



WORLDWIDE FOREIGN MILITARY SPARE PARTS MARKETING, DISTRIBUTION, RE-SALE, & REPAIR AGREEMENT Amendment No. 2

This Amendment No. 2 ("Amendment") is entered into 14 February 2017 (Effective Date) by and between Crane Aerospace, Inc., ("Crane") a corporation organized and existing under the laws of the State of Delaware, having an office and place of business at 16700 13th Avenue West, Lynnwood, Washington 98037, and AAR Supply Chain, Inc., ("DISTRIBUTOR"), a corporation organized and existing under the laws of the State of Illinois, having an office and place of business at 1100 North Wood Dale Road, Wood Dale, Illinois 60191, singularly "Party" and collectively as the "Parties", hereto.

Recitals

WHEREAS, Crane and Distributor entered into the Worldwide Foreign Military Spare Parts Marketing, Distribution, Re-sale, and Repair Agreement dated 5 May 2016, including any Exhibits and Amendments ("Agreement");

WHEREAS, the capitalized terms used in this Amendment shall have the respective meanings assigned to such terms in the Agreement, except where otherwise defined herein.

NOW, THEREFORE, in consideration of the Recitals and the mutual covenants contained herein, the Parties hereby agree to modify the Agreement as follows:

1. Article 11, Sales of Products to Distributor shall be modified to include the following paragraph:

If Distributor identifies that Crane sold identical Products to a U.S. Government Agency during the past twelve (12) months, Distributor shall submit a written Request For Quote ("RFQ") to Crane. Distributor's RFQ shall include the specific U.S. Government contract number, award date, product description, product number, and product pricing. Crane agrees to sell the identical Products to Distributor at the U.S. Government Agency purchased price plus a twenty (20%) percent markup (Distributor's U.S. Government Price). Crane reserves the right to reject Distributor's request if Crane's manufacturing costs will be increased.

2. In the event that Crane is unable to grant Distributor's request as outlined in section 1, Distributor would revert to the established Price List (Exhibit X of the Worldwide Foreign Military Spare Parts Marketing, Distribution, Re-sale, and Repair Agreement dated 5 May 2016). Crane agrees to update the Price List based on the current U.S. Government Agency pricing plus 20% based on the specific quantity break structure. Crane shall provide Distributor with an annual price list though prices are subject to change upon a 90 day written notification. For product not included in the annual price list, Distributor shall issue an RFQ to Crane which shall be evaluated and quoted on a case by case basis.
3. Distributor shall have at its option to review Sellers U.S. Government Agency backlog report on a quarterly basis to determine if Product quantity increases can be made in lot size production for Distributor's stock purposes. Distributor shall submit a Purchase Order to Crane subject to the requirements under section 1 of this Amendment. The Purchase Order shall be issued to Crane within 30 calendar days after receipt of U.S. Government Agency backlog report.



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4. Except as provided herein all other terms of the Agreement remain unchanged and continue in full force and effect.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

AAR Supply Chain, Inc.,

CRANE AEROSPACE, INC.

By: [Signature]

By: _____

Name: Eric Young

Name: _____

Title: VP

Title: _____

Date: 2/14/16

Date: _____