoyment of the Goods or Services.

- 22.2 Buyer shall own and Supplier hereby acknowledges that any Intellectual Property invented, authored, created, acquired, developed, or first reduced to practice in the performance of the Purchase Order, including any improvement or advancement by Supplier of any Buyer-provided design or process, shall be owned exclusively by Buyer, and Supplier hereby assigns such Intellectual Property to Buyer and further agrees to: (i) execute any and all documents necessary and requested by Buyer to perfect Buyer's title in such Intellectual Property; (ii) obligate Supplier's employees and contractors involved in the invention or development of such Intellectual Property, including, but not limited to, inventor's declarations and assignments of all right, title and interest that such employees or contractors may have in such Intellectual Property. Buyer hereby grants Supplier a limited non-exclusive, royalty-free, worldwide right and license to use such Intellectual Property for the sole purpose of fulfilling its requirements and responsibilities under the Purchase Order.
- 22.3 Supplier shall indemnify, defend and hold harmless Buyer, Buyer's customer and Affiliates from and against any and all claims, suits, actions, awards, liabilities, damages, costs related to any actual or alleged infringement of any United States or foreign Intellectual Property rights (including, but not limited to any right in a patent, copyright, industrial design or based upon misappropriation or wrongful use of information or documents) arising out of the manufacture, sale or use of the Goods or Services by Buyer, or by any customer of Buyer or of Buyer's customers, and shall duly notify Buyer of any such claim, suit or action and Supplier shall, at its own expense, fully defend any such claim, suit or action on behalf of Buyer or any customer of Buyer or Buyer's customers. Buyer may supersede in the defense of any claim and assume and conduct the defense in its sole discretion. In such instance, Supplier shall be relieved of the cost of such defense, but not the cost of any settlement or damages. Buyer will not enter into the settlement of any such claim without Supplier's consent, which shall not be unreasonably withheld.
- 22.4 Supplier shall not be liable for any claim based upon Supplier's compliance with any Specification provided by Buyer, unless: (i) Supplier could have complied with the Specification using a design that was non-infringing; (ii) the Specification was derived from information provided by Supplier; or (iii) Supplier knew of a potential claim and did not promptly notify Buyer in writing.

23. PROPRIETARY INFORMATION

- 23.1 Supplier agrees that, with respect to all Proprietary Information regarding Buyer or its affiliates or customers, however received, it shall (i) use such Proprietary Information solely for the purpose of the Purchase Order and not for any other purpose (including, without limitation, designing, manufacturing, selling, servicing or repairing Goods for entities other than Buyer); (ii) maintain such Proprietary Information in confidence and secrecy, and not disclose to any third party or use, directly or indirectly, except as set forth below; and (iii) not reverse engineer, disassemble, or decompile such Proprietary

Information. Supplier shall protect the Proprietary Information from unauthorized disclosure and use with at least the same degree of care it 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.

- 23.2 Supplier may: (i) copy the Proprietary Information on an as required basis in order to fulfill its obligations under the Purchase Order, provided that all such copies or portions thereof bear copies of the original legends regarding confidentiality (if any); and (ii) disclose the Proprietary Information to those of its officers, employees, agents, and others under Supplier's control (collectively, "Representatives"), who have a need-to-know for purposes of its performance under the Purchase Order. Supplier 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.
- 23.3 It shall not be a breach of confidentiality obligations hereof for Supplier to disclose Proprietary Information where, but only to the extent that, such disclosure is required by law or applicable legal process, provided in such case Supplier shall to the extent not prohibited by law and or regulatory process; (i) give the earliest notice practicable to Buyer that such disclosure is or may be required and (ii) cooperate in protecting the confidential or proprietary nature of the Proprietary Information which must so be disclosed.
- 23.4 Except as expressly provided in this Proprietary Information clause or in the Intellectual Property clause, it is understood that no right in, or license under, 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.
- 23.5 If the Parties have previously entered, or subsequently enter, into a separate nondisclosure agreement or other agreement regarding protection of Proprietary Information (an "NDA"), the Parties agree that in case of any conflicts or differences between this Article 24 and the NDA, the terms of the NDA shall take precedence over this Article 24, until such time as the NDA should expire or be terminated, in which case this Article 24 shall control.

24. EXPORT CONTROL

- 24.1 Supplier shall comply with the most current laws and regulations of the United States and any other applicable jurisdiction relating to sanctions, exports, imports, and foreign transactions, including, but not limited to: (i) the International Traffic in Arms Regulations (ITAR) administered by the Directorate of Defense Trade Controls, U.S. Dept. of State, 22 C.F.R. parts 120-130; (ii) the Export Administration Regulations (EAR) administered by the Bureau of Industry and Security, U.S. Depart. of Commerce, 15 C.F. R. parts 730-740; (iii) the Foreign Assets Control Regulations and associated Executive Orders administered by the Office of Foreign Assets Control, U.S. Depart. of Treasury 31 C.F.R. parts 500-598; and (iv)

Title 19 (Customers and Duties) of the Code of Federal Regulations; as well as the applicable laws and regulations of other countries.

- 24.2 Supplier shall not disclose any technical data, nor deliver or export any Product manufactured by use of technical data, (i) out of the United States; (ii) to a national of a third country; or (iii) to foreign persons within the United States, unless permitted by a U.S. or non-U.S. governmental license or other global trade law.
- 24.3 If the Purchase Order supports commercial aircraft end use, Supplier represents and warrants that (i) the Goods, parts and components thereof, provided under the Purchase Order are not “defense articles” (as defined in the ITAR) and (ii) the Service provided under the Purchase Order are not “defense services” (as defined in the ITAR). Supplier affirms that an official capable of binding Supplier knows or has otherwise determined that the Goods, parts and components thereof, are not on the United States Munitions List (as set forth in the ITAR). Upon Buyer’s request, Supplier shall provide documentation or other information that supports or confirms these representations.

25. PRODUCT SAFETY; TOXIC OR HAZARDOUS SUBSTANCES

- 25.1 Supplier will ensure that its employees are trained and aware of their contributions to quality and conformity of Goods as well as overall safety of the Goods, the state in which a Good is able to perform to its designed or intended purpose without causing unacceptable risk of harm to persons or damage to property.
- 25.2 Supplier warrants that, if the Purchase Order involves delivery of any hazardous material, the packaging and shipment of such material will be made in accordance with all applicable laws and regulations, and Supplier shall submit a copy of a current Materials Safety Data Sheet (MSDS) to Buyer’s Authorized Purchasing Manager prior to delivery of any hazardous material.
- 25.3 Supplier further represents and warrants that the Goods and any substances contained therein or utilized in the production thereof are not prohibited or restricted by, and will be supplied and utilized in compliance with, all applicable environmental Laws, including but not limited to European Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (hereinafter, “REACH”), and that nothing prevents the import, sale, or transport of the Goods or substances in Goods, in any country or jurisdiction in the world and that all such Goods and substances are appropriately labeled, if labeling is required, and have been pre-registered or registered or notified or authorized under REACH, if preregistration, registration, notification or authorization is required. Supplier shall bear all costs, charges and expenses related to pre-registration, registration, evaluation and authorization under REACH of the Goods and substances in Goods that are the subject of the Purchase Order.
- 25.4 In addition to the foregoing obligations, Supplier shall, at Supplier’s expense, timely provide Buyer with all relevant information, on the Goods or Services, and any substances contained therein or utilized in the production thereof, as Buyer determines

to be necessary for Buyer or Buyer's customers to timely and accurately fulfill their obligations under REACH and other applicable Laws.

26. CONFLICT MINERALS

Supplier recognizes and commits to comply with the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act regarding the risks associated with sourcing tin, tantalum, tungsten and gold from the Democratic Republic of the Congo and adjoining countries ("DRC Countries"). If applicable, Supplier commits to have a supply chain policy that accounts for the country of origin of any conflict minerals that are incorporated into Goods including risk assessment and mitigation actions that may be necessary. Upon request, Supplier will provide Buyer information that supports compliance with the Conflict Minerals provision.

27. ETHICS; COMPLIANCE WITH LAWS

- 27.1 Buyer supports all of its employees, customers, suppliers, and subcontractors and respects their ability to voice their concerns about the workplace. Buyer has partnered with Ethics Point as its third- party advocacy partner in addressing workplace issues, concerns, ethics violations, or any other concerns related to a potential violation of Buyer's Code of Business Conduct and Ethics. This toll-free hotline provides employees, customers, suppliers, and subcontractors with an anonymous, safe and comfortable means to report a complaint. If anyone needs guidance or is concerned about a specific activity, decision, or action which may violate DRT's Code of Business Conduct and Ethics, call our Red Card Compliance Escalation hotline, 24 hours a day, 7 days a week at (937) 938-9504, or go to the reporting website at red.card@drtusa.com. Reports to the hotline or website may be made anonymously, although employees are strongly encouraged to provide their names for purposes of investigation
- 27.2 Supplier warrants that it shall comply with all applicable national, state, provincial and local laws, ordinances, rules and regulations applicable to the performance of the Purchase Order, except to the extent inconsistent with U.S. anti-boycott laws.
- 27.3 Supplier shall, at the earliest practical time, notify Buyer if Supplier is (i) charged, indicted, or convicted of any crime; (ii) suspended, debarred, or proposed for suspension or debarment from doing business with the U.S. Government; or (iii) listed or is proposed to be listed by the U.S. Government in any "denial orders," as a "blocked person" or "specifically designated national" or as a "specially designated terrorist." Any such suspension, debarment, listing or proposal shall constitute cause for Buyer to terminate the Purchase Order for default.

28. QUALITY CONTROL

- 28.1 Supplier shall provide and maintain a quality control system to an industry recognized quality control standard and in compliance with any other specific quality requirements applicable to the Purchase Order or as otherwise prescribed by Buyer.

- 28.2 Records of all quality control inspection work performed by Supplier shall be maintained complete and available for inspection by Buyer and its customers.
- 28.3 If applicable, Supplier shall maintain a counterfeit avoidance program that meets the requirements of SAE Standard AS6174 -- Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material. Suppliers who provide Goods that are assemblies shall flow down these requirements to their sub-tier suppliers to prevent the inadvertent use of counterfeit parts and materials. Distributors or brokers that supply non-electrical standard parts, like fasteners, nuts, washers, springs, O-rings, inserts, and pins shall have a counterfeit detection process that is similar to and must meet the intent of, SAE standard AS 6081 and also must have a certification from the Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM), and that certification shall be delivered with each lot/shipment. Parts shall not be used or reclaimed and misrepresented as new.
- 28.4 Supplier shall notify Buyer in writing within twenty-four (24) hours of any actual or threatened loss, suspension, lapse, revocation, expiration, or other change in status of any certification, accreditation, approval, registration, or qualification required to perform this Purchase Order, including but not limited to AS9100, ISO 9001, and Nadcap.

29. SUBCONTRACTING

- 29.1 Supplier shall not subcontract and shall not permit its first-tier suppliers or subcontractors to subcontract, work with respect to any Goods or Service ordered hereunder, without the prior written approval of Buyer (which approval shall not be unreasonably withheld). Any such approval shall not relieve Supplier of responsibility for the performance of its suppliers or subcontractors or for compliance with these Terms and Conditions.
- 29.2 Any subcontract awarded to a "foreign person" (as defined in the International Traffic in Arms Regulations) or to a "non-U.S. person" (as defined in the Export Administration Regulations) must comply with the Export and Import Compliance clause of the Purchase Order.

30. DISPUTES

- 30.1 Except as provided below, prior to a Party initiating a formal legal proceeding relating to a dispute under a Purchase Order, that Party must provide the other with a written request for dispute resolution ("Notice of Dispute"). Each Party shall, within five (5) calendar days of receipt of a Notice of Dispute, designate a representative for negotiating, in good faith, a resolution of the dispute. Should the representatives fail to reach agreement within thirty (30) calendar days of receipt of the Notice of Dispute, executives of each Party shall attempt to resolve the issue within sixty (60) days of receipt of the Notice of Dispute.
- 30.2 For any dispute that cannot be resolved to both Parties' mutual satisfaction within sixty (60) calendar days after the receipt of the Notice of Dispute, or such additional time as the Parties agree upon in writing, either party may bring suit in Federal or State court within the State of Ohio.

- 30.3 Supplier shall proceed diligently with the performance of a Purchase Order during any dispute. These dispute resolution procedures do not supersede, delay, or otherwise affect any rights of termination that are expressly set forth in these Terms and Conditions.
- 30.4 Both Parties agree that, irrespective of the place of performance of the Purchase Order, the Purchase Order will be construed and interpreted according to the law of the State of Ohio, excepting that state's laws on conflict of law.
- 30.5 TO THE MAXIMUM EXTENT PERMITTED BY LAW, SUPPLIER HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING OR HEARING BROUGHT BY EITHER SUPPLIER AGAINST BUYER OR BUYER AGAINST SUPPLIER ON ANY MATTER WHATSOEVER ARISING UNDER, RELATING TO, OR IN ANY WAY CONNECTION WITH PURCHASE ORDERS, THE RELATIONSHIP OF SUPPLIER AND BUYER OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE OR REGULATION NOW OR HEREAFTER IN EFFECT.

31. SETOFF

Buyer shall be entitled to withhold, deduct, and/or set off any amounts owed from Supplier to Buyer.

32. SUPPLIER CODE OF CONDUCT

Supplier agrees to adopt and comply with a code of conduct with regard to ethical and responsible business practices that encompasses, at a minimum, the standards and principles set forth in the DRT Aerospace Supplier Code of Conduct available upon request.

33. CYBER SECURITY

- 33.1 Supplier agrees to (i) develop, implement, maintain, monitor and update a reasonable, written security program incorporating administrative, technical, organizational and physical safeguards, security measures and security awareness, and (ii) install and implement security hardware and software, in each case, designed to (A) protect the security, availability and integrity of Supplier's network, systems and operations, the Goods and Services and Buyer information from unauthorized access and use; (B) guard against Security Incidents; and (C) satisfy requirements as set forth in NIST 800-171, to establish a resilient control environment or equivalent level of security protection appropriate for the information involved and the then current state of security solutions. As between the Parties, all Buyer information will at all times remain the sole property of Buyer, and Supplier will not have or obtain any rights therein.
- 33.2 Supplier further agrees to establish, maintain and implement information security policies which address, at a minimum, the domains or categories set forth in NIST

800-171. Upon Buyer's request, Supplier shall provide Buyer with an updated index or summary of its policies, and indicate any plans, including a timetable for implementation, of planned upgrades to comply with the policies.

34. SPECIFIC PERFORMANCE

Supplier agrees that damages in the event of breach of this LTA or Purchase Order by Supplier may be difficult, if not impossible, to ascertain, and it is therefore agreed that Buyer, in addition to and without limiting any other remedy or right it may have, will have the right to an injunction or other equitable relief in any court of competent jurisdiction, enjoining any such breach, and enforcing specifically the terms and provisions hereof, and Supplier hereby waives any and all defenses it may have on the ground of lack of jurisdiction or competence of the court to grant such an injunction or other equitable relief. The existence of this right will not preclude Buyer from pursuing any other rights and remedies at law or in equity which Buyer may have.

35. ASSIGNMENT

Supplier shall not assign including (by operation of law, merger or otherwise) the Purchase Order, including all documents incorporated by reference, or any of its rights or obligations under the Purchase Order, including all documents incorporated by reference without Buyer's written consent and any assignment by Supplier without Buyer's prior written consent will be null and void and shall constitute a material breach of the Purchase Order.

36. CHANGE IN CONTROL

- 36.1 For purposes of this section, a change in control shall be deemed to have occurred if there is (i) a change in the beneficial ownership, directly or indirectly, of twenty-five (25%) percent or more of the ownership interest in, or voting power over, Supplier; (ii) a sale, lease, transfer or other disposition of all the assets of Supplier or Supplier's parent; (iii) any change of any amount in the beneficial ownership of Supplier, either directly or indirectly which involves a direct or indirect competitor of Buyer; or (iv) any public disclosure or a proposal or plan of Supplier to enter into any agreement regarding the foregoing transactions.
- 36.2 Supplier will notify Buyer of a potential change in control as early as practical following Supplier's receipt of offer. Within ninety days of receipt of Supplier's notice of such offer, Buyer, upon 30 days advance written notice to Supplier, may, at Buyer's sole discretion, (i) terminate all or any part of a Purchase Order and / or LTA; or (ii) extend the term of an LTA for up to an additional 36 months, under the same pricing and terms and conditions. Buyer's obligation upon such termination shall be limited to payment for such Goods and Services actually received during that 30-day period. Furthermore, any change in manufacturing or location, including but not limited to any significant process, product, or inspection technique change, shall require notice to, and written approval of, Buyer before any such activities commence.
- 36.3 If Supplier does not provide notice to Buyer of a change in control described above, Buyer shall have, in addition to any right described herein, the right to terminate a Purchase Order

and / or LTA, or any portion thereof, for default without a right to cure and without any liability to Supplier for the portion terminated and Buyer's rights under Section 15, "Termination for Default" shall apply.

37. COMPLETE AGREEMENT

Except as provided in the Proprietary Information clause, the Purchase Order is intended by the Parties as a final expression of their agreement, is the complete and exclusive statement of all terms and conditions of agreement with respect to the subject matter hereof, and supersedes and cancels all prior understandings, proposals, communications, and agreements between the Parties, whether written or oral, concerning the matters addressed in the Purchase Order.

38. SURVIVAL

The terms and conditions of the Purchase Order regarding payment, intellectual property, proprietary information, property and tooling, warranties, and indemnification, and all others that by their sense and context are intended to survive the performance, termination or expiration of the Purchase Order shall survive and continue in effect. If any provision in the Purchase Order is or becomes void or unenforceable by force or operation of law, all other provisions shall remain valid and enforceable.

39. NON-WAIVER

A Party's failure at any time to enforce any provision of any Purchase Order shall not constitute a waiver of such provision or prejudice a Party's right to enforce such provision at any subsequent time.

40. RELEASE OR INFORMATION AND ADVERTISING

Supplier shall not, without Buyer's prior written consent, make any disclosure, news release or public announcement, denial or confirmation, regarding any part of the subject matter of the Purchase Order, or in any manner advertise or publish the fact that Supplier has supplied or contracted to supply to Buyer the Goods and Services mentioned herein, except as may be required to perform the Purchase Order. Supplier shall not use Buyer's or Buyer's customers' marks, logos or names, or release photographs of any of Buyer's or Buyer's customers' facilities, Goods, or personnel without Buyer's prior written consent.

41. INDEPENDENT CONTRACTOR STATUS

The relationship of Supplier to Buyer shall be that of independent contractors, and nothing herein contained shall be construed as creating any employer/employee, agency, partnership or other relationship of any kind. Supplier's employees, subcontractors, agents or representatives involved in the performance of the Purchase Order shall at all times be under Supplier's direction and control. Supplier shall pay all wages, salaries and other amounts due such persons in connection with the Purchase Order and shall be responsible for all withholdings, reports, and other obligations with respect to such persons,

including, but not limited to, Social Security and income tax withholdings, unemployment compensation, worker's compensation premiums, and equal employment opportunity reporting.

42. HEADINGS

The descriptive headings contained in a Purchase Order are for convenience of reference only and in no way define, limit or describe the scope or intent of the Purchase Order.

43. RETENTION OF RECORDS

Supplier shall maintain complete and accurate records and documents supporting all Goods and Services provided and costs and expenses incurred by Supplier in the performance of a Purchase Order. Such records and documents shall be retained and made available to Buyer at Supplier's office for examination, reproduction, and audit by Buyer at all reasonable times from the date of the Purchase Order (a) through the timeframes set forth below:

40 years -- Critical Safety Item(s)
10 years -- All other serialized parts
10 years -- All other non-serialized parts

or (b) for records not falling within the above categories, until the date that is (i) seven (7) years after final payment under the Purchase Order and (ii) the end of the retention period specified in the applicable Purchase Order (which may reflect the requirement of Buyer's customer), whichever is later. Supplier shall provide assistance to interpret such records and information, if requested by Buyer.

44. GOVERNMENT CONTRACT REQUIREMENTS AND FLOWDOWN

To the extent this Purchase Order is issued in support of a contract, subcontract, or other agreement with the United States Government, a prime contractor to the United States Government, or any higher-tier subcontractor, Supplier shall comply with all applicable Federal Acquisition Regulation ("FAR"), Defense Federal Acquisition Regulation Supplement ("DFARS"), and other agency supplement clauses, together with all customer contract requirements and flowdown provisions identified in the Purchase Order, the applicable specifications, statement of work, quality requirements, or otherwise provided by Buyer. Supplier acknowledges that such requirements and flowdowns are incorporated herein by reference with the same force and effect as if fully set forth in this Purchase Order. Supplier shall flow down all applicable FAR, DFARS, customer, regulatory, quality, cybersecurity, traceability, counterfeit material prevention, export control, and governmental requirements to its subcontractors and suppliers at every tier as necessary to ensure compliance. Supplier shall maintain records demonstrating compliance with such requirements and shall provide reasonable access to applicable records, facilities, processes, and personnel for audit, inspection, or verification by Buyer, Buyer's customer, and governmental authorities having contractual audit rights. Supplier shall promptly notify Buyer of any actual or suspected violation of any applicable FAR, DFARS, customer flowdown, export control, cybersecurity, quality, counterfeit material, ethics, or regulatory requirement that may affect performance under this Purchase Order. In the event of a conflict between these Terms and Conditions and any mandatory FAR, DFARS, or customer flowdown requirement applicable to the Goods or Services provided under this Purchase Order, the applicable mandatory flowdown requirement shall govern solely to the extent necessary to satisfy Buyer's contractual obligation to its customer.

45. CYBERSECURITY AND CONTROLLED UNCLASSIFIED INFORMATION

Where Supplier creates, receives, accesses, stores, processes, transmits, or otherwise handles Controlled Unclassified Information ("CUI"), Covered Defense Information ("CDI"), or other protected government information, Supplier shall comply with all applicable contractual and regulatory cybersecurity requirements, including, where applicable, DFARS 252.204-7012, DFARS 252.204-7019, DFARS 252.204-7020, DFARS 252.204-7021 and NIST SP 800-171, as amended. Supplier shall immediately notify Buyer of any cybersecurity incident, unauthorized disclosure, compromise, or suspected compromise involving such information.

46. ARTIFICIAL INTELLIGENCE RESTRICTIONS

Supplier shall not upload, disclose, input, process, analyze, store, train upon, or otherwise expose Buyer's Confidential Information, Proprietary Information, Technical Data, Intellectual Property, export-controlled information, Controlled Unclassified Information (CUI), Covered Defense Information (CDI), drawings, specifications, models, manufacturing data, or other non-public information to any public, third-party, or externally hosted Artificial Intelligence ("AI") system, machine learning platform, large language model, generative AI service, or similar technology without Buyer's prior written consent. Supplier shall not use any such information for the purpose of training, validating, improving, or developing any AI model, algorithm, or dataset. Any unauthorized use or disclosure of such information through an AI system shall constitute a material breach of this Agreement.