

Purchase Orders placed by BUCHER AEROSPACE CORPORATION and its affiliates and subsidiaries (all hereinafter called “BUYER”) are subject exclusively to these Terms and Conditions which shall apply to and form a part of every Purchase Order issued by Buyer and shall supersede and replace any other terms and conditions appearing on Buyer’s Purchase Order form. Nothing contained in or attached to any Purchase Order will operate to modify or add to the provisions of these terms and conditions unless it is the mutual intent of the parties as stated in writing to so modify or add to these terms and conditions in respect to a specific Purchase Order. In the event of a conflict between the provisions of the terms and conditions and the terms and conditions of any Purchase Order form, the provisions of these terms and conditions shall control.

BUCHER AEROSPACE CORPORATION – STANDARD TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS:

- a) “Buyer” means Bucher Aerospace Corporation, USA and affiliates, subsidiaries, successors or assigns.
- b) “Seller” means the person, firm or company to whom this Purchase Order is addressed on the face sheet of this Purchase Order.
- c) “Goods” means all goods and services or any part thereof to be supplied under this Purchase Order. As used herein, the definition shall include services, as the context required.
- d) “Purchase Order” means the contract arising between the Buyer and Seller for the supply of Goods including all instructions, documents, specifications and drawings (if any) referenced therein.

2. ENTIRE AGREEMENT: This Purchase Order becomes the exclusive agreement between the parties of the Goods, subject to the term and condition hereof, when accepted by acknowledgement or commencement of performance. No change in, modification of, or revision to this Purchase Order shall be valid unless in writing and signed by an authorized representative of Buyer’s Purchasing Department. Any conflicting conditions contained on the face sheet of this Purchase Order shall supersede these Purchase Order Terms and Conditions.

3. ACCEPTANCE: Any acceptance to this Purchase Order is limited to acceptance of the express terms of the offer contained on the face sheet and back thereof. Any additional terms which may be contained in any documents furnished by Seller are deemed to be immaterial and are hereby objected to and rejected. Purchase Order acknowledgement must be completely filled in, properly executed and returned within 48 hours after receiving this Purchase Order. By not acknowledging this Purchase Order by Seller within specified time, Seller automatically agrees to this Purchase Order in full.

4. QUANTITIES, DELIVERY AND DELAYS: Quantity of Goods and delivery time is of the essence. Unless otherwise provided on the face sheet of this Purchase Order, quantity of Goods shall be in accordance with the quantity specified on the face sheets of the Purchase Order and delivery shall be F.O.B. destination to the Buyer address identified on the face sheets of this Purchase Order where title and risk of loss shall pass. Buyer’s schedules are based upon agreement that the Goods will be delivered to Buyer in quantities and dates specified on the face sheets of the Purchase Order. Quantity of Goods and delivery time are therefore of the essence and if the goods are not delivered in the specified quantity and time hereon, Buyer may reject such Goods and cancel this Purchase order. The acceptance of delinquent deliveries shall not be deemed a waiver by Buyer of its right to cancel this Purchase Order. As soon as the Seller determines that a quantity of Goods and/or delivery date cannot be met the Seller shall immediately inform the Buyer in writing of Seller’s best possible quantities and/or delivery in order that the Buyer can determine its acceptance of Seller’s proposed new schedule. The above remedies afforded to Buyer shall not be exclusive and Seller shall indemnify and hold Buyer harmless from and against any and all damages, losses, demands, costs and expenses arising from claims or third parties due to any breach or defaults set forth above.

5. ADVANCE MANUFACTURING, PROCUREMENT OR DELIVERY: Seller shall not, without Buyer’s written consent, manufacture or produce material in advance of Seller’s normal flow time or deliver substantially in advance of schedule. In the event of termination or change, no claim will be allowed for any such manufacture or procurement in advance of such normal flow time unless there has been such prior written consent of Buyer. Goods delivered to Buyer substantially in advance of the scheduled delivery date may, at Buyer’s election, be returned to Seller at Seller’s expense subject to re-shipment to Buyer at Seller’s expense in accordance with the schedule herein prescribed.

6. **PACKING:** Unless otherwise specified on the face sheets of this Purchase Order, (i) all packaging and crating by Seller shall be in compliance with carrier's tariffs and in suitable containers for protection in shipment and storage, and (ii) the price or prices include all charges for Seller's packing and crating. In the event that special packing or special containers are required by Buyer, Seller shall separately state the amount of any such special packaging or special containers in its invoice.
7. **PRICE:** This Purchase Order shall be limited to those prices specified at line item level on the face sheets of this Purchase Order, which are not subject to increase unless specifically authorized by an amendment to this Purchase Order. If price terms are omitted, the price of the Goods shall be the lower of the price last quoted or paid, whichever is lower. Unless otherwise provided in this Purchase Order, prices specified on the face sheets of this Purchase Order shall include all federal, state and local taxes or other governmental charges imposed upon the manufacture, sale or transportation of the Goods specified herein. Buyer shall receive the benefit of any general reduction in Seller's prices implemented prior to delivery, and in no event shall Buyer be charged a price higher than charged to Seller's other customers for goods of like grade and quality and in substantially the same quantities.
8. **PAYMENT:** Buyer may take Discounts upon approval of Seller. All invoices, advice notes, etc. must bear Buyer's Purchase Order number and failure to do so may delay payments.
9. **QUALITY ASSURANCE AND INSPECTIONS:**
 - a. **Quality Control system:** Seller shall provide and maintain a quality control system acceptable to Buyer and in compliance with those quality control standards (if any) specified on the face sheet of this Purchase Order. Seller's quality control system shall be subject to confirmation and acceptance by the Buyer, the Federal Aviation Administration/Civil Aviation Authority or other regulatory agencies, and/or Buyer's customer.
 - b. **Statement of Conformity:** Each shipment must be accompanied by a legible copy of a statement of conformance. This statement must stipulate the items ordered meet all drawings, specifications and other applicable documents, certify process certifications and chemical or physical test reports as required by drawing specifications or other applicable documents are on file and may be inspected by Buyer and End Users upon request.
 - c. **First Article Inspection Report:** A First Article Inspection Report (FAIR) per AS9102 shall be required on all first run products which are manufactured product. To facilitate Buyer's FAIR, Seller shall ship the FAIR Goods separately or clearly identified to the Buyer. The FAIR Goods shall be identified as FAIR articles, and the shipment documentation shall reference the applicable PO and part number(s). In the event of any change to the Good's design, tooling, process, or material from the previous FAIR, a new FAIR shall be required and Seller shall provide Buyer FAIR Goods in the same manner as set forth above in this section.
 - d. **Special Processes:** Sellers special processes shall be performed by trained and qualified personnel.
 - e. **Non-Conforming Product:** The Seller does not have MRB authority. Seller will notify buyer in written form of a non-conforming product and get buyer approval for the disposition before shipping to the Buyer. If Seller determines that product already shipped is determined to be non-conforming seller will notify Buyer immediately in written form providing part numbers, traceability and description of non-conformity.
 - f. **Product and Process Changes:** Supplier will notify buyer and obtain approval for changes in product and/or process definition.
 - g. **Sub-Tier Suppliers:** Seller shall flow down to its sub-tier suppliers the requirements contained in the purchasing documents applicable to its sub-tier suppliers, including where required the key characteristics of the material to be utilized. Seller shall advise its sub-tier suppliers that substitution of the materials specified by Buyer for the goods shall not be permitted in any respect.
 - h. **Right of Entry:** Seller shall, without restriction, grant right of entry to Buyer, Federal Aviation Administration/Civil Aviation Authority, Buyer's customer and other regulatory requirements as deemed necessary by Buyer.
 - i. **Source Inspection:** All Goods ordered, and relevant records, shall be subject to (i) Buyer, Federal Aviation Administration/Civil Aviation Authority and or Buyers customer source inspection, or in process inspection, during the process of manufacture prior to shipment and (ii) final

inspection, testing and acceptance at destination notwithstanding any prior payment or inspection and acceptance. All Goods shall comply with Federal Aviation Administration/Civil Aviation Authority and other regulatory requirements.

- j. Records: All records created and or retained by suppliers that provide evidence of conformity to BAC requirements must be retained for a calendar year plus ten years from the date of shipment under each applicable PO for all product/ part numbers unless otherwise specified on the PO. Records shall remain legible, readily identifiable and retrievable. Records shall be available for review by Buyer and End Users in accordance with contractual and regulatory requirements. The Records shall be kept secured after the disposal date or shall be destroyed as applicable in a manner to ensure unintended usage.
- k. Statistical Process Control: When specified on the PO, the Seller shall apply Statistical Process Control to the order. A CPK of 1.33 or greater is required. Each lot of parts shipped must be accompanied with a signed copy of the applicable SPC Control Plan. The Control Characteristics listed in the SPC Control Plan shall be approved in writing by the Buyer.
- l. Prevention of Counterfeit Parts: Supplier shall establish and control processes, appropriate to the organization and the product to prevent the use of counterfeit or suspect counterfeit parts, their inclusion in the product (s) delivered to Bucher Aerospace and report as appropriate, to internal organizations, customers, government reporting organizations, industry supported reporting programs, and criminal investigative authorities as suggested in AS5553 (Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition) & AS6174 (Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material)
- m. Seller shall comply to AS9100 latest revision as applicable

- 10. REJECTION OF NONCONFORMING GOODS**: In the regular course of its business, Buyer may reject, refuse acceptance, or revoke acceptance of any or all Goods, which are not strictly in conformance with all of the requirements of this Purchase Order and the applicable drawings, designs, and specifications, and by notice, rejection tag or other communication, notify Seller of such rejection. Acceptance into inventory by Buyer does not constitute acceptance by Buyer's quality assurance. At Seller's risk and expense, all such Goods will be returned to Seller for (i) repair, replacement or other correction and redelivery by Seller as Buyer may require or (ii) refund by Seller of the price of any such Goods, at Buyer's option. All costs and expenses incurred as a result or in connection with such nonconformance may be recovered from Seller by equitable price reduction, setoff, or credit against any amount which may be owed to Seller under this Purchase Order or otherwise. Buyer may charge Seller all expenses of inspecting, unpacking, examining, repacking and storing any Goods rejected in accordance with the above. Rejected supplies shall not be re-tendered to Buyer by Seller unless notification of such past rejection is submitted with the re-tender and Buyer has consented to such re-tender.
- 11. WARRANTY**: In addition to all warranties prescribed by law or given by Seller, Seller warrants that all Goods furnished hereunder will be free from defects in material and workmanship, conform to the applicable drawings, design and specifications and if of Seller's design, be free of design defects. Unless otherwise specified in the Purchase Order, the Goods shall be new and not used or reconditioned the Goods shall be merchantable and (if Seller knows or has reason to know of Buyer's intended purpose or use therefore) shall in all respects be suitable for the particular purpose or use for which they are purchased by Buyer. Seller shall indemnify and hold Buyer harmless from and against any and all damages, losses, demands, costs and expenses arising from claims or third parties due to Seller's breach if its warranties hereunder. This warranty shall survive any inspection delivery, acceptance or payment by Buyer of the Goods and are in addition to all other warranties available at law or equity.
- 12. CHANGES**: Buyer may at any time, by written notice, make changes within the general scope of this Purchase Order in any one or more of (i) drawings, designs or specifications (ii) method of shipping or packing (iii) place of inspection, acceptance, or point of delivery or (iv) delivery schedule. Should any such change increase or decrease the cost of, or the time required for performance of this Purchase Order, an equitable adjustment may be requested by Seller or Buyer in the price, delivery schedule or both. No claim by Seller for such adjustment will be valid unless submitted to Buyer in writing within (30) days from the date of such a change. Nothing contained in this clause shall relieve Seller from proceeding without delay in the performance of this Purchase Order as Changed.

13. MATERIALS, TOOLS, EQUIPMENT AND FACILITIES:

- a. Materials, tools and equipment required to fulfill this Purchase Order shall be furnished by Seller unless otherwise specified. Seller represents that it now has, or can readily produce without assistance from Buyer; all facilities necessary for the performance of this Purchase Order except as otherwise provided herein.
- b. Any such materials, tools, equipment or facilities furnished to Seller by or on behalf of Buyer or purchased by Buyer from Seller (by a separate Purchase Order; or as a item under this Purchase Order) for use in connection with the performance by Seller hereunder shall be held by Seller as Buyer's property and shall not be used by Seller except for the purpose of Seller's performance under this Purchase Order. Seller shall account for all of such property so furnished to Seller and/or so purchased by Buyer.
- c. All of said furnished and/or purchased materials, tools, equipment facilities so held by Seller for use by Seller in connection with performance under this Purchase Order shall be satisfactory marked, segregated or otherwise clearly identified by Seller as the property of Buyer and/or others (as the circumstances may require) and shall be kept by Seller in good condition and repair and shall be returned by Seller at Buyer's request and at Seller's expense, in as good a condition as when received except for reasonable wear and tear and except to the extent that such materials, tools and equipment have been incorporated in Goods furnished by Seller pursuant to this Purchase Order or have been properly consumed in the normal performance of work hereunder.
- d. While in Seller's custody and control, all of said furnished and/or purchased materials, tools, equipment and facilities so held shall be held at Seller's risk, and shall be kept insured by Seller at no less than the replacement cost hereof. All such insurance coverage shall provide that payments on account of loss thereof and damage thereto shall be paid to Buyer. Seller shall furnish such evidence of insurance as the Buyer may require.

14. INDEMNIFICATION AND INSURANCE: In the event Seller, its employees, agents, subcontractors, and/or lower tier subcontractors enter premises occupied by or under control of Buyer or third parties in the performance of this Purchase Order, Seller shall indemnify, hold harmless and defend Buyer, its officers, and employees from any loss, cost, damage, expense, or liability by reason of property damage or personal injury to any person, including Seller's employees, of whatsoever nature or kind arising out of, as a result of, or in connection with such performance occasioned in whole or in part by the actions or omissions of Seller, its employees, agents, subcontractors, and/or lower tier subcontractors shall maintain adequate insurance to cover any public liability, property damage, and automobile liability or any damage incurred in connection with Seller's performance of any work on or about Buyer's premises and shall maintain proper Workmen's Compensation insurance covering all employees performing this order.

15. DUPLICATION AND USE OF BUYER'S DATA: Except for articles or designs incorporation in the Goods called for hereunder which originated with Seller and which may be completely severed from such as Goods, Seller shall not, either during the performance of this Purchase Order or thereafter (i) reproduce or manufacture any Goods called for hereunder or any part thereof for any third parties utilizing any design drawings or other technical data or proprietary information belonging to or supplied by or behalf of Buyer, except in the performance of Purchase Orders for Buyer (ii) or disclose any designs drawings or other technical data or proprietary information without first obtaining Buyer's written consent. Upon Buyer's request, all such design drawings, or other technical data or proprietary information and any copies thereof shall be returned to Buyer. Where Buyer's designs, drawings, or other technical data or proprietary information are furnished to Seller's suppliers for procurement of supplies by Seller for use in the performance of Buyer's Purchase Orders with Buyer's written consent, Seller shall insert the substance of this provision in its orders with its suppliers.

16. **ASSIGNMENT:** No assignment of this Purchase Order, or any duty right under it, shall be binding upon Buyer unless Buyer's written consent to said assignment has first been obtained.
17. **SUBCONTRACTING:** Without the prior written consent of Buyer, Seller shall not subcontract for procurement of all or any number of the Goods covered by this Purchase Order in complete or substantially completed form.
18. **TERMINATION:**
 - a. Termination For Convenience. Buyer may terminate, for its convenience, this Purchase Order, in whole or in part, by providing written notice to the Seller. Upon receipt of such notice, Seller shall (i) discontinue all work with respect to that portion of the Purchase Order terminated by buyer (ii) place no additional orders or subcontracts for materials or services as to that part of the work terminated and (iii) take such other reasonable action as may reduce any termination cost due Seller. In the event Buyer terminates any Purchase Order in whole or in part, Buyer shall pay to Seller (i) an amount equal to the aggregate purchase price of all Goods completed prior to the termination and (ii) Seller's raw materials, work in process, supplies and other material costs (excluding overhead and profit) incurred in the production of any uncompleted Goods provided that such costs under (i) and (ii) can not be allocated by Seller to other work. In no event shall termination costs exceed the total purchase price of the Goods terminated by the Buyer.
 - b. Termination By Default. If at any time the Seller shall be in default hereunder and shall fail to remedy such default to the reasonable satisfaction of the Buyer within (30) days following notice from Buyer specifying such default. Buyer may immediately terminate this Purchase Order by written notice of termination to the Seller. Unless otherwise agreed in writing by Buyer, any such termination of this Purchase Order shall operate as a cancellation of the entire undelivered portions of this Purchase Order.
 - c. Termination For Insolvency. Buyer may terminate this Purchase Order immediately upon written notice to Seller if Seller (i) becomes insolvent (ii) files a voluntary petition in bankruptcy (iii) executed an assignment for the benefit of creditors (iv) is adjudicated a bankrupt or insolvent or a receiver or trustee is appointed for Seller or (v) Seller terminated its existence or ceases to do business. Unless otherwise agreed in writing by Buyer, any such termination of this Purchase Order shall operate as a cancellation of the entire undelivered portions of this Purchase Order.
19. **PATENTS AND PATENT INDEMNITY:** Except when the work hereunder or supplies are manufactured detailed designs originated and furnished by Buyer or by a process or method the use of which is specifically directed by Buyer, Seller guarantees that the Goods produced hereunder and the sale or use of them will not infringe any patents and Seller shall indemnify and save Buyer and its customers harmless from any expense, loss, cost, damage or liability which may be incurred on account of infringement or alleged infringement of patent rights with respect to such Goods, and defend, at its own expense, any action or claim in which such infringement is alleged, provided Seller is notified of such actions or claims against Buyer.
20. **STATUS AS INDEPENDENT CONTRACTOR:** The Seller is an independent contractor and while performing work on or off Buyer's premises, neither it nor any of its agents or employees shall be considered agents or employees of the Buyer.
21. **FORCE MAJEURE:** Seller shall have no liability for, nor shall Buyer be entitled to terminate this Purchase Order, due to any delay in performance by Seller due to an act of God, war, insurrection, sabotage, fire, strike, civil disturbances, accidents, storms, floods, law acts, or demands of Government of officials.
22. **LABOR DISPUTE:** Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice thereof to Buyer. Seller shall insert the substance of the provision in its orders with its suppliers.
23. **NONWAIVER, PARTIAL INVALIDITY AND REMEDIES:** Any and all failure, delay or forbearance of Buyer insisting upon or enforcing at any time or times any of the provisions of this Purchase Order or to exercise any rights or remedies under this Purchase Order, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies in those or any other instances, rather, the same shall be and remain in full force and

effect. Further, if any provision of this Purchase Order is or becomes void or enforceable. The remedies herein reserved under the Buyer shall be cumulative and additional to any other remedies in law or equity.

24. **GOVERNING LAW:** This Purchase Order and the contract between the parties evidenced hereby shall be deemed made in a jurisdiction specified in the address of Buyer identified on the face sheets of this Purchase Order and shall be construed and interpreted solely in accordance with the laws of such jurisdiction.
25. **WAIVER OF LIENS:** Seller hereby waives and relinquishes all liens and claims, statutory or otherwise which Seller now has or may thereafter have as a result of labor done and materials furnished by Seller to Buyer in performance of this Purchase Order.
26. **RELEASE OF INFORMATION:** No news release, public announcement, denial, or confirmation of same of any part of the subject matter of this Purchase Order or any phase of the Purchase Order shall be made without the prior written approval of Buyer.
27. **COMPLIANCE WITH LAW:** Seller agrees that the performance of any work pursuant to this Purchase Order is and shall in all respects be in strict compliance with all laws, rules, regulations, ordinances, proclamations, demands, directives or other legal requirements which, now govern or may thereafter govern the manufacture, sale, or delivery of the Goods contemplated by this Purchase Order. Seller agrees to obtain all necessary permits and licenses at its expense. Seller agrees upon request to furnish Buyer with a certificate of compliance relating to any such laws or regulations in such form as Buyer may require. Seller agrees to indemnify and hold Buyer harmless from any liability arising from any failure of the Goods purchased under this Purchase Order from complying with such laws and regulations.
28. **SEVERABILITY:** If any of the Terms and Conditions of Purchase herein are at any time held to be invalid or unenforceable, such term or condition shall be construed as severable and shall not in any way render invalid or unenforceable the remainder of the terms and conditions which shall remain in full force and effect.