

## Purchase Agreement

This Purchase Agreement is entered into on March 21, 2016 (the "Effective Date") between **HAMILTON SUNDSTRAND CORPORATION**, a UTC Aerospace Systems Company, having offices at 1 Hamilton Road, Windsor Locks, CT, U.S.A., (hereinafter referred to as "HSC" or "Seller") and **AAR SUPPLY CHAIN, INC.**, a company organized and existing under the laws of Illinois, U.S.A. and having offices in Wood Dale, Illinois, USA (hereinafter referred to as "AAR" or "Buyer").

Whereby, HSC in consideration of the payment obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, assign, sell, grant, transfer, and deliver to AAR the equipment attached hereto as Exhibit A (hereinafter referred to collectively as "the Goods") on the terms and conditions set forth herein. Now therefore, the parties agree as follows:

1. HSC is the lawful owner of the Goods, and the Goods are free from all encumbrances.
2. AAR shall have all rights and title to the Goods in itself and its successors and assigns and title transfer shall occur upon delivery of the Goods by Seller to Buyer FCA (Incoterms 2010) Seller's factory at Windsor Locks, CT; Rockford, IL; or Phoenix, AZ.
3. AAR agrees to sell the Goods only within the territories listed as indicated in Exhibit A.
4. AAR agrees to pay HSC \$11,000,000.00 (US dollars) by wire transfer in USD funds five (5) business days from shipment of the Goods to:

Name of the bank: Mellon Client Service Center

Branch: 500 Ross Street, Pittsburgh, PA 15262-0001, ABA# 043000261

Account no: 180-9354

Account type: SWIFT# MELNUS3P

Name as in bank account: Hamilton Sundstrand, ATTN: Military Programs Company 12

5. The payment set forth in Section 4 above shall be consideration for the Goods and for the appointment of AAR as the exclusive distributor for HSC under that certain Distributor Agreement, dated on or about the date hereof, for the Products (as such term is defined in the Distributor Agreement).
6. HSC shall ship such Goods FCA HSC's Facility Incoterms 2010.
7. Unless otherwise prohibited by, a contract existing on the date hereof (or which existed on the date hereof and is later extended.) HSC shall refer all inquiries to

AAR for such Goods in the territories that AAR is approved to sell in per Exhibit A, until the sooner of (a) AAR does not have any stock of such part number and (b) ten (10) years from the date hereof. Within sixty (60) days of the date hereof, HSC shall, to the extent it is not in violation of any contract existing on the date hereof (or which existed on the date hereof and is later extended), implement a process for all HSC sites to forward all inquiries for such Goods to an AAR centralized referral e-mail address.

8. The parties agree that the Terms and Conditions of Sale, attached hereto as Exhibit B are incorporated herein by reference, and shall apply to the sale of the Goods.
9. The parties agree that in no event shall any purchase order terms or conditions issued by either party supersede the terms and conditions set forth herein with respect to the Goods and that this Purchase Agreement constitutes the entire agreement between the parties with respect to the Goods.

In witness hereof, the parties have executed this Purchase Agreement as of this 21st day of March 2016.

**AAR SUPPLY CHAIN, INC.**

By: \_\_\_\_\_  
John Holmes  
Its: \_\_\_\_\_  
President

**HAMILTON SUNDSTRAND CORPORATION**

By: \_\_\_\_\_  
Ajay Agrawal  
Its: \_\_\_\_\_  
Vice President, Aftermarket

# Exhibit A Equipment List

The unit prices indicate the repurchase price for each Good in the event a repurchase obligation arises under the Distributor Agreement.

Part Number	Product Line	Aircraft Platform	Quantity	Extended Price	Unit Price	Territory Matrix X = territories approved for resale		
						Japan	Worldwide	USG
RFC11Z1P0C	Props	CN-235	41	\$ 1,078,565.65	\$ 26,306.48	X	X	X
527110	Props	C-130 Hercules	24	\$ 738,561.25	\$ 30,773.39	X		X
58096	Engine Controls	F/A-18 Hornet	137	\$ 428,853.51	\$ 3,130.32	X	X	X
5008350	Electric Systems	B-1B Lancer	12	\$ 356,117.39	\$ 29,676.45			X
762410	Engine Controls	F119	15	\$ 310,745.29	\$ 20,716.35			X
577837-1	Props	C-130 Hercules	8	\$ 266,291.72	\$ 33,286.47	X		X
554849	Props	C-130 Hercules	21	\$ 255,581.79	\$ 12,170.56	X		X
1704612A	Electric Systems	Various	15	\$ 248,168.75	\$ 16,544.58			X
52123	Props	DC7	83	\$ 225,358.08	\$ 2,715.16	X	X	X
921B835-1	Electric Systems	CH-47 Chinook	340	\$ 193,396.04	\$ 568.81	X	X	X
582422	Props	C-130 Hercules	25	\$ 165,451.31	\$ 6,618.05	X		X
558281	Props	C-130 Hercules	74	\$ 158,928.53	\$ 2,147.68	X		X
726773-2	Props	C-130 Hercules	12	\$ 158,180.86	\$ 13,181.74	X		X
788236-1	Props	C-130 Hercules	61	\$ 148,154.83	\$ 2,428.77	X		X
1707240A	Electric Systems	GULFSTREAM G550-AEPS	30	\$ 137,434.26	\$ 4,581.14	X	X	X
763617-4	Engine Controls	T-700	30	\$ 133,317.67	\$ 4,443.92		X	X
751162-2	Engine Controls	T-700	60	\$ 130,323.62	\$ 2,172.06		X	X
688543	Engine Controls	B-52 Stratofortress	66	\$ 119,878.39	\$ 1,816.34			X
5003900	Electric Systems	B-1B Lancer	15	\$ 107,164.70	\$ 7,144.31			X
23005-3	Engine Controls	F-4 Phantom	8	\$ 104,623.04	\$ 13,077.88	X	X	X
779110-1	Props	C-130 Hercules	56	\$ 94,589.33	\$ 1,689.10	X		X
967C018-2	Electric Systems	Various	37	\$ 87,196.64	\$ 2,356.67		X1	
5003903	Electric Systems	B-1B Lancer	36	\$ 87,050.51	\$ 2,418.07		X	X
557987-1	Props	E-2 Hawkeye	39	\$ 86,476.70	\$ 2,217.35	X		X
769099	Electric Systems	C-17 Globemaster	4	\$ 85,160.10	\$ 21,290.03		X	X
791714-6	Airframe Products	AV-8B Harrier	20	\$ 80,106.90	\$ 4,005.35		X	X
820577-1	Props	C-130 Hercules	34	\$ 79,176.32	\$ 2,328.72	X		X
5000222	Actuation	B-1B Lancer	44	\$ 75,443.92	\$ 1,714.63			X
RFC11Y1P0C	Props	CN-235	2	\$ 74,797.61	\$ 37,398.80		X	X

67473	Props	C-130 Hercules	4370	\$ 72,329.01	\$ 16.55	X		X
805723-4	Engine Controls	F100-PW220E/220E+	5	\$ 71,812.47	\$ 14,362.49	X	X	X
537034-5	Props	C-130 Hercules	256	\$ 65,806.88	\$ 257.06	X		X
774474-1	Props	C-130 Hercules	4	\$ 64,664.70	\$ 16,166.17	X		X
9039D06-1	Electric Systems	B-52 Stratofortress	94	\$ 64,190.00	\$ 682.87			X
793486-3	AMS	B-2 Spirit	3	\$ 64,095.74	\$ 21,365.25			X
785466-1	Engine Controls	T-700	231	\$ 63,472.15	\$ 274.77		X	X
750611-1	Props	E-2 Hawkeye	29	\$ 61,173.44	\$ 2,109.43	X		X
23101-2	Engine Controls	F-4 Phantom	6	\$ 61,034.96	\$ 10,172.49	X	X	X
537034-4	Props	C-130 Hercules	302	\$ 58,498.41	\$ 193.70	X		X
5000227	Actuation	B-1B Lancer	132	\$ 57,336.03	\$ 434.36			X
713489	Electric Systems	B-1B Lancer	13	\$ 55,725.76	\$ 4,286.60			X
709218	Electric Systems	F-16 Falcon	972	\$ 53,270.62	\$ 54.81	X		
560734	Props	C-130 Hercules	19	\$ 52,499.75	\$ 2,763.14	X		X
522785-21-42	Props	C-130 Hercules	377	\$ 52,158.03	\$ 138.35	X		X
K28905	Props	CN-235	2	\$ 51,640.10	\$ 25,820.05	X	X	X
557696	Props	C-130 Hercules	8	\$ 49,806.93	\$ 6,225.87	X		X
762078-5	Engine Controls	T-700	14	\$ 49,263.18	\$ 3,518.80		X	X
900A604-1	Electric Systems	E-3 Sentry	54	\$ 46,558.52	\$ 862.19	X	X	X
1714446	Electric Systems	Various	7	\$ 44,332.84	\$ 6,333.26	X	X	X
720108-1	Engine Controls	T56,T68	43	\$ 44,331.83	\$ 1,030.97	X	X	X
733864-1	Props	C-130 Hercules	2	\$ 43,305.53	\$ 21,652.77	X		X
69822-12-5	Electric Systems	Various	269	\$ 42,574.59	\$ 158.27	X	X	X
537034-3	Props	C-130 Hercules	200	\$ 41,042.50	\$ 205.21	X		X
794897-5	Airframe Products	F/A-18 Hornet	32	\$ 40,888.69	\$ 1,277.77	X	X	X
701694AGC	Actuation	C-5 Galaxy	500	\$ 40,409.51	\$ 80.82			X
796344-4	Engine Controls	PW229 ENGINE	2	\$ 39,072.56	\$ 19,536.28	X	X	X
558264	Props	C-130 Hercules	10	\$ 38,538.99	\$ 3,853.90	X		X
5962-8850102ZX	Electric Systems	C-17 Globemaster	72	\$ 37,854.50	\$ 525.76		X	X
750613-1	Props	E-2 Hawkeye	10	\$ 37,705.95	\$ 3,770.60	X		X
735658-4	Engine Controls	F404 ENG	177	\$ 37,502.21	\$ 211.88	X	X	X
814159-4	AMS	F/A-18 Hornet	11	\$ 35,439.30	\$ 3,221.75		X	X
5900705	Electric Systems	B-1B Lancer	208	\$ 35,055.68	\$ 168.54			X
751971-2	Engine Controls	H-60 Blackhawk	75	\$ 34,362.84	\$ 458.17		X	X
69279-2	Engine Controls	Various	320	\$ 33,805.56	\$ 105.64	X	X	X
972C780-1	Electric Systems	AV-8B Harrier	29	\$ 32,383.32	\$ 1,116.67			
557669	Props	C-130 Hercules	72	\$ 31,735.08	\$ 440.77	X		X

538121	Props	C-130 Hercules	29	\$	31,659.85	\$	1,091.72	X		X
5000351	Actuation	Various	20	\$	31,214.83	\$	1,560.74	X	X	X
1000530-1-001	Engine Controls	Various	1	\$	31,171.24	\$	31,171.24	X	X	X
59666	Engine Controls	Various	206	\$	31,128.41	\$	151.11	X	X	X
5000208	Electric Systems	Various	76	\$	30,405.91	\$	400.08	X	X	X
5915213	Electric Systems	Various	37	\$	28,857.90	\$	779.94	X	X	X
557628	Props	E-2 Hawkeye	12	\$	28,626.58	\$	2,385.55	X		X
949F153-2	Electric Systems	Various	20	\$	28,249.65	\$	1,412.48	X	X	X
767052	Electric Systems	F/A-18 Hornet	5	\$	28,224.66	\$	5,644.93		X	X
5900657	Actuation	Various	80	\$	27,872.59	\$	348.41	X	X	X
755242-3	Engine Controls	Various	12	\$	27,787.27	\$	2,315.61	X	X	X
1711679	Actuation	Various	70	\$	27,390.08	\$	391.29	X	X	X
735658-2	Engine Controls	F/A-18 Hornet	147	\$	26,859.92	\$	182.72		X	X
546650	Props	C-130 Hercules	25	\$	26,694.88	\$	1,067.80	X		X
732063-39	Engine Controls	Various	765	\$	26,581.13	\$	34.75	X	X	X
554636	Props	C-130 Hercules	1	\$	26,306.48	\$	26,306.48	X		X
766659	Electric Systems	Various	77	\$	26,223.07	\$	340.56	X	X	X
69994P5-7C	Props	Various	359	\$	26,104.87	\$	72.72	X		X
732063-40	Engine Controls	Various	722	\$	25,925.88	\$	35.91	X	X	X
584861	Engine Controls	Various	2	\$	25,877.86	\$	12,938.93	X	X	X
40405-17	Electric Systems	F-16 Falcon	26	\$	25,876.81	\$	995.26	X		
737822-1	Engine Controls	Various	216	\$	25,546.24	\$	118.27	X	X	X
755232-2	Engine Controls	Various	30	\$	25,521.23	\$	850.71	X	X	X
755154-1	Engine Controls	H-60 Blackhawk	63	\$	25,412.06	\$	403.37	X	X	X
5902447	Engine Controls	F/A-18 Hornet	81	\$	25,053.17	\$	309.30		X	X
S107211	Electric Systems	Various	250	\$	24,363.09	\$	97.45	X	X	X
948F723-2	Electric Systems	F-16 Falcon	3	\$	24,240.65	\$	8,080.22	X	X	X
764301-3	AMS	Various	6	\$	24,070.43	\$	4,011.74	X	X	X
910C194-1	Electric Systems	F-5 Tiger	52	\$	23,522.51	\$	452.36	X	X	X
5900664	Electric Systems	Various	40	\$	22,461.35	\$	561.53	X	X	X
754661-10	AMS	CN-235	4	\$	22,448.76	\$	5,612.19	X	X	X
69822-12-7	Electric Systems	Various	138	\$	21,464.71	\$	155.54	X	X	X
751973-10	AMS	Various	5	\$	21,063.71	\$	4,212.74	X	X	X
554815	Props	Various	353	\$	20,785.57	\$	58.88	X		X
701563	Actuation	Various	48	\$	20,664.97	\$	430.52	X	X	X
547995	Props	C-130 Hercules	5	\$	20,540.98	\$	4,108.20	X		X

766660	Electric Systems	Various	83	\$ 20,486.10	\$ 246.82	X	X	X
1702717	Electric Systems	C-17 Globemaster	20	\$ 20,210.50	\$ 1,010.52		X	X
766394-1	Engine Controls	Various	88	\$ 20,007.14	\$ 227.35	X	X	X
766658	Electric Systems	Various	75	\$ 19,938.67	\$ 265.85	X	X	X
753423	Electric Systems	C-17 Globemaster	21	\$ 19,848.79	\$ 945.18		X	X
5000221	Electric Systems	B-1B Lancer	44	\$ 19,827.72	\$ 450.63			X
537034-2	Props	C-130 Hercules	112	\$ 19,686.38	\$ 175.77	X		X
748879	Electric Systems	Various	7	\$ 19,616.17	\$ 2,802.31	X	X	X
4398B72-2	Electric Systems	F-16 Falcon	4	\$ 19,526.97	\$ 4,881.74	X	X	X
737957-2	Engine Controls	Various	13	\$ 19,346.62	\$ 1,488.20	X	X	X
9152-2	Electric Systems	Various	2	\$ 19,290.16	\$ 9,645.08	X	X	X
554641	Props	C-130 Hercules	3	\$ 19,282.65	\$ 6,427.55	X		X
785086-2-006	Props	CN-235	1	\$ 19,267.44	\$ 19,267.44	X	X	X
5008359	Electric Systems	Various	31	\$ 18,913.51	\$ 610.11	X	X	X
782879-3	Engine Controls	Various	8	\$ 18,524.85	\$ 2,315.61	X	X	X
906D874-3	Electric Systems	Various	1	\$ 18,025.70	\$ 18,025.70	X	X	X
764262	Engine Controls	Various	4	\$ 18,004.58	\$ 4,501.14		X	X
541865	Props	Various	7	\$ 17,636.52	\$ 2,519.50	X		X
759891	Electric Systems	C-17 Globemaster	204	\$ 17,530.64	\$ 85.93		X	X
695585GC	Actuation	B-52 Stratofortress	112	\$ 17,372.46	\$ 155.11			X
774887-1	Engine Controls	Various	2237	\$ 17,261.78	\$ 7.72	X	X	X
5000224	Actuation	Various	3	\$ 17,256.33	\$ 5,752.11	X	X	X
751176-2	Engine Controls	Various	36	\$ 17,046.60	\$ 473.52		X	X
543444	Engine Controls	Various	12	\$ 17,006.61	\$ 1,417.22	X	X	X
5905158	Actuation	Various	14	\$ 16,926.34	\$ 1,209.02	X	X	X
706370GK	Actuation	LVT-P7A1	96	\$ 16,825.48	\$ 175.27	X	X	X
748903-1	Engine Controls	Various	18	\$ 16,719.48	\$ 928.86	X	X	X
CG02-13427	Engine Controls	Various	20	\$ 16,700.67	\$ 835.03	X	X	X
5000218	Electric Systems	Various	10	\$ 16,650.69	\$ 1,665.07	X	X	X
K28268	Props	Various	5	\$ 16,327.12	\$ 3,265.42	X		X
763680-1	Engine Controls	Various	96	\$ 16,215.32	\$ 168.91	X	X	X
754794-2	Props	Various	2	\$ 16,154.15	\$ 8,077.08	X		X
759022-1	Engine Controls	Various	74	\$ 16,089.31	\$ 217.42	X	X	X
557634	Props	Various	3	\$ 16,079.84	\$ 5,359.95	X		X
69401-12	Engine Controls	Various	14	\$ 15,345.45	\$ 1,096.10	X	X	X
734961	Electric Systems	Various	9	\$ 15,216.30	\$ 1,690.70	X	X	X

769724-2	Airframe Products	Various	2	\$ 15,155.34	\$ 7,577.67	X	X	X
1704734A	Electric Systems	Various	1	\$ 15,152.53	\$ 15,152.53	X	X	X
730919	Electric Systems	Various	7	\$ 15,110.81	\$ 2,158.69	X	X	X
174-133	Electric Systems	Various	4	\$ 15,089.32	\$ 3,772.33	X	X	X
796517-1	Engine Controls	Various	8	\$ 14,383.25	\$ 1,797.91	X	X	X
557082	Props	Various	52	\$ 14,288.10	\$ 274.77	X		X
801183-1	Airframe Products	Various	15	\$ 14,184.68	\$ 945.65	X	X	X
763541-1	Engine Controls	Various	47	\$ 14,007.44	\$ 298.03	X	X	X
759627A	Electric Systems	Various	1	\$ 13,760.41	\$ 13,760.41	X	X	X
750966-2	Engine Controls	H-60 Blackhawk	136	\$ 13,613.07	\$ 100.10	X	X	X
5000344	Actuation	Various	12	\$ 13,585.19	\$ 1,132.10	X	X	X
23899-6	AMS	Various	1	\$ 13,354.56	\$ 13,354.56	X	X	X
955C450-1	Electric Systems	B-52 Stratofortress	30	\$ 13,153.24	\$ 438.44			X
583688-10	Props	C-27 Spartan	23	\$ 12,993.43	\$ 564.93	X	X	X
814730-1	Props	C-295	1	\$ 12,926.59	\$ 12,926.59	X	X	X
744140	Electric Systems	Various	41	\$ 12,683.22	\$ 309.35	X	X	X
5905402	Electric Systems	Various	123	\$ 12,522.15	\$ 101.81	X	X	X
766302-2	Engine Controls	H-60 Blackhawk	31	\$ 12,504.35	\$ 403.37	X	X	X
751155-1	Engine Controls	Various	296	\$ 12,432.78	\$ 42.00	X	X	X
514822	Props	Various	149	\$ 12,412.27	\$ 83.30	X		X
10729-8	Airframe Products	Various	4	\$ 12,267.43	\$ 3,066.86	X	X	X
748924-3	AMS	Various	1	\$ 12,069.19	\$ 12,069.19	X	X	X
943D857-1	Electric Systems	Various	2	\$ 12,059.46	\$ 6,029.73	X	X	X
773826-1	Props	Various	2	\$ 12,048.37	\$ 6,024.18	X		X
5004468	Engine Controls	F-16 Falcon	83	\$ 11,712.33	\$ 141.11	X		
707064-1	Engine Controls	Various	1	\$ 11,685.93	\$ 11,685.93	X	X	X
750575-3	AMS	E-3 Sentry	2	\$ 11,564.99	\$ 5,782.49	X	X	X
5000231	Electric Systems	Various	9	\$ 11,356.11	\$ 1,261.79	X	X	X
795079-1	Airframe Products	Various	107	\$ 11,235.72	\$ 105.01	X	X	X
770937	Electric Systems	Various	4	\$ 11,219.36	\$ 2,804.84	X	X	X
737936-1	Engine Controls	Various	231	\$ 11,216.78	\$ 48.56	X	X	X
JETX0535950B	Engine Controls	Various	31	\$ 11,200.90	\$ 361.32	X	X	X
741601	Electric Systems	Various	160	\$ 11,048.72	\$ 69.05	X	X	X
542488	Engine Controls	Various	18	\$ 10,956.78	\$ 608.71	X	X	X
35788	Airframe Products	Various	1	\$ 10,947.31	\$ 10,947.31	X	X	X
742177	Electric	Various	43	\$ 10,916.82	\$ 253.88	X	X	X

	Systems							
751098-2	Engine Controls	Various	9	\$ 10,881.22	\$ 1,209.02	X	X	X
764491-11	AMS	Various	8	\$ 10,795.56	\$ 1,349.44	X		
90194-1	Airframe Products	Various	45	\$ 10,749.81	\$ 238.88	X	X	X
817292-2	Engine Controls	Various	9	\$ 10,719.82	\$ 1,191.09	X	X	X
514296	Props	C-130 Hercules	17	\$ 10,695.78	\$ 629.16	X		X
714893	Electric Systems	Various	5	\$ 10,683.52	\$ 2,136.70	X	X	X
783262-1	Engine Controls	Various	2	\$ 10,646.36	\$ 5,323.18	X	X	X
MS21080-5	Electric Systems	Various	23	\$ 10,637.27	\$ 462.49	X	X	X
5E4790/55-0002	Airframe Products	Various	46	\$ 10,451.22	\$ 227.20	X	X	X
5000423	Actuation	Various	1	\$ 10,397.75	\$ 10,397.75	X	X	X
738032-26	Engine Controls	Various	9	\$ 10,319.31	\$ 1,146.59	X	X	X
69456B16	Electric Systems	Various	320	\$ 10,091.49	\$ 31.54	X	X	X
742663	Electric Systems	Various	2	\$ 10,089.98	\$ 5,044.99	X	X	X
748830-2	AMS	CN-235	4	\$ 9,996.46	\$ 2,499.12	X	X	X
949F053-1	Electric Systems	Various	8	\$ 9,993.33	\$ 1,249.17	X	X	X
778224-14	Engine Controls	Various	6	\$ 9,930.70	\$ 1,655.12	X	X	X
JANTX1N6638	Electric Systems	Various	1071	\$ 9,884.53	\$ 9.23	X	X	X
823775-1	Engine Controls	Various	2	\$ 9,877.26	\$ 4,938.63	X	X	X
558274	Props	Various	5	\$ 9,864.38	\$ 1,972.88	X		X
696765	Electric Systems	Various	6	\$ 9,812.98	\$ 1,635.50	X	X	X
766618	Electric Systems	Various	31	\$ 9,677.28	\$ 312.17	X	X	X
1714446	Electric Systems	Various	7	\$ 9,632.64	\$ 1,376.09	X	X	X
695866	Electric Systems	Various	10	\$ 9,589.37	\$ 958.94	X	X	X
726637-10	Props	C-130 Hercules	17	\$ 9,522.97	\$ 560.17	X		X
732063-45	Engine Controls	Various	308	\$ 9,365.03	\$ 30.41	X	X	X
5913629-2	Electric Systems	Various	4	\$ 9,190.09	\$ 2,297.52	X	X	X
725666	Electric Systems	B-1B Lancer	8	\$ 9,016.83	\$ 1,127.10			X
5910091-1	Electric Systems	Various	4	\$ 8,494.71	\$ 2,123.68	X	X	X
709276	Electric Systems	Various	14	\$ 8,247.56	\$ 589.11	X	X	X
706378GC	Electric Systems	Various	50	\$ 8,242.70	\$ 164.85	X	X	X
571302	Engine Controls	Various	5	\$ 8,234.04	\$ 1,646.81	X	X	X
796348-5	Engine Controls	Various	1	\$ 8,207.20	\$ 8,207.20	X	X	X
588941-396	Engine Controls	Various	21	\$ 8,078.46	\$ 384.69	X	X	X
707334A	Electric Systems	737 AEW&C	4	\$ 7,932.98	\$ 1,983.25	X	X	X



5900133	Electric Systems	Various	6	\$ 7,887.34	\$ 1,314.56	X		
27636-4	Electric Systems	Various	6	\$ 7,878.92	\$ 1,313.15	X	X	X
685001621	Electric Systems	Various	20	\$ 7,693.77	\$ 384.69	X	X	X
709277	Electric Systems	Various	13	\$ 7,658.45	\$ 589.11	X	X	X
732063-44	Engine Controls	Various	248	\$ 7,540.67	\$ 30.41	X	X	X
766655	Electric Systems	Various	8	\$ 7,435.61	\$ 929.45	X	X	X
965C762-1	Electric Systems	Various	134	\$ 7,349.76	\$ 54.85	X	X	X
557671	Props	C-130 Hercules	23	\$ 7,292.35	\$ 317.06	X		X
5002714	Electric Systems	Various	30	\$ 7,254.01	\$ 241.80	X	X	X
782100-3	AMS	CN-235	11	\$ 7,068.62	\$ 642.60	X	X	X
5009571	Engine Controls	Various	2	\$ 7,026.99	\$ 3,513.49	X	X	X
902-120	Electric Systems	Various	4	\$ 7,021.67	\$ 1,755.42	X	X	X
742195	Electric Systems	Various	4	\$ 6,989.23	\$ 1,747.31	X	X	X
5901023	Engine Controls	F-16 Falcon	4	\$ 6,982.62	\$ 1,745.65	X		
753333-1	AMS	E-3 Sentry	3	\$ 6,974.35	\$ 2,324.78	X	X	X
42310-0262-0	Electric Systems	Various	133	\$ 6,735.12	\$ 50.64	X	X	X
8C7706-21	Electric Systems	Various	10	\$ 6,452.76	\$ 645.28	X	X	X
AN515-2-5	Electric Systems	Various	243	\$ 6,304.36	\$ 25.94	X	X	X
943D712-3	Electric Systems	Various	1	\$ 6,274.58	\$ 6,274.58	X	X	X
742122	Electric Systems	Various	8	\$ 6,155.01	\$ 769.38	X	X	X
755110-5	Engine Controls	Various	3	\$ 5,993.34	\$ 1,997.78	X	X	X
714928	Electric Systems	Various	2	\$ 5,930.88	\$ 2,965.44	X	X	X
742067	Electric Systems	Various	48	\$ 5,927.37	\$ 123.49	X	X	X
711315	Electric Systems	Various	1	\$ 5,876.43	\$ 5,876.43	X	X	X
751163-1	Engine Controls	Various	11	\$ 5,670.95	\$ 515.54	X	X	X
740369-13	Electric Systems	Various	70	\$ 5,667.07	\$ 80.96	X	X	X
797404-3	Airframe Products	Various	146	\$ 5,652.29	\$ 38.71	X	X	X
713330-06	Electric Systems	Various	23	\$ 5,546.28	\$ 241.14	X	X	X
5900982	Engine Controls	F-16 Falcon	4	\$ 5,384.06	\$ 1,346.01	X		
745427	Electric Systems	Various	1	\$ 5,381.55	\$ 5,381.55	X	X	X
715894	Electric Systems	Various	7	\$ 5,308.76	\$ 758.39	X	X	X
5910602	Electric Systems	Various	12	\$ 5,273.14	\$ 439.43	X	X	X
755243-4	Engine Controls	Various	12	\$ 5,241.83	\$ 436.82	X	X	X
54591	Electric Systems	Various	14	\$ 5,149.01	\$ 367.79	X	X	X

696652-8	Electric Systems	F-4 Phantom	188	\$ 5,061.03	\$ 26.92	X	X	X
691797	Electric Systems	Various	539	\$ 5,033.59	\$ 9.34	X	X	X
696652-9	Electric Systems	F-4 Phantom	186	\$ 5,007.19	\$ 26.92	X	X	X
740783-3	Engine Controls	Various	6	\$ 4,986.92	\$ 831.15	X	X	X
174-37	Electric Systems	Various	5	\$ 4,959.55	\$ 991.91	X	X	X
59683	Electric Systems	Various	2	\$ 4,895.94	\$ 2,447.97	X	X	X
5911585	Electric Systems	F/A-18 Hornet	15	\$ 4,880.84	\$ 325.39		X	X
02-12027	Electric Systems	Various	6	\$ 4,847.23	\$ 807.87	X	X	X
696652-4	Electric Systems	F-4 Phantom	176	\$ 4,737.99	\$ 26.92	X	X	X
932A760-1	Electric Systems	Various	6	\$ 4,637.83	\$ 772.97	X	X	X
696652-6	Electric Systems	F-4 Phantom	172	\$ 4,630.30	\$ 26.92	X	X	X
682188	Electric Systems	Various	376	\$ 4,624.18	\$ 12.30	X	X	X
5002704	Electric Systems	Various	2	\$ 4,611.59	\$ 2,305.80	X	X	X
714136	Electric Systems	Various	1	\$ 4,603.63	\$ 4,603.63	X	X	X
519631	Engine Controls	Various	86	\$ 4,517.17	\$ 52.53	X	X	X
746566	Electric Systems	Various	18	\$ 4,495.55	\$ 249.75	X	X	X
694470	Electric Systems	Various	3	\$ 4,484.40	\$ 1,494.80	X	X	X
713073	Electric Systems	Various	3	\$ 4,477.36	\$ 1,492.45	X	X	X
754789A01	Props	E-2 Hawkeye	3	\$ 4,447.24	\$ 1,482.41	X		X
5913513	Engine Controls	F-16 Falcon	4	\$ 4,414.40	\$ 1,103.60	X		
694411	Electric Systems	Various	20	\$ 4,392.31	\$ 219.62	X	X	X
706877	Electric Systems	Various	1	\$ 4,384.41	\$ 4,384.41	X	X	X
772297-14	Electric Systems	Various	310	\$ 4,356.15	\$ 14.05	X	X	X
1707670-8	Electric Systems	F-15 Eagle	40	\$ 4,297.43	\$ 107.44	X	X	X
738025-5	Engine Controls	H-60 Blackhawk	4	\$ 4,173.96	\$ 1,043.49	X	X	X
8C7701-43	Electric Systems	Various	14	\$ 4,105.52	\$ 293.25	X	X	X
694313	Electric Systems	Various	168	\$ 4,003.32	\$ 23.83	X	X	X
742102	Electric Systems	Various	10	\$ 3,994.20	\$ 399.42	X	X	X
744864	Electric Systems	Various	28	\$ 3,989.82	\$ 142.49	X	X	X
714711	Electric Systems	Various	100	\$ 3,983.24	\$ 39.83	X	X	X
15C8095-8	Electric Systems	F-5 Tiger	340	\$ 3,913.12	\$ 11.51	X	X	X
925A447-1	Electric Systems	F-5 Tiger	854	\$ 3,912.73	\$ 4.58	X	X	X
1704823A	Electric Systems	Various	5	\$ 3,878.78	\$ 775.76	X	X	X
57875	Electric Systems	Various	2	\$ 3,820.36	\$ 1,910.18	X	X	X

742624	Electric Systems	Various	51	\$	3,805.76	\$	74.62	X	X	X
751096-10	Engine Controls	Various	131	\$	3,753.43	\$	28.65	X	X	X
696652-3	Electric Systems	F-4 Phantom	136	\$	3,661.17	\$	26.92	X	X	X
758666GP	Electric Systems	Various	60	\$	3,636.88	\$	60.61	X	X	X
967C837-1	Electric Systems	Various	10	\$	3,627.01	\$	362.70	X	X	X
712170	Electric Systems	Various	3	\$	3,528.54	\$	1,176.18	X	X	X
767994	Electric Systems	Various	3	\$	3,475.42	\$	1,158.47	X	X	X
751173-1	Engine Controls	Various	284	\$	3,442.90	\$	12.12	X	X	X
5003768	Engine Controls	F-16 Falcon	56	\$	3,394.42	\$	60.61	X		
9023D23-1	Electric Systems	Various	123	\$	3,378.60	\$	27.47	X	X	X
741562	Electric Systems	Various	12	\$	3,353.02	\$	279.42	X	X	X
757562	Electric Systems	Various	14	\$	3,345.31	\$	238.95	X	X	X
757491	Electric Systems	C-17 Globemaster	59	\$	3,327.92	\$	56.41		X	X
712292	Electric Systems	Various	2	\$	3,321.50	\$	1,660.75	X	X	X
950B196-3	Electric Systems	B-1B Lancer	13	\$	3,315.46	\$	255.04			X
765462-1	Engine Controls	Various	80	\$	3,291.82	\$	41.15	X	X	X
12-10443	Airframe Products	Various	3	\$	3,288.31	\$	1,096.10	X	X	X
717328	Electric Systems	B-1B Lancer	1	\$	3,288.31	\$	3,288.31			X
916B471-1	Electric Systems	Various	57	\$	3,251.34	\$	57.04	X	X	X
PLRA2910010	Electric Systems	Various	25	\$	3,174.86	\$	126.99	X	X	X
5914067	Engine Controls	Various	1	\$	3,111.86	\$	3,111.86	X	X	X
5914336	Engine Controls	Various	1	\$	3,043.84	\$	3,043.84	X	X	X
1708315A	Electric Systems	Various	30	\$	3,016.70	\$	100.56	X	X	X
726825	Electric Systems	Various	15	\$	2,975.26	\$	198.35	X	X	X
5E4720/14-0003	Electric Systems	Various	95	\$	2,946.88	\$	31.02	X	X	X
569393	Engine Controls	Various	1	\$	2,946.19	\$	2,946.19	X	X	X
MS17131-66	Electric Systems	Various	112	\$	2,941.42	\$	26.26	X	X	X
542623	Engine Controls	Various	46	\$	2,922.39	\$	63.53	X	X	X
764731	Electric Systems	Various	29	\$	2,803.24	\$	96.66	X	X	X
711541400	Electric Systems	Various	10	\$	2,773.36	\$	277.34	X	X	X
5008343	Electric Systems	Various	47	\$	2,763.36	\$	58.79	X	X	X
766586	Electric Systems	Various	10	\$	2,740.26	\$	274.03	X	X	X
MS35276-269	Electric Systems	Various	21	\$	2,734.56	\$	130.22	X	X	X
751141-1	Engine Controls	Various	4	\$	2,699.40	\$	674.85	X	X	X

5008356-1	Electric Systems	Various	10	\$ 2,698.61	\$ 269.86	X	X	X
5000230	Electric Systems	Various	4	\$ 2,624.68	\$ 656.17	X	X	X
5000350	Electric Systems	Various	1	\$ 2,582.95	\$ 2,582.95	X	X	X
742111	Electric Systems	Various	2	\$ 2,567.56	\$ 1,283.78	X	X	X
751089-1	Engine Controls	Various	269	\$ 2,541.64	\$ 9.45	X	X	X
731865	Electric Systems	KC-135 Tanker	15	\$ 2,508.98	\$ 167.27	X	X	X
9005D27-1	Electric Systems	Various	8	\$ 2,499.12	\$ 312.39	X	X	X
5002632	Engine Controls	F-16 Falcon	15	\$ 2,481.69	\$ 165.45	X		
702658	Electric Systems	Various	7	\$ 2,481.20	\$ 354.46	X	X	X
731612	Electric Systems	Various	2	\$ 2,472.81	\$ 1,236.40	X	X	X
721759	Electric Systems	Various	10	\$ 2,471.12	\$ 247.11	X	X	X
5002668	Engine Controls	F-16 Falcon	90	\$ 2,466.23	\$ 27.40	X		
02-12361	Engine Controls	C-130 Hercules	141	\$ 2,412.44	\$ 17.11	X		X
968C594-3	Electric Systems	F-16 Falcon	159	\$ 2,387.66	\$ 15.02	X	X	X
5004467	Engine Controls	F-16 Falcon	9	\$ 2,384.16	\$ 264.91	X		
767040-1	Engine Controls	Various	52	\$ 2,375.65	\$ 45.69	X	X	X
759894-4	Electric Systems	C-17 Globemaster	59	\$ 2,282.86	\$ 38.69		X	X
735407GC	Electric Systems	Various	8	\$ 2,275.86	\$ 284.48	X	X	X
40294-2	Electric Systems	Various	52	\$ 2,275.17	\$ 43.75			
714895	Electric Systems	E-6 Mercury	1	\$ 2,249.64	\$ 2,249.64	X	X	X
751997-1	AMS	F-5 Tiger	264	\$ 2,245.54	\$ 8.51	X	X	X
5906177	Electric Systems	Various	3	\$ 2,242.63	\$ 747.54	X	X	X
5905928-3	Electric Systems	Various	53	\$ 2,226.13	\$ 42.00	X	X	X
742181	Electric Systems	Various	2	\$ 2,210.95	\$ 1,105.47	X	X	X
55357-7	Electric Systems	Various	316	\$ 2,202.93	\$ 6.97	X	X	X
969C914-1	Electric Systems	Various	5	\$ 2,194.07	\$ 438.81	X	X	X
02-15572-01	Engine Controls	Various	60	\$ 2,192.65	\$ 36.54	X	X	X
786234-2	Electric Systems	F-16 Falcon	2	\$ 2,183.44	\$ 1,091.72	X	X	X
714179	Electric Systems	Various	1	\$ 2,158.69	\$ 2,158.69	X	X	X
737915-1	Engine Controls	Various	29	\$ 2,155.16	\$ 74.32	X	X	X
738105-2	Engine Controls	Various	1	\$ 2,154.94	\$ 2,154.94	X	X	X
715100	Electric Systems	C-5 Galaxy	2	\$ 2,104.00	\$ 1,052.00			X
968C594-1	Electric Systems	F-16 Falcon	100	\$ 2,091.37	\$ 20.91	X	X	X
966C978-1	Electric Systems	Various	154	\$ 2,088.89	\$ 13.56	X	X	X

713725	Electric Systems	Various	1	\$	2,081.74	\$	2,081.74	X	X	X
751141-2	Engine Controls	Various	30	\$	2,074.93	\$	69.16	X	X	X
710617	Electric Systems	F-15 Eagle	210	\$	2,067.02	\$	9.84	X	X	X
130036655	Electric Systems	BAE Hawk	25	\$	2,051.91	\$	82.08	X	X	X
5901040	Airframe Products	Various	2	\$	2,044.02	\$	1,022.01	X	X	X
4P8061-109-0004	Engine Controls	Various	560	\$	2,041.58	\$	3.65	X	X	X
5915626-51	Electric Systems	Various	39	\$	2,040.79	\$	52.33	X	X	X
786205-4	Engine Controls	Various	4	\$	2,037.09	\$	509.27	X	X	X
32-2127	Engine Controls	Various	2	\$	2,034.41	\$	1,017.21	X	X	X
M83485/1-263	Electric Systems	Various	69	\$	2,028.43	\$	29.40	X	X	X
791723-5	Airframe Products	Various	35	\$	2,000.28	\$	57.15	X	X	X
M38510/10101BGX	Electric Systems	Various	19	\$	1,972.97	\$	103.84	X	X	X
M83485/1-262	Electric Systems	Various	69	\$	1,960.36	\$	28.41	X	X	X
4404B94-1	Electric Systems	Various	3	\$	1,874.34	\$	624.78	X	X	X
5915356-A15SO32	Electric Systems	Various	26	\$	1,769.77	\$	68.07	X	X	X
773635-11	Engine Controls	Various	31	\$	1,698.96	\$	54.81	X	X	X
5915356-A11TP03	Electric Systems	Various	131	\$	1,685.74	\$	12.87	X	X	X
5905169-6	Electric Systems	Various	54	\$	1,632.45	\$	30.23	X	X	X
762025D	Electric Systems	Various	3	\$	1,627.25	\$	542.42	X	X	X
966C714-1	Electric Systems	M1A1 Abrams	10	\$	1,550.99	\$	155.10		X	X
562288	Electric Systems	Various	884	\$	1,501.84	\$	1.70	X	X	X
755482-1	Engine Controls	Various	43	\$	1,437.54	\$	33.43	X	X	X
746293	Electric Systems	Various	14	\$	1,420.32	\$	101.45	X	X	X
701711-6	Electric Systems	F-15 Eagle	62	\$	1,410.82	\$	22.76	X	X	X
5003974	Engine Controls	F-16 Falcon	79	\$	1,260.79	\$	15.96	X		
3636/1-161	Engine Controls	Various	45	\$	1,252.85	\$	27.84	X	X	X
NAS75-4-016	Actuation	Various	151	\$	1,227.04	\$	8.13	X	X	X
1013422-2	Engine Controls	Various	6	\$	1,144.33	\$	190.72	X	X	X
772746	Engine Controls	F/A-18 Hornet	8	\$	1,052.26	\$	131.53		X	X
							NOTES			
							:			
							X1	BAE Only		

**Exhibit B**  
**Terms and Conditions of Sale**

**STANDARD COMMERCIAL TERMS AND CONDITIONS OF SALE**

**1. ORDERS**

Buyer will place its order for the Goods by sending to Seller a purchase order (the "Purchase Order" or "Order"). The Purchase Order shall contain only the Buyer and Seller identification, description, quantity, price, and/or delivery schedule of Goods by Buyer from Seller; and shall be subject to and governed solely by the Purchase Agreement and these Standard Commercial Terms and Conditions (the "Terms and Conditions"). Any terms or conditions set forth on any documents or forms utilized by Buyer or Seller, including, but not limited to, pre-printed terms and conditions on purchase order documents, and any communications (written or oral) between the parties that are inconsistent with, or are not included within, the Terms and Conditions contained herein, shall be of no force or effect unless signed by an authorized representative of the other party.

**2. ORDER ACCEPTANCE**

Acceptance of the Order shall be indicated by the written acknowledgement of Seller's authorized representative. Seller shall not be obligated to accept any Order. Seller may not accept any Order issued at a time when Buyer is in default in its payments or other material obligations hereunder, notwithstanding the fact that notice of such default has not been given and/or that a cure period applies.

Seller's acceptance of Orders is given only on the express understanding and condition that only the Terms and Conditions shall govern and establish any rights and obligations of the parties with respect to the Goods covered thereby. Seller's failure to object to provisions contained in any document or communication from Buyer shall not be deemed a waiver of the application of the Terms and Conditions. Without limiting the generality of the foregoing, any terms or conditions set forth on any documents or forms utilized by Buyer or Seller and any communications (written or oral) between the parties that are inconsistent with, or are not included within the Terms and Conditions shall be of no force or effect unless signed by an authorized representative of the other party.

If Seller is unable to furnish any Goods on the Order in quantity, size or otherwise, as specified and described on the Order, the Order acknowledgment will so indicate within fifteen (15) calendar days and may provide details as to recommended substitutes, including part number, description, price and availability.

**3. ORDER OF PRECEDENCE**

Buyer and Seller agree that the Terms and Conditions are the only terms and conditions incorporated in Buyer's Order. In the event of a conflict between the information contained in Buyer's Order and the Terms and Conditions, the Terms and Conditions shall take precedence, unless otherwise agreed in writing by Seller.

**4. CANCELLATION**

No cancellations of Orders by Buyer will be accepted within fifteen (15) calendar days of the earliest requested ship date. All cancellations of any order by Buyer sixteen (16) or more calendar days prior to the earliest requested ship date shall result in a cancellation charge to be reasonably determined by Seller based on such factors as whether the Goods were manufactured specifically for Buyer, Seller's ability to change its production schedule within the period of the notice provided by Buyer and whether Seller acquired or allocated particular supplies or equipment to meet Buyer's Order.

**5. CHANGES**

Buyer may by written notice request changes within the general scope of this Purchase Order to any one or more of the following: (a) drawings, designs or specifications; (b) method of shipment or packaging; (c) place of inspection, delivery or acceptance; and (d) amount of Buyer-furnished materials.

Any proposed modifications will be evidenced by a written work change order submitted by Buyer and must be agreed to in writing by Seller. If, in Seller's discretion, the proposed modifications would cause an increase in the cost of, or the time required for the performance of, any part of the work in this Order, Seller shall be entitled to an equitable adjustment in the purchase price or delivery schedule or both.

The change will become effective, and Seller will commence performance, after the parties have agreed in writing upon any equitable adjustments applicable to the modifications, and the Purchase Order shall be deemed to be modified to include the modifications. Unless otherwise agreed in writing, upon performance of the change order, Seller will be entitled to invoice Buyer for the costs of the change, even if Seller agreed to proceed with the change prior to such written agreement.

**6. DRAWINGS AND SPECIFICATIONS**

The Goods shall be manufactured to Seller's drawings and specifications, unless otherwise specified on Buyer's Order and agreed to in writing by Seller. Buyer's drawings and technical specifications (collectively, the "Buyer Specifications") shall be attached to the Order. Seller's compliance with any Buyer-specified modifications to the Buyer Specifications shall be subject to **Article 5 - CHANGES**.

Seller is reasonably entitled to rely on information supplied by Buyer concerning the Goods including but not limited to timely furnishing of designs, drawings, specifications, test parameters, and all other technical requirements which are the responsibility of Buyer.

**7. INTELLECTUAL PROPERTY**

The Goods are based on technology developed solely by Seller, and Seller retains ownership of all intellectual property rights therein. No rights or licenses are granted to Buyer.

Seller agrees that it shall, at its own expense and at its sole option, defend or settle any claim, suit, or proceeding brought against Buyer based on an allegation that any product furnished under this contract directly infringes any claim of any third party intellectual property right. This obligation shall be effective only if: (a) the product is the design of Seller and not made in accordance with drawings, samples, or manufacturing specifications designated by Buyer; (b) Seller is notified of said allegation promptly in writing; and (c) Seller is given full opportunity and authority, information, and assistance to conduct the sole defense of said claim, suit, or proceeding, including settlement and appeals.

The foregoing obligation does not apply to the following: (a) any claim of infringement resulting from changes or modifications made to or from the product by the Buyer; or (b) any settlement of a claim, suit, or proceeding made without Seller's written consent. Provided all the foregoing conditions have been met, Seller shall either settle such claim, or pay all court awarded damages, excluding indirect, incidental, special, consequential and punitive damages not attributable to Seller.

In the event of a final adjudication by a court of competent jurisdiction enjoining the use or sale of the product, or if the provisions of any negotiated settlement agreement prohibit the use or sale of the product, Seller shall at its sole option and its own expense, either: (a) procure for Buyer the right to continue using the product; (b) replace it with a substantially equivalent non-infringing product; (c) modify it so it becomes non-infringing but substantially equivalent; or (d) if none of the above is reasonably available, terminate the Buyer's right to use the product and return to the

Buyer a pro rata portion of the price originally paid by Buyer to Seller represented by the remaining useful life of the product as a percentage of the total useful life.

The foregoing states the entire obligation of Seller with respect to any intellectual property claims arising under this Agreement.

Buyer agrees that it shall, at its own expense and at its sole option, defend or settle any claim, suit, or proceeding brought against Seller based on an allegation that any product furnished under this contract directly infringes any claim of any third party intellectual property right resulting from (a) changes or modifications made to the product or process by the Buyer; (b) use of Buyer's intellectual property; (c) Buyer's explicit instructions or directions; or (d) the combination of another product with the Buyer's product or process which resulted in the claim of infringement (collectively, "Distributor's IP Indemnity"). This obligation shall be effective only if Buyer is notified of said allegation promptly in writing. Provided Seller has notified Distributor as stated in this section, Buyer shall either settle Buyer's IP Indemnity claim, or pay all court awarded damages, excluding indirect, incidental, special, consequential and punitive damages not attributable to Buyer.

#### **8. DISPUTES**

Any dispute shall be communicated in writing. If Seller and Buyer cannot agree on a resolution of the dispute within 30 calendar days, the dispute shall be escalated to the respective director-level leadership of both Seller and Buyer for resolution. If the director-level leadership of Seller and Buyer are unable to resolve any dispute escalated to them within 30 calendar days, the dispute shall be escalated to the vice-president-level leadership of Seller and Buyer. If the vice-president-level leadership are unable to resolve any dispute escalated to them within 30 calendar days, Seller shall suspend work on the disputed portion of the contract until resolution of the dispute; either Party may, subject to Article 9 – GOVERNING LAW, pursue any rights or remedies available to it hereunder.

#### **9. GOVERNING LAW**

This Order shall be governed by the laws of the State of New York, USA, excluding its conflict of laws rules other than as found in Section 5-1401 and 5-1402 of New York's General Obligations Law. The provisions of the Convention for the International Sale of Goods shall not apply.

Any and all disputes (whether arising in tort, contract or otherwise) arising under or in any way relating to the subject matter of this Agreement shall be governed by the laws of the State of New York, without regard to any conflicts of law principles applied in that State that would require application of any other law. Buyer and Seller each hereby consent to the exclusive jurisdiction and venue of the courts, state and federal, located in the State of New York, with respect to any action, suit or proceeding relating to this Agreement.

#### **10. ASSIGNMENT**

Neither Buyer nor Seller may assign, charge, transfer or otherwise dispose of an Order or any interests, rights or obligations therein in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld, delayed or conditioned.

#### **11. COMPLIANCE WITH EXPORT STATUTES AND REGULATIONS**

If the Goods ordered hereunder are intended for shipment outside the United States, the following additional provisions shall apply:

(a) In performing the obligations of this contract, both parties will comply with United States export control and sanctions, laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of goods, software, technology, or technical data ("Items") or services, including without limitation the Export Administration Regulations ("EAR"), International Traffic in Arms Regulations ("ITAR"), Foreign Assets Control Regulations (as administered and enforced by the Treasury Department's Office of Foreign Assets Control), U.S. Customs



Regulations, Foreign Trade Statistics Regulations (U.S. Census Bureau) and Bureau of Alcohol, Tobacco, Firearms and Explosives Regulations (U.S. Justice Dept.) (collectively, "Export Control Laws and Regulations"). Buyer agrees that it will take measures to ensure that any goods or technical data received from Seller are not modified for or diverted for any use contrary to United States law, including any military application.

(b) The party conducting the export shall be responsible for obtaining the required authorizations for the applicable export, although Seller shall have the sole authority to make or have made any required submissions to the United States Customs Bureau to the extent that it is the U.S. Principle Party in Interest in the export. The party conducting the re-export/re-transfer shall be responsible for obtaining the required authorizations. Each party shall reasonably cooperate and exercise reasonable efforts to support the other party in obtaining the necessary licenses or authorizations required to perform its obligations under this contract. Neither party guarantees the issuance or continuation in effect of such authorizations and shall have no liability in such event. If the relevant goods or technical data are subject to a license or other governmental approval specifically identifying Buyer as the end-user thereof, Buyer will not, directly or indirectly, export, re-export, transfer or re-transfer such goods or technical data received from Seller to any destination without Seller's prior written approval unless specifically permitted pursuant to such license or approval. Each party shall indemnify and hold harmless the other party from any and all liability or other consequences arising as a result of a breach of clauses (a) or (b).

(c) The party providing any Items under this contract shall, upon request, notify the other party of the Items' Export Control Classification Numbers ("ECCNs") as well as the ECCNs of any components or parts thereof if they are different from the ECCN of the Item at issue. Buyer shall be responsible for complying with all applicable export laws, including U.S. laws governing the export, re-export, transfer and re-transfer of U.S. origin items.

(d) Items received in Violation of Export Laws: in the event that Seller receives an Item from Buyer that, whether or not through Buyer's fault, is in non-compliance with economic trade sanctions, International Traffic in Arms Regulations (ITAR) or U.S. Export Administration Regulations (EAR), Seller reserves the right to retain possession of such property ("quarantine") to the extent required by applicable law. Buyer shall indemnify and hold Seller harmless against, any losses, claims, or damages incurred by Buyer or any third party resulting from Seller's quarantine of such unit, except to the extent that such losses, claims or damages arise from Seller's negligence or willful misconduct.

## **12. WAIVER**

Failure or delay by either party to exercise or enforce any right conferred by this Purchase Order, including a party's right to deliver invoices under this Purchase Order, shall not be deemed to be a waiver of any such right. Further, a waiver, express or implied, by either party of any default by the other in the observance and performance of any of the conditions, covenants or duties set forth in this Purchase Order shall not constitute or be construed as a waiver of any subsequent or other default.

## **13. EXCUSABLE DELAY**

Seller shall not be in default by reason of any failure in performance of this contract if such failure arises out of causes beyond the control of and without the fault or negligence of Seller including but not restricted to:

(a)(i) an act of God, act of Government, fire, floods, epidemics, quarantine restrictions, strikes, freight embargo, unusually severe weather, riot, war, acts of terrorism or any other event which constitutes a superior force; (ii) interferes with the performance of Seller's obligations; and (iii) the effects of which could not reasonably have been avoided by Seller ("Excusable Delay").

(b) In addition to the events described in paragraph (A), a delay caused by the default of a subcontractor of the Seller shall constitute an Excusable Delay if the event causing the default of such subcontractor is an event which meets the criteria set out in paragraph (A) and such delay has not been caused by Seller, unless the subcontracted supplies or services were obtainable at reasonable prices on commercially reasonable terms from other sources in sufficient time for Seller to meet the required delivery schedule.

In the event of an Excusable Delay, any affected delivery date shall be postponed for such period as is reasonably necessary to offset the effects of the Excusable Delay. No adjustment will be made to price under this Purchase Order; adjustment of the delivery schedule is the exclusive remedy of Seller for an Excusable Delay.

Notwithstanding the above, after an Excusable Delay has continued for a period of one hundred and eighty (180) calendar days in the aggregate the Buyer may, in the Buyer's absolute discretion, terminate this Purchase Order. In the event of such termination, the rights and obligations of Buyer and Seller shall be determined in accordance with the provisions of **Article 4 – CANCELLATION**.

**14. BUYER-FURNISHED PROPERTY**

Seller acknowledges that all drawings, specifications, patterns, technical data, molds, forms, equipment and materials developed or prepared by Buyer at Buyer's sole expense, which are provided to Seller by Buyer to facilitate Seller's production of the Goods or performance of the Services, and all copies thereof ("Buyer Materials"), shall remain the property of Buyer. Upon demand by Buyer, Seller shall promptly return or deliver to Buyer all Buyer Materials at Buyer's cost. Buyer agrees that it has adequate insurance on all of the Buyer Materials, and Seller assumes no liability for loss or damage to said property, including normal and reasonable wear and tear. If this contract requires the use of Buyer-Materials, Buyer shall furnish it in accordance with the schedule defined in this contract. Buyer's failure to do so shall entitle Seller to an equitable adjustment in cost, schedule or both in accordance with **Article 5 - CHANGES**.

**15. TOOLS AND MATERIALS**

Title to all tooling, equipment or materials furnished or paid for as a direct charge or called out as a special item for use hereunder shall be and remain with Buyer. Upon completion or termination of the applicable Purchase Order, Seller shall return any such material to Buyer. Seller assumes no liability for loss or damage to said property, including normal and reasonable wear and tear.

**16. SUBCONTRACTS**

Seller may subcontract any part of the work or services to be provided under this Purchase Order only with Buyer's prior written consent.

**17. ACCEPTANCE OF GOODS**

Unless otherwise mutually agreed in writing, Goods are sold only with Seller's standard quality control tests and calibrations and Seller's standard documentation. Not later than one hundred twenty (120) calendar days from the delivery date, Buyer shall notify Seller in writing upon receipt of Goods of all discoverable defects, including quantity shortages, incorrect product and visible defects. In the event Buyer fails to inspect the Goods or does not present a rejection notice to Seller in writing within one hundred twenty (120) calendar days of the delivery date, the Goods shall be deemed accepted. At that time, Buyer's only recourse or remedy for non-conforming or defective Goods shall be as provided in the warranty section of this agreement.

**18. RETURNED GOODS**

No return of Goods will be accepted by Seller without Seller's prior written authorization. Returned Goods must be in original manufacturer's shipping cartons complete with all packing materials.

**19. PACKING, CRATING AND SHIPPING**

The Goods shall be suitably packaged and prepared for shipment to withstand normal transportation and stocking functions.

## **20. CONFIDENTIAL INFORMATION**

Seller and Buyer may, from time to time, each disclose (as "Discloser") or receive (as "Recipient") Confidential Information (as defined below) to and from one another. Recipient shall not reveal any Confidential Information to any individual, firm, corporation or other legal entity (other than to an employee, contract labor or professional advisor of Recipient who has a need to know and is bound by a written confidentiality obligation to Recipient), without specific prior written authorization from the Discloser.

"Confidential Information" includes inventions, product plans or strategies, product developments, processes or methods, or other confidential or proprietary information of the Discloser (in oral, written or electronic form), including but not limited to, operating methods, material sources, customer relations, pricing practices, market analyses, customer information and other information of which Recipient gains knowledge or which may come into Recipient's possession during its performance of this Agreement that is (a) in writing and clearly marked with a proprietary or confidential legend at the time of disclosure; (b) in a machine-readable form, with the information or the media in which it is provided being clearly marked with a proprietary or confidential legend at the time of disclosure, or if such marking is not practicable, such information or media being identified as proprietary or confidential by written communication of the Disclosing Party prior to or contemporaneously with its disclosure; (c) disclosed orally or visually, with the information being identified as proprietary or confidential at the time of disclosure, and reduced to writing and clearly marked with a proprietary or confidential legend within thirty (30) days of the initial disclosure; or (d) incorporated or embodied in a sample product or other equipment, material or item clearly marked with a proprietary or confidential legend at the time of disclosure.

Furthermore, Recipient shall not use any Confidential Information, including for its own or another party's benefit, except in the course of performing its obligations under this Agreement. Upon expiration or termination of this Agreement and at the Discloser's written request, all tangible copies of Confidential Information, including Recipient's work product and copies thereof, which are in Recipient's or its employees' or sub-agents' possession shall be promptly returned to the Discloser. Recipient shall be responsible for any disclosures of Confidential Information by its employees and sub-agents not in accordance with this Agreement.

In the event that Recipient receives any subpoena or other legal documentation or request from a governmental authority pursuant to which Recipient or its employees would be required to disclose Confidential Information, Recipient shall promptly notify the Discloser, if legally permissible, and reasonably cooperate with any efforts of the Discloser to contest disclosure, limit disclosure to the extent strictly required and (or afford the Discloser a reasonable opportunity) to seek a protective order to prevent or limit the disclosure of such Confidential Information; in any event, Recipient or its applicable employee shall disclose only the minimum Confidential Information required to be disclosed.

## **21. SOFTWARE PROVISIONS**

All computer software provided to Buyer under these Terms and Conditions is copyrighted by Seller and is licensed to Buyer. Seller grants to Buyer a nonexclusive, non-transferable license to use the software provided hereunder i) in the course of the normal operation in or with Seller products which are installed, or are intended to be installed, on aircraft, ii) in the analysis or the formatting of reports using data from such Seller products, or iii) on products that are used to test, maintain, download or process information compiled by Seller products. Making copies of software is prohibited. The software may not be sub-licensed, transferred or loaned to any other party, except that Buyer may transfer the software in conjunction with the resale of any equipment in which the software is installed or with which it is used. Buyer may not, either itself or with the assistance of others, make modifications to the software or perform any operation on software to recover any portion of the program listing, object code or source code or any information contained therein. This software license is effective as of the date of first delivery hereunder and shall continue until terminated by Buyer upon thirty (30) calendar days prior written notice to Seller, provided Buyer

ceases using and either returns or destroys Seller software: or, by Seller if Buyer does not comply with any of the terms and conditions of this software license and Buyer fails to remedy such failure within thirty (30) calendar days after having received notice from Seller of such failure.

**22. SHIPMENT AND RISK OF LOSS**

Title to the Goods shall pass to Buyer upon delivery of the Goods by Seller to Buyer FCA (Incoterms 2010) Seller's factory at Windsor Locks, CT; Rockford, IL or Phoenix, AZ.

The Goods shall be delivered Ex Works Seller's facility (EXW, Incoterms® 2010). Risk of loss shall pass to Buyer when Seller makes Goods available to Buyer at Seller's facility. Buyer shall be solely responsible for providing and paying for shipping insurance. Further, Seller shall not have any liability for any loss resulting from uninsured or under-insured Goods following delivery as set forth above.

Incoterms® rules – International rules for the interpretation of the most commonly used trade terms defining the responsibilities of buyers and sellers for the delivery of goods in international commercial transactions. Incoterms® are published by the International Chamber of Commerce, Paris (current revision is "Incoterms® 2010"). Should the Incoterms® rules be revised such that the intentions of this agreement are materially affected, the parties agree to renegotiate applicable terms as required.

**23. DELIVERY SCHEDULE** Buyer acknowledges that any delivery schedule provided by Seller is only an estimation of the lead times. Seller will use commercially reasonable efforts to initiate shipment and schedule delivery as close as possible to Buyer's requested delivery schedule but shall not be liable to Buyer for failure to meet any delivery schedule or for the costs to procure or design substitute goods.

Seller reserves the right to make deliveries in installments. Delivery of a quantity that varies from the quantity specified in Buyer's order shall not relieve Buyer of its obligation to accept delivery and pay for the Goods delivered. Buyer shall not refuse to accept delivery or any consignment or installment on account of any shortage or defect in any other delivery.

Delays or changes in schedules resulting from Buyer's acts or omissions shall be subject to price adjustments in Seller's sole reasonable discretion. If a delivery is delayed at Buyer's request by more than thirty (30) calendar days after ready for shipment notification, Seller may charge demurrage costs in the amount of zero point five percent (0.5%) of the purchase price of the Order for each month or partial month of delay up to a maximum of five percent (5%) of the total purchase price.

**24. PAYMENT TERMS**

Net 5 days following delivery of the Goods by Seller to Buyer FCA (Incoterms 2010) Seller's factory at Windsor Locks, CT; Rockford, IL; or Phoenix, AZ.

**25. TAXES**

**For Domestic Orders:**

(a) All prices stated in this agreement shall be exclusive of sales tax, use tax, value-added tax, goods and services taxes or similar taxes. For clarity, Buyer shall not be liable for taxes imposed on Seller's net income.

(b) Buyer shall pay the cost of any sales, use, value-added, excise, transfer and other similar taxes or other governmental fees, duties and assessments which Seller is required by applicable law to charge to Buyer as a result of the transactions contemplated by this agreement, unless Buyer shall have timely provided to Seller a valid and properly completed exemption certificate certifying that Buyer is not subject to such taxes or amounts.

(c) Both parties agree to co-operate to eliminate or reduce any applicable taxes, duties, interests, penalties or similar charges which may be payable by either party, including, where applicable, providing or issuing the necessary documentation to support or secure exemptions or recoveries. Furthermore, if as a result of a change in law or a change in the tax practice of any tax authority, either party becomes subject to additional taxes, duties or similar charges which increases their financial liability during the term of this agreement, both parties will negotiate in good faith to attempt to reduce or eliminate such additional taxes, duties and similar charges. This is provided that neither party need take any steps, which in its reasonable opinion and acting in good faith would increase its obligations or would be prejudicial or adverse to it (whether in respect of tax affairs or otherwise).

**For International Orders:**

(a) All prices stated in this agreement shall be exclusive of sales tax, use tax, value-added tax, goods and services taxes or similar taxes including any and all duties fees and other charges associated with the import to the Buyer's location.

(b) Seller shall have no liability for any assessments, taxes, levies or charges due or becoming due, whether imposed on Seller or Buyer, in connection with the performance by Seller of its obligations under this agreement other than Taxes, as defined below, imposed on Seller's net income. For the purposes of this agreement, taxes shall include, but not be limited to, sales, use, withholding, value added tax, stamp, excise, gross receipts, transfer, income tax, withholding tax, profits tax, turnover tax, tax payable on the income of expatriate employees, port dues, import, export and custom duties and any related penalties and interest ("Taxes").

(c) In the event such Taxes are imposed on Seller, Buyer shall reimburse the Seller for such Taxes within fifteen (15) calendar days of written request.

(d) All payments shall be made without deduction or withholding. In the event that Buyer is required by any law to make any deduction or withholding from any amount payable to Seller, then the amount payable to Seller shall be increased such that after all deductions and withholdings, the amount paid to Seller shall be equal to the amount to which Seller would have been entitled under this agreement had no deduction or withholding been required.

(e) Any amounts withheld by Buyer shall be timely remitted to the relevant authority as required by law. Buyer shall promptly provide the Seller with an official receipt or certificate in respect of the payment of such amounts.

(f) Both parties agree to co-operate to eliminate or reduce any applicable taxes, duties, interests, penalties or similar charges which may be payable by either party, including, where applicable, providing or issuing the necessary documentation to support or secure exemptions or recoveries. Furthermore, if as a result of a change in law or a change in the tax practice of any tax authority, either party becomes subject to additional taxes, duties or similar charges which increases their financial liability during the term of this Agreement, both parties will negotiate in good faith to attempt to reduce or eliminate such additional taxes, duties and similar charges. This is provided that neither party need take any steps, which in its reasonable opinion and acting in good faith would increase its obligations or would be prejudicial or adverse to it (whether in respect of tax affairs or otherwise).

**26. STOP WORK**

When directed by written notice from Buyer (a "Stop Work Notice"), Seller shall promptly stop all or part of the work relating to the applicable Order to the extent specified in the Stop Work Notice for a period of up to ninety (90) calendar days or longer if extended by mutual agreement. When a Stop Work notice is removed, Buyer and Seller shall promptly negotiate an equitable adjustment in the delivery schedule, scope and/or price, and the Order shall be modified in writing accordingly. Seller shall resume work subject to agreement on the equitable adjustment. Failure by Buyer to lift the Stop Work order within the specified time shall be treated as a cancellation, at Seller's option.

Notwithstanding anything to the contrary in **Article 4 – CANCELLATION**, Seller shall be entitled to reasonable compensation for all costs incurred as a result of the Stop Work and Cancellation.

**27. WARRANTY**

New Goods or products supplied by Seller under this agreement are warranted to be, at the time of delivery of the product, free from defects in material and workmanship. The warranty period shall be twelve (12) months from the date of delivery by Buyer to Buyer's Customer, not to exceed thirty-six (36) months from delivery to Buyer. If, at the time of delivery of the product, any such product is found to be defective in material or workmanship, Seller shall, if it confirms existence of the defect (acting reasonably), repair or, at its option, replace such defective product at its expense and with reasonable promptness. Buyer shall provide Seller with written notice of a claimed defect within three (3) months after the defect becomes apparent to Buyer. Said notice will contain reasonable proof that the claimed defect is covered by Seller's warranty. Seller's obligation hereunder is further conditioned upon return of the defective Goods to Seller within sixty (60) days of such notice to Seller. The warranty period for Goods or parts thereof that have been repaired or replaced shall be six (6) months or the remainder of the original warranty period, whichever is greater.

Warranty Exclusions: Seller's warranty does not extend to any Goods which i) have been subjected to misuse, neglect, accident, improper, unintended or non-conforming installations; or ii) are used for purposes not included or not in accordance with Seller's prescribed operational maintenance procedures and instructions; or iii) which have been repaired or altered by Buyer or persons other than Seller (except as otherwise authorized by Seller) using practices that do not conform with Seller's prescribed maintenance and repair procedures; or iv) which have been damaged by secondary causes which are inconsistent with applicable product specifications, including but not limited to, improper voltages, adverse or extreme environmental conditions, improper signals, or products which have had their serial number or any part thereof altered, defaced, or removed.

**28. LIMITATION OF LIABILITY AND DISCLAIMER OF OTHER WARRANTIES**

The only warranties made by Seller are those expressly provided herein. Any other statements expressed in the contract, including but not limited to proposals, specifications, drawings, or manuals shall not be deemed to constitute a warranty of the products. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND NO OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. THE REMEDIES SET FORTH IN THIS ARTICLE ARE THE SOLE AND EXCLUSIVE REMEDIES OF BUYER FOR ANY WARRANTY-RELATED CLAIMS, EXPENSES OR DAMAGE ARISING OUT OF OR RELATED TO PRODUCTS DELIVERED UNDER THIS CONTRACT.

ADDITIONALLY, BUYER AGREES THAT THE USE OR INCORPORATION OF ANY PARTS OR REPAIRS INTO SELLER'S PRODUCT WHICH ARE NOT SELLER AND/OR FAA APPROVED WILL RESULT IN A DISCLAIMER BY SELLER OF RELATED WARRANTY OBLIGATIONS.

SELLER'S LIABILITY WITH RESPECT TO ANY WARRANTY CLAIM FOR NONCONFORMING OR DEFECTIVE GOODS IS LIMITED TO THE COST TO REPAIR OR REPLACE SUCH GOODS.

IN NO EVENT SHALL EITHER PARTY, ITS AFFILIATES OR SUBSIDIARIES BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR LOSSES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED SAVINGS OR LOST PROFITS, WHETHER OR NOT FORESEEABLE, AND WHETHER ARISING IN CONTRACT (INCLUDING WARRANTY), TORT (INCLUDING ACTIVE, PASSIVE OR IMPUTED NEGLIGENCE), STRICT LIABILITY OR OTHERWISE ARISING UNDER OR RELATED TO THIS AGREEMENT OR BY REASON OF THE USE OR LOSS OF USE OF THE PRODUCTS OR SERVICES FURNISHED HEREUNDER.

THE CEILING LIMIT ON SELLER'S LIABILITY HEREUNDER, WHETHER FOUNDED IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) ARISING OUT OF OR RESULTING FROM (I) THIS CONTRACT OR THE PERFORMANCE OR BREACH THEREOF, (II) THE DESIGN, MANUFACTURE, DELIVERY, SALE, REPAIR, REPLACEMENT OR (III) THE USE OF ANY SUCH PRODUCT OR THE FURNISHING OF ANY SUCH SERVICE SHALL BE LIMITED TO ELEVEN MILLION USD (\$11,000,000.00 USD) (THE "CAP"). NOTWITHSTANDING THE FOREGOING, THE CAP SET FORTH HEREIN SHALL NOT APPLY (A) TO SELLER'S INDEMNITY OBLIGATIONS UNDER SECTION 29 EXHIBIT B OF THE AGREEMENT FOR CLAIMS ARISING OUT OF, RELATING TO OR RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER; (B) TO SELLER'S GROSSLY NEGLIGENT OR WILLFUL BREACH OF A COVENANT, WARRANTY OR OBLIGATION UNDER THE AGREEMENT OR THIS EXHIBIT B; (C) TO SELLER'S BREACH OF SECTION 20 OF THIS EXHIBIT B (CONFIDENTIAL INFORMATION); OR (D) TO ANY LIABILITY FOR WHICH SELLER IS LIABLE UNDER SECTION 7 OF THIS EXHIBIT B (INTELLECTUAL PROPERTY).

**29. INDEMNITY**

Buyer shall indemnify and hold the Seller and its parents, subsidiaries and affiliates and its and their shareholders, directors, officers, employees and agents (the "Seller Indemnified Parties") harmless and (if so requested by the Seller) defend the Seller Indemnified Parties at Buyer's cost and expense, from and against any and all claims, losses, damages, costs or expenses (including fees and expenses of counsel and investigative expenses) that may be incurred by the Seller Indemnified Party relating to, arising out of or in connection with any third party claims for death, bodily injury and property damage to the extent arising from the negligence or willful misconduct of Buyer, its employees, agents and /or subcontractors, except to the extent caused by the negligence or willful misconduct of any Seller Indemnified Party.

Seller shall indemnify and hold the Buyer and its parents, subsidiaries and affiliates and its and their shareholders, directors, officers, employees and agents (the "Buyer Indemnified Parties") harmless and (if so requested by the Buyer) defend the Buyer Indemnified Parties at Seller's cost and expense, from and against any and all claims, losses, damages, costs or expenses (including fees and expenses of counsel and investigative expenses) that may be incurred by the Buyer Indemnified Party relating to, arising out of or in connection with any third party claims for death, bodily injury and property damage to the extent arising from the negligence or willful misconduct of Seller, its employees, agents and/or subcontractors, except to the extent caused by the negligence or willful misconduct of any Buyer Indemnified Party.

**30. PARTIAL INVALIDITY AND SEVERABILITY**

If any provision of the Order or the Terms and Conditions, including any limitation of warranty or liability, is held by a court or any governmental agency or authority to be invalid, void or unenforceable, the parties agree to negotiate in good faith to draft a new legal and enforceable provision that, to the maximum extent possible, comports with the original intent of the parties and maintains the economic and other terms to which the parties originally agreed. If after thirty (30) calendar days the parties have been unable to reach agreement, the Order will be deemed terminated and may result in a cancellation charge in accordance with the provisions of **Article 4 – CANCELLATION**.

**31. INDEPENDENT CONTRACTOR**

Neither party is a partner, agent or legal representative of the other party and no fiduciary relationship between the parties is created by this Order. Seller is an independent contractor in the performance of the Order, and each party retains authority to manage its personnel, workers, subcontractors, and operations required for performance of its obligations hereunder.

**32. PUBLICITY**

This Order does not confer any right to use any name, trademark or other designation of either party in any advertising, publicity or marketing activities. Neither party will issue press releases,

advertising, sales promotions or other publicity documents or information referring to the other party without prior written consent of the other party.

**33. CHOICE OF LANGUAGE**

The Order, these Terms and Conditions, any document referenced herein or attached hereto, any report, any drawings or other technical information, or any notice or binding communication shall be drafted in English, shall be interpreted in accordance with the plain English meaning of their terms, and shall employ the units of measure customarily used by Seller in the United States.

**34. U.S. GOVERNMENT CONTRACT CLAUSES**

If this Order is a subcontract for commercial items or commercial components to a U.S. Government prime contract, then only the clauses specified in FAR 52.244-6 and DFARS 252.244-7000 as prescribed by FAR 44.403 and DFARS 244.403, respectively, shall apply.

Any U.S. Government contract clauses incorporated by reference are only applicable to this subcontract pursuant to the guidelines and prescriptions relating to mandatory flow down of requirements of said clauses; contract value; and contract type as defined in the FAR, DFAR, AFFAR, and AFMC FAR Supplement.

**35. [Reserved.]**

**36. COMPLIANCE WITH FAIR LABOR STANDARDS ACT**

Seller hereby certifies that all Goods sold hereunder which are produced or manufactured in the United States of America are produced in compliance with the Fair Labor Standards Act of 1938, as amended (29 U.S. Code 201-219). All requirements as to the certificate contemplated in the October 26, 1949 amendment to the Fair Labor Standards Act of 1938 shall be considered as satisfied by this certification.

**37. INSOLVENCY**

In the event either party shall file a voluntary petition, or any comparable petition, for bankruptcy, insolvency, receivership, reorganization, dissolution, liquidation, trusteeship, or similar proceeding for the protection or relief of financially distressed debtors, the other party shall have the right to suspend or terminate operations hereunder with immediate effect upon written notice to the other party and to the fullest extent permitted by law.

Seller has the right to demand adequate assurance from Buyer of Buyer's ability to pay for Goods purchased. In the event Buyer is unable to or unwilling to provide such adequate assurance, Seller may suspend or terminate operations hereunder. Seller's right to adequate assurance from Buyer shall not be affected by Buyer's filing for bankruptcy, rehabilitation, insolvency, receivership, reorganization, dissolution, liquidation, trusteeship or similar proceeding.

**38. ANTI-BOYCOTT COMPLIANCE**

Seller complies with all U.S. laws directed against foreign restrictive trade practices or boycotts as embodied in the Export Administration Act of 1979 (as amended), the Tax Reform Act of 1976 and all regulations and guidelines issued hereunder. Accordingly, to the extent that any Buyer Orders or other documents contain prohibited provisions, Seller takes specific exception and objects to these provisions which are not in compliance with the referenced laws and regulations. To avoid delays in processing Buyer Orders, all prohibited provisions in this regard must be deleted from Orders or other documents.

**39. COPYRIGHT**

Seller electronic firmware assemblies contain computer programs which are protected by copyright. All rights reserved are under copyright laws of the United States of America and other countries. Such computer programs may not be reproduced, in whole or in part, in any form, without prior written authorization from Seller.



**40. [Reserved.]**

**41. ENTIRE AGREEMENT**

The Purchase Agreement and Terms and Conditions, including any exhibits and attachments hereto, comprise the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior proposals, representations, agreements and understandings, whether oral or written, except as stated herein.

**42. COMPLIANCE WITH LAW**

Each Party shall comply with all laws applicable to such party's performance in connection with this Purchase Order and the Purchase Agreement.

**43. SURVIVAL**

The following sections shall survive any termination of this Purchase Order and the Purchase Agreement: Section 7 (Intellectual Property); Section 8 (Disputes); Section 9 (Governing Law); Section 11 (Compliance with Export Statutes and Regulations); Section 20 (Confidential Information); Section 25 (Taxes); Section 27 (Warranty); Section 28 (Limitation of Liability and Disclaimer of other Warranties); Section 29 (Indemnification).