## **AMENDMENT NO 10 TO THE MILITARY DISTRIBUTION AGREEMENT**

This Amendment No.10 to the Military Distribution Agreement (this "Amendment") between Eaton Aeroquip, LLC, Eaton Corporation, and Eaton Aerospace LLC ("Eaton" or "Seller") and AAR Supply Chain, Inc. (aka AAR Parts Trading, Inc.) dba AAR Distribution ("AAR" or "Distributor") is effective as of November 30, 2022 (the "Effective Date"). Eaton and AAR are referred to collectively as "Parties" and individually as "Party".

WHEREAS, Eaton and AAR are parties to the Exclusive Distribution Agreement, dated March 26, 2014, between Eaton and AAR, as amended, restated, supplemented, or otherwise modified from time to time (the "Commercial Distribution Agreement");

WHEREAS, Eaton and AAR are parties to the Distribution Agreement, dated October 18, 2013, between Eaton and AAR, as amended, restated, supplemented, or otherwise modified from time to time (the "Military Distribution Agreement");

WHEREAS, Eaton and AAR have modified the Military Distribution Agreement six times (Amendment 2, dated Sep. 28, 2016; Amendment 3, dated Aug. 7, 2017; Amendment 4, later Party signed May 14, 2018; Amendment 5, not dated; and Amendment 9, not dated); and the Parties wish to amend the terms of the Military Distribution Agreement a 7<sup>th</sup> time;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Effective upon the date of the final signature, Eaton and AAR agree to amend the Distribution Agreements as set forth below (the "Amendment"):

- 1. Terms used herein shall have the same meaning as set forth in the Military Distribution Agreement.
- 2. AAR's annual purchase obligation under the Military Distribution Agreement for 2023 is amended as follows:
  - A. In calendar year 2023, AAR shall order, purchase, and take delivery of a target of \$12.0M in Product from Eaton:
    - a. This target represents 40.8% of the minimum Product that AAR shall order, purchase, and take delivery from Eaton in calendar year 2023:
      - i. If AAR desires to change this ratio by more than five percent (5%) it must request approval from Eaton with at least ninety (90) days advance notice. Eaton will not deny any reasonable request but does reserve the right to reject any request.
      - ii. Any shortages or overages to target must be offset in the same quarter by equivalent changes to the Commercial Distribution Agreement for a total of \$29.4M between both Distribution Agreements.
      - iii. If Sales and Fill rates are not meeting Eaton's expectation, Eaton has the right to request a leadership meeting between both parties. If during

the meeting both parties agree that actions are needed, those actions will be completed within five (5) business days.

b. And in accordance with the following timing and percentages based upon AAR placing orders at published/quoted lead times and recognizing that past dues to these dates count for the quarter they were originally due:

	Q1	Q2	Q3	Q4
Sales Fill	\$3.00Mil (25%)	\$2.6Mil (21.67%)	\$2.82Mil (23.5%)	\$3.58Mil (29.83%)
Order Fill	\$3.00Mil (25%)	\$2.6Mil (21.67%)	\$2.82Mil (23.5%)	\$3.58Mil (29.83%)

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed as of the day and year set forth above.

AAR SUPPLY CHAIN, INC.

BY: (ric (foung NAME: Eric Young

TITLE: Senior Vice President

DATE: 2/14/23

**EATON AEROQUIP LLC BY:** 

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NAME: Donald Rozanski

TITLE: Lead Contracts Manager

DATE: 2/15/2023

**EATON CORPORATION BY:** 

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NAME: Donald Rozanski

TITLE: Lead Contracts Manager

DATE: 2/15/2023

**EATON AEROSPACE LLC BY:** 

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NAME: Donald Rozanski

TITLE: Lead Contracts Manager

DATE: 2/15/2023