

DISTRIBUTORSHIP AGREEMENT

This Agreement is entered into as of Jul 17, 2017, by and between AMETEK, Inc. (hereinafter, the "Supplier"), a Delaware corporation with a principal place of business at 1100 Cassatt Road, Berwyn, Pennsylvania 19312, and Power & Data Systems Business Unit located at 343 Godshall Dr. Harleysville, PA 19438, and whose facsimile number is 215-257-1888, and AAR Supply Chain, Inc. (hereinafter, the "Distributor"), a corporation organized under the laws of the State of Illinois, the principal offices of which are located at 1100 N. Wood Dale Road, Wood Dale, Illinois 60191.

WITNESSETH:

Supplier is a leading global manufacturer of electrical and electromechanical products and materials engineered for niche markets;

Supplier's Power & Data Systems business unit manufactures a comprehensive line of products in North America;

Distributor is a global wholesale distributor of military and defense products;

Supplier requires the services of a distributor knowledgeable in the markets that Supplier sells its products and is competent to assist Supplier in the promotion, sale and support of its products. Distributor is willing and able to provide such service on the terms and subject to the conditions herein.

In consideration of the mutual covenants set forth herein, the parties agree as follows:

1. Definitions

As used herein, the term

1.1 "Confidential Information" shall mean the provisions of this Agreement and all data and information relating to a party, a party's business or operations and the formulation, manufacture, use, marketing and sale of Products divulged or made available to a party by the other party or any other person in the course of a party's performance of this Agreement, whether or not any of same is reduced to writing, except such data or information that is otherwise generally known in the trade.

1.2 "Exclusive", with respect to any rights granted to Distributor herein, means (a) that Supplier shall not appoint additional sales representatives, agents or distributors for the promotion or sale of Products in or for the Territory and (b) that Supplier shall retain the right to make direct sales to "House Account" customers (as defined below) within the Territory without thereby incurring any commission or other payment obligation to the Distributor of any type or nature; provided, that Supplier shall not be responsible for transgressions against the Distributor's exclusive rights under this Agreement by third parties not controlled by Supplier.

1.3 "Products" shall refer to those goods manufactured and/or marketed by Supplier and set forth on Exhibit B hereto.

1.4 "Purchase Forecast" shall mean a non-binding written forecast of Products to be purchased by Distributor in a particular calendar year during the term of this Agreement.

1.5 "Territory" shall mean the geographical area and market segment indicated in Exhibit A, as amended by agreement of the parties from time to time.

1.6 "Trademarks" shall mean all trademark rights relating to the Products, whether derived from common law use, registration, or statutory protection against unfair competition, including those rights relating to the use of Supplier's corporate name, other trade names, model names, and trademarks.

2. Appointment, Authority and Certain Responsibilities of Distributor

2.1 Subject to the terms and conditions of this Agreement and for the term of this Agreement, Supplier hereby appoints the Distributor as its Exclusive distributor of the Products in the Territory. Any parts or components manufactured by Supplier during the term of this Agreement shall be deemed to be added to Exhibit B. Products may be removed from Exhibit B by agreement of the parties only. Subject to the terms and conditions of this Agreement, the Distributor may sell the Products within the Territory in such manner, on such terms, to such customers and at such prices as the Distributor may choose. The Distributor shall limit its sales activities with respect to the Products to within the Territory and shall not, directly or indirectly, without the prior written consent of Supplier: (a) solicit customers for, market or sell Products outside the Territory; (b) establish a branch, depot or other facility for the distribution or sale of Products outside the Territory; (c) appoint any Sub-distributors for the distribution or sale of Products outside the Territory or (d) solicit, market, or sell any Products to any of the accounts set forth on Exhibit D, as modified, in writing, by the parties from time to time ("House Accounts"), regardless of whether such House Accounts are located within or outside the Territory. The Distributor shall immediately notify Supplier if the Distributor receives an inquiry or order from any of the House Accounts, from any customer located outside of the Territory, or from any customer located inside of the Territory where the Products in such order are to be delivered outside of the Territory; and except otherwise herein provided, the Distributor shall not be entitled to receive any commission or other compensation for notifying Supplier of any such inquiries or orders.

As the Exclusive global source of the Products, the Supplier shall promptly refer to the Distributor all inquiries including those related to Long Term Contracts (LTC's) that the Supplier receives with respect to the sale of Products. The Distributor hereby accepts such appointment and shall devote such time and attention to the performance of its duties under this Agreement as may be reasonably necessary.

After effectiveness of this Agreement, AMETEK agrees not to honor any outstanding quotes that have been made to their customers that have gone beyond the validity period of said quote not to exceed 60 days from the original date of said quote.

2.2 The Distributor may appoint sub-distributors, sub-agents or other persons (collectively "Sub-distributors") to perform its obligations under this Agreement, provided that the Distributor submits to Supplier, on an annual basis, an updated list of all such Sub-distributors. The Distributor shall obligate all Sub-distributors to be bound terms, conditions and restrictions identical to those to which the Distributor is bound under this Agreement and the Distributor shall cause all Sub-distributors to comply with such terms, conditions and restrictions. Upon termination or expiration of this Agreement for any reason, the Distributor shall cause all agreements concerning the Products it may have with Sub-distributors to be simultaneously terminated, without any claim or recourse against Supplier. Nothing contained in this Agreement shall be construed to create any relationship whatsoever between Supplier and any Sub-distributor, Supplier shall have no obligation to such Sub-distributors under this Agreement, and all of Supplier's obligations under this Agreement shall be only to the Distributor. The Distributor shall advise all Sub-distributors in writing that Supplier has no obligations to such Sub-distributors.

2.3 Subject to the terms and conditions of this Agreement, Distributor shall be authorized to sell any Products purchased from Supplier in such manner, at such prices and upon such terms as Distributor shall determine. Distributor shall be an independent contractor, not an employee of Supplier. Distributor shall not be an agent of, or authorized to transact business, enter into agreements, or otherwise make commitments or assume or create any obligation or responsibility, including but not limited to obligations based on warranties or guarantees or other contractual obligations, on behalf or in the name of Supplier; provided, however, that Distributor shall, pursuant to Section 3.5 below, extend to all of its customers for Products, Supplier's standard warranty on the Products, attached as Exhibit C to this Agreement as amended by Supplier in writing from time to time upon notice to Distributor with at least ninety (90) days' prior written notice (the "Supplier Warranty"). Distributor shall not misrepresent its status or authority. Any change in the Supplier Warranty shall not affect the Supplier Warranty for Products sold prior to the change in the Supplier Warranty.

2.4 Supplier shall not pay or withhold federal, state, or local income tax or other payroll tax of any kind on behalf of Distributor or its employees. Distributor shall not be eligible for, not entitled to, and shall not participate in any of Supplier's pension, health, or other benefit plans. Distributor shall be responsible for the payment of all required payroll taxes, whether federal, state, or local, in nature, including, but not limited to income taxes, Social Security taxes, Federal Unemployment Compensation taxes, and any other fees, charges, licenses, or payments required by law.

2.5 Distributor shall not, in connection with its activities hereunder, make any illegal or improper payments, bribes or kickbacks, including such as are covered by U.S. Internal Revenue Code §162(c).

2.6 Initial Purchase. AAR to issue PO's of AMETEK PDS product in the following amounts in 2017 as Initial Provisioning at published lead-times to allow for 2017 delivery assuming on time delivery. The order shall be comprised of \$2,106,000 of Products sold to Distributor at a five percent (5%) discount (totaling \$2,000,000) plus \$1,112,000 of Products sold to Distributor at a ten percent (10%) discount (totaling 1,000,000).

2.7 Forecast. Distributor shall provide an annual Purchase Forecast to Supplier, subject to the following:

- a. For calendar year 2018, the Purchase Commitment is \$6,000,000.
- b. For calendar year 2019, the Purchase Commitment is \$6,300,000.
- c. For calendar years 2020 – 2021, the Purchase Forecast shall be agreed by the parties during an annual Purchase Forecast planning meeting.
- d. Purchase Commitments are subject to change if parties mutually agree that there has been a material change in the end market. Market conditions and Supplier compliance to the terms of this Agreement shall be a factor affecting the Purchase Commitments.

3. Pricing; Compensation; Sales Procedures

3.1 Prices charged to the Distributor for Products purchased under this Agreement as set forth in Supplier's standard price list for such Products, as adjusted by all applicable credits, allowances, rebates or discounts as set forth in Exhibit E ("Price List/Discounts").

Prices are subject to escalation as follows: Beginning in July 2019; provided, that Supplier shall maintain product pricing for all end-users in line with historical US Government pricing levels to include annual reasonable market based increases and demonstrated cost based increases.

Unless otherwise stated, Supplier's standard prices are based on the following shipping terms: F.O.B. Supplier's facilities at Binghamton, NY. For purposes of this Agreement, the term "F.O.B." shall have the meaning given to it in the Uniform Commercial Code as adopted in New York. Supplier reserves the right to change its standard prices and/or discounts at any time upon ninety (90) days' prior notice to Distributor.

Prior to execution of this Agreement, Supplier shall provide Distributor with an annual price catalog to include all items that have had sales history in the previous 18 months.

Supplier shall provide a maximum 5 business day TAT for quotes of Products not included in Supplier's annual catalog. Items not manufactured within the past three years may require a longer quote time.

Supplier shall comply with Distributor's PO flow downs including those in compliance with US Government FAR requirements.

3.2 Unless otherwise agreed by the parties in writing, the Distributor shall make payments to Supplier for Products shall be net thirty (30) days from date of Seller's invoice with an accelerated schedule of one percent (1%) discount 10 days net 30. Payments for undisputed invoices shall be made by Buyer without any deduction or set-off. Unless otherwise agreed, payment shall be made in U.S. dollars. Seller may charge late payment fees at the rate of one percent (1.0%) per month, or the highest rate permitted by law, whichever is less, accruing daily. Notwithstanding the preceding sentence, if, at any time during the term of this Agreement, the Distributor fails to make payments in accordance with the terms of this Section 3.2, Supplier may require that the Distributor make full or partial payment for Products in advance or provide other satisfactory security or guarantees that invoices shall be promptly paid when due.

3.3 All shipping dates are estimates and Supplier shall not be liable for shipping delays attributable to circumstances beyond its reasonable control.

3.4 Any purchase order, acknowledgment, invoice or other forms or correspondence of Distributor or Supplier shall be null and void as applied to any such of Products hereunder.

3.5 Supplier may refuse to accept any order for Products which Supplier determines in good faith to be no longer feasible to manufacture. Supplier recognizes that it is in the interest of both parties to try to find a way to provide Product where feasible and will use its best efforts to quote Products while both parties recognize this may be at an elevated price. All sales to Distributor shall be subject to the Supplier Warranty. The warranty period shall be 12 months from the sale of the Product by Distributor to its customer, not to exceed 36 months from the date of purchase from Supplier. Supplier shall provide Distributor with copies of any changes or modifications to the Supplier Warranty during the term of this Agreement with at least ninety (90) days' prior written notice. Any change in the Supplier Warranty shall not affect the Supplier Warranty for Products sold prior to the change in the Supplier Warranty. Distributor shall be authorized to offer the Supplier Warranty to customers in connection with sales of the Products provided that (a) such Products have not in any way been altered by Distributor or customers, (b) such Products are used in strict conformity with Supplier's specifications, and (c) Distributor includes in all of its sales contracts quotations, acknowledgments, invoices or other forms used in connection with its resale of the Products, warranty and limitation of liability provisions substantially identical to those set forth in Sections 3.6 and 3.7 below. Distributor shall not in any way alter the Products, nor extend any warranty nor make any representations regarding the Products different from or in addition to those contained in the Supplier

Warranty. Any warranty given by Distributor with respect to Products which have been altered, or any such different or additional warranty or representation shall be void.

3.6 THE WARRANTIES SET FORTH IN THE SUPPLIER WARRANTY ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WHATSOEVER, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE.

3.7 SUPPLIER'S LIABILITY FOR ANY BREACH OF WARRANTY IS LIMITED AS SET FORTH IN THE SUPPLIER WARRANTY. IN NO EVENT SHALL SUPPLIER'S LIABILITY FOR ANY WARRANTY CLAIM EXCEED THE COST TO REPAIR OR REPLACE THE DEFECTIVE PRODUCTS AND UNDER NO CIRCUMSTANCES SHALL SUPPLIER BE SUBJECT TO ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT OR CONTINGENT DAMAGES WHATSOEVER INCLUDING BUT NOT LIMITED TO LOST PROFITS OR GOODWILL.

3.8 During the term of this Agreement, the Distributor shall maintain an inventory of Products and replacement parts and accessories therefor so as to enable the Distributor to fill customer orders without any commercially unreasonable delay.

3.9 During the term of this Agreement, Distributor shall maintain a record of all sales of the Products which shall include customer names, product and serial numbers, dates of sales, and shipping locations, end user and ultimate destination of the Products. This record shall be maintained by the Distributor for the period required by applicable law for warranty and export compliance purposes and shall be provided to Supplier as reasonably needed by Supplier to process warranty claims by customers or otherwise demonstrate its compliance with U.S. Export Laws. Supplier shall use all information provided by the Distributor under this Section 3.9, exclusively for Supplier's own purposes and shall maintain it in strict confidence and shall not use or disclose the same except as required to perform its obligations under this Agreement and to otherwise demonstrate its compliance with applicable laws.

4. Supplier Responsibilities

4.1 Supplier shall furnish to Distributor, free-of-charge, promotional and descriptive literature concerning the Products, including catalogs and suggested retail price lists. It shall be the responsibility of Distributor, at its expense, to arrange for the reproduction of such materials in quantities adequate in light of the potential sales volume for Products in the Territory. Supplier shall also provide in-person training to Distributor's sales team at reasonable times and locations, at Supplier's expense.

4.2 On a case-by-case basis when agreed by the parties (acting reasonably), Distributor may permit Supplier to accompany and observe Distributor's sales personnel on sales calls and coordinate with Supplier's sales department on matters relating to sales and post-sales support.

Supplier shall use commercially reasonable efforts to work with AAR to capture awards via competitive price strategies.

4.3 Supplier shall comply with Federal Acquisition Regulation ("FAR") supplement clauses to which Distributor is bound in connection with Distributor's sale of Products to its customers.

4.4 The Distributor shall submit to Supplier a Purchase Forecast as set forth above. Supplier shall use all information provided by the Distributor under this Agreement, exclusively for Supplier's own purposes and shall maintain it in strict confidence and shall not use or disclose the same except as required to perform its obligations under this Agreement.

4.5 Distributor shall be responsible and liable to Supplier for any representations or statements made by Distributor concerning Products which were not specifically authorized by Supplier.

5. Confidential Information and Trademarks

5.1 Each party shall hold the Confidential Information in strict confidence and shall not, directly or indirectly, without the prior written consent of the other party, use or disclose to any person, firm, or corporation, any Confidential Information except as required to perform its obligations under this Agreement. Upon a party's request, the other party shall execute an agreement in a form and substance satisfactory to the other party restricting use and disclosure of the Confidential Information.

5.2 Distributor shall not remove or efface any Trademarks on any Products sold by the Distributor. All resulting use of any of the Trademarks shall inure solely to the benefit of Supplier. The Distributor shall not use or register any of the Trademarks, or any mark or name confusingly similar thereto, in any manner, except that Distributor may use the Trademarks (a) on letterhead, business cards and signs in order to identify itself as an authorized distributor of Supplier, or (b) in sales and promotional materials, provided that such materials have been previously submitted to and approved by Supplier.

6. Intellectual Property Indemnity

6.1 Supplier shall indemnify, defend and hold Distributor, its officers, directors, employees, successors and assigns harmless against all claims, demands, losses, damages or expenses (including attorneys' fees) of whatever form or nature relating to any claim made by a third party that any Product provided by Distributor violates any patent, copyright or other intellectual property interest of such third party.

6.2 If Distributor is enjoined by a court of competent jurisdiction from using any Product manufactured by Supplier for the intended purpose on the grounds that such use infringes on any proprietary right or if it is established to Supplier's satisfaction, upon due investigation, that use of any Product infringes on any proprietary right within the United States for any foreign country, Supplier, at its option, shall either (i) procure for Supplier a license to continue using such Product, (ii) modify such Product so as to make it non-infringing without impairing its performance, function or quality, or (iii) replace such Product with new material that are substantially equal but non-infringing.

7. Term and Termination

7.1 Unless terminated as provided in Section 7.2 or 7.3 below or by mutual written consent, this Agreement shall continue in full force for an initial term expiring four (4) years from the date hereof ("Initial Term"). Upon such date, this Agreement shall automatically expire without any notice or other action. In the event that the parties desire to extend this Agreement for an additional term of four (4) years ("Extended Term"), they may do so only by written consent no later than sixty (60) days prior to the expiration of the Initial Term. The continuation of correspondence, meetings or other dealings following the expiration or termination of this Agreement shall not be considered an extension or renewal of this Agreement. To the extent that Supplier accepts an order from the Distributor following the expiration of this Agreement, the same shall be governed by terms identical to the terms of this Agreement, but such acceptance shall not be considered an extension or renewal of the term of this Agreement.

7.2 After the second anniversary of this Agreement, it may be terminated prior to the expiration of the Initial Term or the then Extended Term (as provided in Section 7.1 above,) by either party, without cause, upon not less than sixty (60) days' prior written notice to the other party.

7.3 To the extent that either party shall elect to terminate this Agreement for cause, or any applicable law provides that cause or good cause is required for the termination or expiration of this Agreement, each of the following, without limitation, shall constitute cause or good cause and sufficient grounds for such termination or expiration and this Agreement may be terminated prior to the expiration of the Initial Term or the then Extended Term (as provided in Section 7.1 above,) upon notice to the other party, as follows:

(a) By either party, effective immediately, in the event that the other party fails to perform any of its obligations under this Agreement and fails to remedy such failure within thirty (30) calendar days after receiving written demand to remedy such failure, or in the event such other party fails to perform the same obligation more than three times during the term of this Agreement.

(b) By either party, effective immediately, if the other party becomes the subject of any voluntary or involuntary bankruptcy, receivership or other insolvency proceedings or make an assignment or other arrangement for the benefit of its creditors.

(c) By either party, effective immediately, if the other party ceases the operation of its business for more than ten (10) consecutive business days.

7.4 Supplier has right to terminate for convenience. Should supplier terminate for convenience, distributor shall have right to return inventory of its choosing at original purchase price.

7.5 Upon the expiration or earlier termination of this Agreement, in the event that the Distributor has not returned/resold remaining Products in the Distributor's

stock as set forth herein, then the Distributor may, in accordance with the terms and conditions of this Agreement, continue to market and sell its existing inventories of Products. Supplier's warranty shall continue to apply to any Products sold by Distributor following the termination or expiration of this Agreement.

8. Rights of Parties upon Termination or Expiration

The following provisions shall apply upon the termination or expiration of this Agreement for any reason:

8.1 Distributor shall immediately cease and discontinue all sales, promotional and other activities on behalf of Supplier or relating to the Products and Supplier is relieved from any obligation to make any further shipments of Products and may cancel all of the Distributor's unshipped orders for Products, irrespective of previous acceptance by Supplier, except those Products which are proved to Supplier's reasonable satisfaction to have been sold by the Distributor prior to the receipt by the Distributor of notice of termination or expiration. Supplier shall have no obligation or liability to the Distributor or its prospective customers arising from any such cancellation. If Supplier accepts such an order and the Product is shipped, Supplier shall arrange for the delivery and warranty service of the Product.

8.2 Distributor shall cease all use of, and upon written request of Supplier, return to Supplier, any Confidential Information, advertising and promotional materials and other supplies and documents of any kind and character relating to Supplier's business in its possession or under its control. Distributor shall also remove from its property and immediately discontinue all use, directly or indirectly, of the Trademarks or of any word, title, expression, trademark, design or marking which, in the opinion of Supplier, is confusingly similar thereto.

8.3 All obligations of the Distributor to Supplier and Supplier to Distributor shall remain due and payable in the normal course of business.

8.4 If Supplier terminates this Agreement for cause, Supplier shall have no obligation to repurchase from the Distributor, or credit the Distributor for, the Products in the Distributor's possession at the time of termination or expiration of this Agreement (the "Termination Inventory"). Supplier may, with Distributor's consent, and thereafter at its sole option, no later than thirty (30) days of the effective date of termination or expiration of this Agreement, repurchase from the Distributor the Termination Inventory, in whole or in part, at the price(s) the Distributor paid for such Termination Inventory, and the Supplier shall be solely responsible for arranging and paying for the packaging, freight, insurance and taxes related to the return of the Termination Inventory to Supplier's facility in Wilmington, MA, or any other location(s) designated by Supplier. In the event that Supplier elects not to repurchase the whole of the Termination Inventory, the Distributor shall be entitled to referrals from supplier in order to sell the remainder of the same until Distributor has liquidated its entire inventory of Products. Supplier's warranty shall continue to apply to any Products sold by Distributor following the termination or expiration of this Agreement.

8.5 Should the Supplier require the buyback of inventory over the course of the Agreement to meet an existing customer need and that inventory is excess to the Distributor's needs, then the price charged by Distributor shall be 5% above the Distributor's acquisition cost.

8.6 The following provisions of this Agreement shall survive any expiration or termination hereof: Sections 3.6 and 3.7 (with respect to Warranty); Section 4.3 (with respect to FAR clauses); Section 5 (Confidential Information and Trademarks); Section 6 (Intellectual Property Indemnity); Section 8.7 (Limitation of Liability); Section 10.6 (with respect to governing law); and Section 10.7 (with respect to venue).

8.7 LIMITATION OF LIABILITY. NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR EXEMPLARY DAMAGES OF ANY KIND WHATSOEVER, INCLUDING, BUT NOT LIMITED TO LOST PROFITS, LOST SALES, LOSS OF REVENUE OR OPPORTUNITY, LOSS OF USE OF EQUIPMENT, COST OF CAPITAL, COST OF DOWN TIME, COST OF SUBSTITUTE EQUIPMENT, OR ANY OTHER SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF WARRANTY, CONTRACT, TORT OR OTHERWISE, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO AGREEMENT VARYING OR EXTENDING THE FOREGOING LIMITATION OF LIABILITY SHALL BE BINDING UPON EITHER PARTY UNLESS IN WRITING, SIGNED BY A DULY AUTHORIZED OFFICER OF THAT PARTY.

9. [Reserved.]

10. Miscellaneous

10.1 This Agreement and any of the rights or obligations hereunder may not be assigned by a party, whether voluntarily or by operation of law, without the prior written consent of the other party, not to be unreasonably withheld or delayed.

10.2 This Agreement and all exhibits and attachments hereto, constitutes the entire agreement, superseding all prior oral or written agreements, understandings, conditions and warranties, between the parties hereto on the subject matter hereof, and may be modified or amended only by a writing signed by both of the parties hereto.

10.3 Notification required or permitted hereby shall be deemed given upon transmission by telecopy or enclosure thereof in an adequately post-paid envelope, sent registered air mail, and (in either case) to the party indicated below to whom notices are to be directed, at the facsimile number or address listed in conjunction with that party's name first set forth above or at such other facsimile number or address which that party subsequently notifies the party giving notice that notices are to be sent.

(a) If to Supplier, notices shall be directed to:

xxx, Global Distribution Sales Manager

(b) If to Distributor, notices shall be directed to:

Tim Driscoll
AAR Supply Chain, Inc.
1100 N. Wood Dale Road
Wood Dale, IL 60191

10.4 In the event any one or more of the provisions contained in this Agreement are deemed illegal or unenforceable, such provision (a) shall be construed in a manner to enable it to be enforced to the extent permitted by applicable law, and (b) shall not affect the validity and enforceability of any legal and enforceable provision of this Agreement.

10.5 The failure of party at any time to require performance by the other party of any of the provisions of this Agreement shall not operate as a waiver of the right of such party to request strict performance of the same or like provisions, or any other provisions hereof, at a later time.

10.6 This Agreement shall be interpreted, construed, enforced and performed in accordance with the internal laws of the State of New York, U.S.A., without reference to principles of conflicts of law. THE RIGHTS AND OBLIGATIONS OF THE PARTIES IN CONNECTION WITH THIS AGREEMENT AND ANY PURCHASE OF THE PRODUCTS SHALL NOT BE GOVERNED BY THE PROVISIONS OF THE 1980 U.N. CONVENTION FOR THE INTERNATIONAL SALE OF GOODS.

10.7 Any action or claim brought by either party under this Agreement shall be brought in the appropriate state or federal court in New York County, New York. The parties hereby irrevocably submit themselves to the personal jurisdiction of these courts and shall accept service of process by these courts upon them. The parties further irrevocably waive in advance any and all objections to the courts of New York County, New York, as forums based upon any question of venue, the doctrine of forum non conveniens, the present or future pendency of any other case or proceeding elsewhere, the compulsory counterclaim rule, or any other doctrine, statute or rule of practice.

10.8 If the Distributor should breach any of the covenants, restrictions and agreements contained in this section, irreparable loss and injury would result to Supplier, and precise damages arising out of such a breach may be difficult to ascertain. Therefore, in addition to all other remedies provided at law or at equity, Supplier may petition and obtain from a court of law or equity all necessary temporary, preliminary and permanent injunctive relief. This Agreement and any Products sold or shipped pursuant to same are subject to United States laws and regulations governing import and export of goods including such laws which restrict exports to denied countries, persons or entities. The parties shall comply with all such laws. Distributor

shall not re-sell the Products furnished hereunder in such a manner, to such a party, or to such a destination that such re-sale would cause a violation of such laws. In the event that Distributor elects to export any Products furnished hereunder, Distributor shall assume full responsibility from complying with such laws applying to such exports. Distributor shall forward or cause to be forwarded to Supplier copies of all documentation filed on behalf of Supplier by either Distributor or its freight forwarder, and forward or cause to be forwarded to Supplier copies of all shipping documentation concerning the Products. Supplier shall reasonably assist Distributor with respect to its obligations under this section.

10.9 Each party and its directors, officers, employees or agents shall comply with all laws, regulations and ethical standards relating to its business activities, including the laws, regulations and ethical standards where Distributor and Supplier are located. Each party and its directors, officers, employees, and agents shall not at any time, either directly or through an intermediary, (i) offer, pay, promise to pay or authorize the payment of money or offer, give promise to give or authorize the giving of anything of value to an official, employee, officer or such party of any government or department, agency or instrumentality of any government, or a political party, party official or candidate or political office, for purposes of inducing such person to use his or her influence to assist Distributor, Supplier, or any other person in anyway, whether within or outside of the Territory where the Distributor and Supplier are located, for the purpose of obtaining or retaining sales, or any other business opportunities or commercial advantage; or (ii) otherwise violate the Foreign Corrupt Practices Act (FCPA) of 1977 as amended, the United Kingdom Bribery Act (UKBA) of 2010, as amended, their respective implementing regulations, or any other laws or regulations where Distributor or Supplier are located. Each party represents and warrant to the other party that (i) it and its directors, officers, employees and agents have complied with the requirements of this Section 10.9, and (ii) have no officers or employees who are an official, employee or officer of any government or department, agency or instrumentality of any government, or a political party, party official or candidate for political office, or to any other person or entity whatsoever with which business is sought. Distributor shall certify its compliance with the FCPA, the UKBA, and their respective implementing regulations, and this Section 10.9 to Supplier as reasonably requested by Supplier and promptly respond to any inquiry by Supplier necessary to demonstrate compliance with this Section 10.9. Distributor shall notify Supplier in writing of any failure to comply with the covenants, requirements, representations or warranties set forth in this Section 10.9 immediately upon the occurrence of any such failure to comply. Any failure to comply with this Section 10.9 shall be grounds for termination hereunder.

10.10 Distributor and Supplier each hereby acknowledges receipt of a signed copy of this Agreement.

10.11 This Agreement may be executed in any number of counterparts, each of which shall constitute an original and taken together shall constitute one and the same instrument. This Agreement shall not be binding until an original shall have been executed by all of the parties.


IN WITNESS WHEREOF, the parties have caused their authorized officers to execute this Agreement on the date first above written.

AMETEK, Inc. ("Supplier")

AAR Supply Chain, Inc. ("Distributor")

By  7-17-17

Donald R. Furmanski, Jr.

By  7/17/17

Eric Young, Vice President

EXHIBIT A

Territory

The Territory is global for sales of Products to all Foreign and Domestic Government Agencies (FDGA), including third party entities that support such agencies.

EXHIBIT B

Products

All aftermarket products by CAGE codes (61349 and 97424) that belong to the Power & Data Systems business applicable to the Foreign & Domestic Government Agencies are governed by this Agreement

EXHIBIT C

Supplier Warranty

Supplier warrants that the Products will be free from defects in material and workmanship.

EXHIBIT D

House Accounts

All vehicle, airframe and Original Equipment Manufacturers shall be designated as House Accounts.

Currently AMETEK has an agreement in place for a portion of the Japanese Defense Market. The parties agree to review these opportunities on a case by case basis until that Agreement expires.

EXHIBIT E

Supplier Warranty

Except where expressly agreed upon by the OEM Product Support Agreement, Supplier warrants the product for 12 months from Distributor shipment to end user, but no longer than 36 months past shipment from Supplier. Supplier warrants that it has good and marketable title to the Products at the time of delivery to Distributor.

Price List/Discounts

All sales shall be net price based on the below price list.

AMETEK P/N	Description	CAGE Code	NSN	Est'd Lead Times (in weeks)	ECCN	Schedule B	2017 Pricing	Minimum Order Quantity	Notes
10405N01P00	OIL PRESSURE INDICATOR	61349	6620 013944042	16	9A991d	9026.20.0000	\$ 15,826	--	--
10422G01H00	GAGE, BLEED AIR	61349	6685 013960898	28	9A610y	9026.20.0000	\$ 17,540	--	--
10456B02M02	OV TRQ WRN UNIT	61349	6625 014348188	28	9A610y	9031.80.8080	\$ 42,864	--	--
10495N01W01	ENGINE TORQUE INDICATOR	61349	n/a	28	9A991d	9029.20.4040	\$ 30,870	--	--
10729N03Y00	IND FUEL QTY	61349	6680 015333624	26	9A610x	9026.10.7000	\$ 12,844	--	--
1714W77G700	BRKT / LCD-MILITARY FRENCH KC-135R	97424	6620 011848973	18	9A610y	8803.90.9010	\$ 6,069	--	--
1714W77G701	BRKT / LCD	97424	6685 011828846	22	9A610y	8803.90.9010	\$ 6,069	--	--
2028W14G707	CAN	97424	6680 012508703	11	9A991d	8803.90.9010	\$ 3,017	5	--
2037K71G706	CAN	97424	6620 004359932	16	9A991d	9026.90.0000	\$ 1,231	5	--
2774W31G700	COUNTER/	97424	6620 010942337	16	9A610y	9026.90.0000	\$ 10,260	5	--
2890W12G708	CUP	97424	6620 010697830	16	9A610y	9025.90.0000	\$ 2,091	5	--
3103W15G703	DIAL ASSY	97424	5355 012781700	22	9A610y	9405.40.0000	\$ 3,393	5	--
3103W21G701	DIAL/LITEPLATE	97424	6220 013547598	18	9A610y	9405.40.0000	\$ 6,325	10	--
3383W45G705	PWB/PS	97424	5998 015447033	18	9A610y	9025.90.0000	\$ 2,993	5	--
3396W39G702	ELEKMPNT/	97424	5998 010153192	28	9A991d	9026.90.0000	\$ 1,575	--	--
3396W39G703	ELEKMPNT/	97424	5998 011197423	10	9A610x	9026.90.0000	\$ 1,703	--	--
3396W53G704	ELEKMPNT/	97424	5998 013197100	16	9A610y	9026.90.0000	\$ 6,194	--	--
3397A18G701	EGT FLEX ASSY	97424	5999 015611341	16	9A610y	9026.90.0000	\$ 825	5	--
3640W43G702	FLANGE	97424	5340 013905813	16	9A610y	8803.90.9060	\$ 4,967	10	--
4152019G033	COIL	97424	6620 010074249	26	9A610y	8803.30.0060	\$ 808	15	--
4152232G012	DISC	97424	6620 006307299	10	9A991d	9029.90.0000	\$ 745	--	--
4694K71G700	JEWEL	97424	6695 004105882	11	9A991d	9026.90.0000	\$ 585	5	--
5468427G001	ROTOR	97424	6620 006060443	16	9A991d	9029.90.0000	\$ 540	5	--
5468435G038	CUP SUPP	97424	6620 010702215	20	9A991d	9029.90.0000	\$ 836	--	--
5472342G073	PTR	97424	5355 010705625	6	9A610y	9026.90.0000	\$ 1,097	5	--
5472342G080	PTR	97424	5355 002884534	14	9A991d	9026.90.0000	\$ 2,640	5	--
5472342G088	PTR	97424	5355 011493854	14	9A610y	9026.90.0000	\$ 2,862	5	--
5796032G005	BACK PL	97424	6685 004068171	14	9A991d	9026.80.0000	\$ 2,893	--	--
6169W10G877	VAR RES	97424	6685 004068171	15	9A610y	8533.40.0080	\$ 1,495	5	--
6902W43P003	IC	97424	5962 010040617	14	9A610y	9026.90.0000	\$ 4,156	--	--
7417W94P011	SHAFT	97424	n/a	8	9A991d	9026.90.0000	\$ 874	10	--
8541W13G759	TORQUE MOT	97424	6105 011606162	18	9A610y	8501.10.4080	\$ 10,094	5	--
8541W15G710	TORQUE MOT	97424	6105 003132522	20	9A610y	8501.10.4080	\$ 17,856	5	--
8541W15G711	TORQUE MOT	97424	6105 003132521	18	9A610y	8501.10.4080	\$ 17,856	5	--
8541W15G713	TORQUE MOT	97424	6105 003132519	20	9A610y	8501.10.4080	\$ 13,076	5	--
8541W15G714	TORQUE MOT	97424	6105 003132518	20	9A610y	8501.10.4080	\$ 13,195	5	--
8541W30G700	TORQUE MOT	97424	6105 015883986	32	9A610y	8501.10.4080	\$ 14,490	5	--
8541W30G701	TORQUE MOT	97424	6015 015883977	32	VIIIh1	8501.10.4080	\$ 14,490	5	--

AMETEK P/N	Description	CAGE Code	NSN	Est'd Lead Times (in weeks)	ECCN	Schedule B	2017 Pricing	Minimum Order Quantity	Notes
8541W30G702	TORQUE MOT	97424	6015 015883981	32	9A610y	8501.10.4080	\$ 14,490	5	--
8609K75P001	XMFR STEP	97424	5950 004101450	16	9A991d	9026.90.0000	\$ 511	5	--
8900801G006	COIL	97424	6620 009390413	14	9A991d	9026.90.0000	\$ 1,591	15	--
8900801G008	COIL	97424	6620 007030855	15	9A991d	9026.90.0000	\$ 1,655	15	--
8905884G151	CAN	97424	6620 015045756	14	9A610y	9026.90.0000	\$ 2,101	5	--
8948641P046	SYNCHRO	97424	5590 0029293216	20	9A610y	9026.90.0000	\$ 3,294	--	--
8AW43AAA221	AC AMMETER	97424	6625 000797396	20	9A610y	9028.30.0000	\$ 14,812	5	--
8AW61LVA218	AC VOLTMETER	97424	n/a	20	9A991d	9028.30.0000	\$ 22,379	5	--
8AW61LWA3	AC FAULT INDICATOR (EQI)	97424	n/a	20	9A610y	8536.30.8000	\$ 16,102	5	--
8DJ179DBE1	TEMP INDICATOR	97424	6620 012564307	26	9A610y	9026.80.0000	\$ 39,325	--	--
8DJ48FCM2	POS INDICATOR	97424	6610 013927980	17	9A991d	9031.80.8080	\$ 16,449	4	--
8DJ50LAE2	POS INDICATOR	97424	6620 001899444	16	9A610y	9031.80.8080	TBD	n/a	See Note 1
8DJ64GAX1	FF INDICATOR	97424	6620 000212239	24	9A610y	9026.10.5000	\$ 17,411	5	--
8DJ71GAK2	FUEL FLOW INDICATOR	97424	6620 006212903	26	9A610y	9026.10.5000	\$ 18,890	5	--
8DJ82CAE1	TACH INDICATOR	97424	6680 009443117	20	9A610y	9029.20.5000	TBD	n/a	Note 2
8DW84A22AA1	INDICATOR,LNGT DNL CYCLIC TRIM,FWD	97424	6610 011197389	22	9A991d	9031.80.8080	\$ 19,520	--	--
8DW84A23AA1	INDICATOR,LNGT DNL CYCLIC TRIM,AFT	97424	6610 011197390	22	9A991d	9031.80.8080	\$ 19,520	--	--
8DW84A24AA1	SPEED TRIM INDICATOR	97424	6610 011147815	22	9A991d	9031.80.8080	\$ 27,224	--	--
8KE159DAA1	OVERSPEED SWITCH	97424	2925 015124682	30	9A610x	9029.20.5000	\$ 7,266	--	--
8KE163BAA1	FLOWMETER POWER SUPPLY	97424	6130 014975713	20	9A610x	8504.40.7001	\$ 10,210	--	--
8KE169AAB3	ENGINE INTERFACE UNIT	97424	n/a	20	9A991d	8803.30.0060	\$ 45,200	--	--
8TJ120GAA1	DUAL POWER SUPPLY	97424	6130 010607619	28	9A610x	9026.10.5000	\$ 32,790	-	--
9893508G010	SHFT	97424	6620 004210455	28	9A991d	9026.90.0000	\$ 1,024	5	--
9893667G012	CUP SPRT	97424	6620 007030859	12	9A991d	9026.90.0000	\$ 767	--	--
9893961G001	HUB & BRUSH ASSEMBLY	97424	n/a	11	9A991d	9026.90.0000	\$ 1,103	10	--
ANN-1282-K	SERVO MOTOR ASSEMBLY	61349	6620 008609493	16	9A991d	9026.90.0000	\$ 1,594	--	--
ANN-1349-D	BACK PLATE SUBASSEMBLY 2" DIAL IND	61349	6685 004454071	12	9A991d	9026.90.0000	\$ 1,571	--	--
ANN-1351-A	CASE ASSY	61349	6685 006753566	12	9A991d	9026.90.0000	\$ 509	--	--
ANN-1501-A	GEAR MOTOR ASSY	61349	6685 011433964	22	9A991d	9026.90.0000	\$ 1,517	--	--
AW-1 1/2-18H1	DIRECT READ AIR PRESS GAUGE	61349	6685 008146080	28	9A991d	9026.20.0000	\$ 13,346	10	--
AW-1 7/8-14-EL	GA,BL MANF PRESS	61349	6685 007262538	22	9A991d	9026.20.0000	\$ 17,199	10	--
AW-1 7/8-27-E5	OXY PRSSS GAUGE	61349	6685 005145776	16	9A991d	9026.20.0000	\$ 15,235	10	--
AW1815AK01	GA,CELL PRESS	61349	6620 009437949	22	9A610y	9026.20.0000	\$ 5,755	10	--
AW1821AC02	GA,CAB DIFF	61349	6685 008106047	24	9A991d	9026.20.0000	\$ 5,738	10	--
AW2017AC04	GAUGE BRAKE CYCLE	61349	6340 000534548	24	9A991d	9026.20.0000	\$ 7,051	25	--
AW2017AC07	GA,HYD PRESS	61349	6685 003874325	32	9A991d	9026.20.0000	\$ 7,051	25	Note 3
AW2056AB03	IND, CAB DIFF	61349	6685 010148246	28	9A991d	9026.20.0000	TBD	n/a	Note 4
AW-2-33-A1	GA,CAB DIFF	61349	6685 008876812	20	9A991d	9026.20.0000	\$ 9,441	10	--
BNN-1278-N	BACK PLATE ASSY	61349	6620 007124425	20	9A991d	9026.90.0000	\$ 6,728	5	--

AMETEK P/N	Description	CAGE Code	NSN	Est'd Lead Times (in weeks)	ECCN	Schedule B	2017 Pricing	Minimum Order Quantity	Notes
CNN-1298-BH	CASE ASSY	61349	6685 014433574	16	9A991d	9026.90.0000	\$ 899	5	--
DH-4479-C	BACK PLATE	61349	6620 016137331	10	9A610y	9026.90.0000	\$ 1,865	10	--
DNN-3687-D	ASSEMBLY LCD MODULE	61349	5998 014619287	14	9A991d	9026.90.0000	\$ 5,048	--	--
DNN-3687-E	LCD MODULE ASSY	61349	5980 013616524	16	9A991d	9026.90.0000	\$ 3,770	--	--
SEL-C19N	EGT INDICATOR	61349	6685 012390910	34	9A610y	8026.80.0000	TBD	n/a	Note 5
SR-3J	IND, FUEL CROSS FEED PRESS	61349	6685 008876815	20	9A991d	9026.20.0000	\$ 3,829	--	--
SR-3S	IND, FUEL PRESS	61349	6685 016416569	28	9A610x	9026.20.0000	\$ 5,768	--	--
SR-4J	IND, OIL COOLER FLAP POS	61349	6685 008876814	30	9A991d	9031.80.8080	\$ 4,463	--	--
ST-104A	PRESSURE TRANSMITTER	61349	6620 005267917	30	9A610x	9026.20.0000	\$ 18,800	5	--
ST-3G	XMTR FUEL CROSSFEED MANIFOLD PRESSURE	61349	6685 008871970	30	9A991d	9026.20.0000	\$ 11,708	--	--
ST-502H-1	XMTR, TRQ PRESS	61349	n/a	26	9A991d	9026.20.0000	\$ 10,149	5	--

Note 1: Pricing @ TBD due to low-bidding competitor PHAOSTON. Need to work jointly to determine plan of action.

Note 2: Pricing @ TBD due to low-bidding competitor KELLY Manufacturing. Need to work jointly to determine plan of action.

Note 3: Cage Code for **AW2017AC07** may be shown on Govt sites as **1CYQ9** which was a temporary Cage Code used for a short time during transition from Sellersville, Pa to Harleysville, Pa during December 2011. Former and Current CAGE code is **61349**

Note 4: Pricing @ TBD due to no sales since 2012. Need to work jointly to determine viable market demand

Note 5: Pricing @ TBD due not build since 1990. Need to work jointly to determine viable market demand

EXHIBIT F

Additional Requirements

1. Distributor will be responsible for pricing and language referencing products identified in this Agreement contained in any Ametek price catalogs made available to foreign and domestic government agencies (FDGA). All products identified in this agreement will be listed as "Contact Distributor for pricing and availability" in any Ametek price catalogs available to FDGA's.

2. Distributor will use commercially reasonable efforts to source Supplier products contained in this Agreement for other Distributor managed FDGA programs.

3. Distributor's OAS (OEM Aftermarket Solutions)—Government group will use commercially reasonable efforts to source any applicable repairs for products for its group not defined in this agreement to AMETEK group provided that AMETEK has capability.

4. In addition to the distribution of spares set forth in this agreement the Distributor agrees to pursue through its network of direct sales, representatives and agents any retrofit, PMA/SARs, or other program opportunities within AMETEK capability. The parties to will agree to compensation on a case by case basis.