

DISTRIBUTOR AGREEMENT

This Agreement (the "Agreement") is made this 1st day of January 2022 (the "Effective Date"), by and between

Goodrich Corporation, a part of Collins Aerospace, doing business by and through its unincorporated business division Goodrich De-icing and Specialty Systems, having offices at 1555 Corporate Woods Parkway, Uniontown, Ohio 44685, U.S.A. ("**Company**");

-and-

AAR Supply Chain, Inc., an Illinois corporation, having a place of business at 1100 N. Wood Dale Rd., Wood Dale, IL, 60191, U.S.A. ("**Distributor**").

The Company and Distributor are collectively referred to as the "**Parties**" and individually as a "**Party**."

WITNESSETH THAT:

WHEREAS, the Company is engaged in the business of designing, manufacturing, integrating and maintaining an extensive range of products, systems and services for the aerospace and defense industry;

WHEREAS, Distributor is an established distributor that distributes aerospace and defense industry products and services;

WHEREAS, the Company seeks a distributor which can develop the market potential for its products and services described in Exhibit A to this Agreement; and

NOW, THEREFORE, in consideration of the aforementioned premises and the mutual commitments made hereinafter, the Parties agree as follows:

Unless otherwise specified, the following definitions shall apply throughout this Agreement:

"**Company Affiliate**" shall mean a subsidiary, division, business unit or affiliate company of the Company, Collins Aerospace or RTX.

"**Corrupt Payment**" shall have the meaning set forth in GCP48.

"**GCP48**" means RTX's General Corporate Policy 48 (Anti-Corruption), attached hereto as Exhibit C.

"**Customer**" or "**Customers**" shall mean the customers of Distributor as generally described in Exhibit A.

"**Government**" means any:

- (i) government, U.S. or non-U.S., whether at the national, regional, state or local/municipal level;
 - (ii) government aviation authority;
 - (iii) airline owned (in whole or in part) or operated by a government;
 - (iv) entity acting in an official capacity on behalf of a government;
 - (v) entity, company or business in which a government exerts control;
 - (vi) political party;
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- (vii) public international organization (e.g., United Nations, World Bank, World Trade Organization, International Civil Aviation Organization, etc.); or department, agency, subdivision, or instrumentality of any of the foregoing.

“Government Official” shall have the meaning set forth in GCP48.

“Government Restriction” shall mean (i) any law, regulation, ruling, order, request, treaty, policy; or (ii) any required representation, affirmation, certification or statement; or (iii) any action of any governmental entity or agency or instrumentality thereof which affects a party hereto.

“House Accounts” shall mean third party customers reserved for Company, in Company’s sole discretion, whether for all Products (**“Exclusive House Accounts”**), or only Products specifically identified by Company (**“Partial House Accounts”**). Distributor shall have no right to sell Products (or Products specifically identified by Company, as applicable) to such customers, including such customers who are located inside the Territory. Subject to ninety (90) days advance written notice, Company shall have the right in its sole discretion to (i) increase or decrease the number of House Accounts, or (ii) increase or decrease the list of Products which only Company may sell to a particular House Account. Further, Distributor shall sell directly to a House Account on a case-by-case basis if Company determines that a need arises. House Accounts shall be listed in Exhibit A.

“Products” shall mean the products and services of the Represented Business identified in Exhibit A.

“Represented Business” shall mean one or more Collins Aerospace businesses selected by the Company for distributorship representation in the Territory, as set forth in Exhibit A.

“RTX ” shall mean Raytheon Technologies Corporation, a corporation organized and existing under the laws of the State of Delaware, United States of America, having an office and place of business at Hartford, Connecticut, U.S.A.

“Services” shall mean all obligations of the Distributor required to properly execute its responsibilities under this Agreement, including but not limited to, the obligations as further defined in Section 2 of this Agreement.

“Territory” shall mean the country(s) in which Distributor shall render distribution Services to a Represented Business, as set forth in Exhibit A.

Technical and trade terms not otherwise defined herein shall be interpreted as generally accepted in the international aviation component manufacturing and repair industries.

1. Appointment of Distributor

- 1.1 The Company hereby designates and appoints Distributor as the exclusive distributor for the sale and distribution of the Products to its Customers located within the Territory, as set forth in Exhibit A (as such exhibit may be amended, modified or supplemented from time to time according to Section 29 hereof or such other provision that permits the Agreement including Exhibit(s) to be modified with written notice). Distributor’s appointment hereunder as a distributor of the Represented Business shall give Distributor the right during the term of this Agreement to purchase, inventory, promote, market and resell the Products in the Territory. Distributor shall not sell any Products to any (i) House Account or (ii) third party outside of the Territory even if such third party intends to sell such Products to end-users within the Territory. Distributor hereby accepts such appointment and agrees to use its best efforts to fulfill its obligations under this Agreement in a professional manner consistent with the efforts of an experienced distributor in the Territory. Subject to Section 7.4.a, Company shall use commercially reasonable efforts to

forward any Products inquiry or purchase orders from non-House Accounts customers to Distributor.

- 1.2 This Agreement does not amend or supersede any current or future agreements between Company and any of its customers. Absent separate express written authorization from the Company, this Agreement does not apply to or encompass the sale of Products where the installation or end-use of the Products is known to be outside of Territory. Distributor shall conscientiously endeavor to market, sell, and service the Products within the Territory.

2. Obligations of Distributor

- 2.1 Distributor shall maintain such offices, facilities and personnel knowledgeable with respect to Products as the respective Parties deem necessary or appropriate for the proper sales distribution and installation of the Products in the Territory. As required in Exhibit A, Distributor will also appoint one or more dedicated Product Line Managers to handle the Product lines. Such Product Line Manager shall provide the monthly report in accordance with Section 3.11.
 - 2.2 Distributor shall use its commercially reasonable efforts to solicit and promote sales of the Products and otherwise to bring to the attention of actual and potential Customers the nature and utility of the Products. The Company shall supply to Distributor, free of charge, such promotional material, literature and bulletins as the Company considers desirable, and Distributor shall, at its own expense, distribute the same. However, such literature and materials shall not be distributed without the advance written consent of Company. Upon termination of this Agreement, Distributor shall return to the Company all such materials then in its possession or control.
 - 2.3 Distributor shall provide technical and sales information and advice and answer inquiries from Customers or potential Customers concerning Products. Distributor shall not make any representations or warranties with respect to the Products unless specifically authorized by the Company in writing, or unless the same are set forth in advertising literature, specifications, or quotations furnished or approved by the Company. Distributor shall keep the Company informed of the actual and potential requirements of Customers and potential Customers, and will provide the Company with current information and data on the general economic situation in the Territory, the conditions of the potential market for the Products and general financial information which may affect sales of the Products.
 - 2.4 Distributor will be responsible for all expenses incurred by it in connection with this Agreement such as, but not limited to, salaries, traveling, expenses, correspondence, communications (including telephone, fax, cable and other electronic means), advertising, office facilities and equipment, and any and all taxes which may be imposed on Distributor.
 - 2.5 It is understood and agreed that the Company may appoint a Company Affiliate to serve as its respective agent hereunder for purposes of giving Distributor instructions, serving as a liaison between Distributor and such Company, undertaking other responsibilities with respect to contract administration and performing such other functions as may be specified from time to time in writing by the Company. Any such appointment shall be made by written notice from the Company to Distributor, which such notice shall specify the scope and duration of such agent's authority. The Company shall be entitled to revoke any such authorization at any time and appoint an alternative agent. For the avoidance of doubt, such notice shall not be necessary in order for Company to choose the site location of a Company Affiliate from which to deliver the Products as set forth in Section 4.5, "Title to Products, Method of Delivery and Risk of Loss".
 - 2.6 Distributor shall comply with Section 10, "Insurance".
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- 2.7 Distributor shall not make payments, without written consent of the Company, either directly or indirectly, to an employee, director of, or officer affiliated with the Company or of any Company Affiliates, which payments are not required by existing Agreements with the Company or any Company Affiliates.
- 2.8 Distributor further agrees that any breach by Distributor of this Agreement, or failure to comply with any applicable law, rule or regulation in connection with Agreement, will constitute good cause for all action deemed appropriate by the Company, including termination of this Agreement, without compensation to Distributor therefore in accordance with Section 14 hereof.
- 2.9 Distributor shall participate in the Company's compliance and due diligence program, including participating in periodic performance reviews and training requirements. Such participation includes cooperation with background and due diligence investigations, whether performed by the Company, a Company Affiliate or a third-party vetting service such as Kreller, Steele or Trace.
- 2.10 Distributor shall perform the Services in accordance with the highest professional standards currently recognized in the industry/profession. Distributor shall be responsible for the professional quality, accuracy, and completeness of its Services and all reports and deliverables provided hereunder, including correcting or revising errors or deficiencies in its Services and deliverables.
- 2.11 Distributor agrees to maintain necessary and/or appropriate inventory levels of Products to support Customers in the Territory in its sole discretion. Distributor agrees to provide delivery service of the Products to such Customers with good credit standing (Distributor will notify Company of any Customer credit holds) as follows:
- a. Aircraft on Ground - Distributor shall ship an order from a Customer requesting "Aircraft on Ground" service within four (4) hours of the receipt of the Order;
 - b. Critical - Distributor shall ship an order from a Customer requesting "Critical" service within twenty-four (24) hours of receipt of the order;
 - c. Expedite - Distributor shall ship an order from a Customer requesting "Expedite" service within seven (7) calendar days of receipt of the order.
- Company shall recommend inventory levels to be maintained by Distributor. However, Distributor will only stock inventory at its sole discretion. Such recommendations shall be by Product, quantity and range, and shall be sufficient to fulfill the needs of Customers served by Distributor.
- In the event that the shipment of a Product requires an export license that cannot reasonably be obtained within the time period specified above, Distributor agrees to notify Company immediately, at which time the shipment will be excluded from the requirements above.
- 2.12 Distributor agrees to provide twenty-four (24) hour per day, three hundred sixty-five (365) day per year service to the Customers in the Territories listed in Exhibit A.

3. Orders

- 3.1 Orders; Placement of Orders. Distributor will place all orders for Products by sending the Company an order for products (the "**Order**") in the manner described below. The Order shall contain (a) the name of Distributor and the Company, (b) a description of the requested Products and (c) the requested quantity and delivery schedule of the requested Products. The Company shall be entitled to rely on the Orders placed, and other information supplied, by Distributor. Distributor agrees to send all Orders via e-mail to a representative designed in writing by Company.
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- 3.2 Initial Order; Annual Orders. If an initial order (“**Initial Order**”) or annual order (“**Annual Order**”) is required by Company, such Initial Order or Annual Order shall be as set forth in Exhibit A.
- 3.3 USML/ITAR Prior Approval. Company shall inform Distributor if the Products are controlled under the United States Munitions List (USML) and subject to export controls imposed by the International Traffic in Arms Regulations (ITAR). Exports of these Products will require the prior written approval of the U.S. State Department unless specifically exempted by the ITAR. Distributor shall be responsible for obtaining any necessary export authorizations. Upon a reasonable request from Distributor, Company will use reasonable efforts to provide any additional information or data needed by Distributor to obtain such export authorization.
- 3.4 Standard Conditions of Sale. Unless otherwise agreed in writing by the Company for a given transaction, the purchase by and sale to Distributor of all Products shall be subject to the terms and conditions of this Agreement, supplemented by the Company’s standard terms and conditions of sales prevailing at the time a purchase order is accepted (the “**Standard Conditions of Sale**”), and as may be amended from time to time and which Standard Conditions of Sale are deemed incorporated herein by reference. In the event of any inconsistency between the provisions of this Agreement and the Standard Conditions of Sale, and notwithstanding anything contained in such standard conditions, the terms of this Agreement shall prevail.
- If an order is a subcontract for commercial items or commercial components to a U.S. Government prime contract, then the clauses specified in FAR52.244-6 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.
- 3.5 Order Acceptance. The Company shall indicate acceptance of an Order by written confirmation from an authorized representative of the Company, together with a good faith non-binding estimate of the lead time and delivery schedule for the Order. The Company shall not be obligated to accept any Order, including, but not limited to an Order which fails to reference this Agreement as the controlling terms of the Order. The Company will not be required to accept any Order issued at a time when Distributor 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. The Company may refuse to accept Orders or to deliver Orders to Distributor, or may establish conditions precedent to the sale or delivery of Products (such as the issuance of a letter of credit in a form acceptable to such Company) if deemed appropriate, in the Company’s sole discretion, as a result of the condition of Distributor’s account or financial condition.
- 3.6 Conflicting Terms in Orders and Acceptances. Any terms or conditions set forth on documents or forms utilized by Distributor, including, but not limited to, pre-printed terms and conditions on an Order or other Order documents, and any communications (written or oral) between the applicable Parties that are inconsistent with, or are not included in, this Agreement, shall be deemed to be a material alteration of this Agreement and invalid and of no force or effect unless expressly agreed to in writing by an authorized representative of the Company and Distributor. Company’s acceptance of an Order will be given only on the express understanding and condition that only this Agreement shall govern and establish any rights and obligations of Company and Distributor with respect to the Products included in such Order. Company’s failure to object to provisions contained in any document or communication from Distributor shall not be deemed a waiver of the application of the provisions of this Agreement or
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agreement that such inconsistent or conflicting provisions shall be effective or of any force and effect.

- 3.7 Cancellation of Orders. After acceptance by Company, no Order may be cancelled by Distributor without the express written consent of Company.
- 3.8 Changes to Orders. Distributor may not make changes or issue a stop-work order to a previously placed Order without the prior consent of the Company. If the Company is willing to agree to such modification but, in such Company's sole discretion, the proposed modifications would cause an increase in the cost of, or the time required for the performance of, any Order or part of the work in such Order, the purchase price of or delivery schedule for such Order or both (as applicable), shall be equitably adjusted, as reasonably determined by the Company in its sole discretion.
- 3.9 Disclosures; Orders Subject to Applicable Law. Both Parties agree that each Party may disclose any information that it deems necessary or appropriate in its sole discretion, to governmental agencies in the United States or in the Territory, including but not limited to the identity of the other Party and the type and amount of Orders placed by Distributor. The Company shall not be obligated to accept or fill any Order, or may terminate any previously accepted Order, if the Company's acceptance or fulfillment of such Order would be in contravention of any United States or Territory governmental laws, regulations or policies.
- 3.10 Specifications of Products. Except as otherwise agreed in writing by the Company prior to acceptance of an Order, all Products shall be manufactured to the Company's standards, drawings and specifications.

4. Delivery, Title and Risk of Loss

- 4.1 Delivery Schedule. The Company will use its commercially reasonable efforts to schedule delivery as close as possible to the non-binding estimate of the delivery schedule set forth in the confirmation provided by the Company to Distributor pursuant to Section 3.5, but the Company does not guarantee those delivery dates. The Company shall not have any liability whatsoever to Distributor for failure to meet any delivery schedule or for the costs to procure or design substitute goods due to a Force Majeure Event, acts or omissions of Distributor.
- 4.2 Delays Due to Distributor Requests. If a delivery of an Order is delayed at Distributor's request by more than one (1) month after the Company has notified Distributor that such Order is ready for delivery, the Company may charge Distributor demurrage costs in the amount of 0.5% of the purchase price of the Order (or the part of the Order for which delivery has been delayed) for each month or partial month of delay, up to a maximum of 5% of the total purchase price of the Order.
- 4.3 Delivery in Installments; Separateness of Orders. The Company reserves the right to make deliveries in installments. Delivery of a quantity that varies from the quantity specified in the Order shall not relieve Distributor of its obligation to accept delivery and pay for the Products delivered. Distributor shall not refuse to accept delivery of any Order or any installment on account of any shortage or defect in any other delivery.
- 4.4 Packing, Crating and Shipping. All Orders shall be packaged and prepared for shipment in accordance with the Company's standard procedures to withstand normal transportation and stocking functions.
- 4.5 Title to Products, Method of Delivery and Risk of Loss. All Products to be delivered, whether within the United States or outside the United States, shall be delivered by the Company to Distributor FCA Company's facility locations, as designated by the Company (per Incoterms® 2020). Title to Products, and risk of loss or damage, shall pass to Distributor immediately upon
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shipment in accordance with FCA Company's facility location. Distributor shall be solely responsible for providing and paying for shipping thereafter to its facilities and shipping insurance for Products. The Company shall not have any liability for any loss resulting from Distributor's failure to insure or in underinsuring Products. In the event that the Company elects to program early shipments at quarter or year-end without prior notification and written consent of Distributor, the Distributor shall have the opportunity to return the Order(s) within 15 days of receipt for immediate credit. The payments, inclusive of the discount, will be due as per the normal Distributor payment terms.

5. Prices and Terms of Payment

5.1 Prices. Product prices shall be as set forth in Exhibit A, as may be amended from time to time. All list prices on Exhibit A are in U.S. Dollars and are exclusive of Taxes.

5.2 Invoicing. The Company shall submit invoices to Distributor upon Product shipment. In the case of partial shipments, the Company shall submit invoices including only Product(s) shipped.

5.3 Payments. All payments made hereunder shall be made in U.S. dollars and shall be paid within thirty (30) days of the date of invoice. Payment shall be made in full, without any set-off, withholding, counterclaim or deduction whatsoever. Interest will automatically and without any notice of default accrue on undisputed overdue invoices from the due date until payment is received by the applicable Company at a rate equal to the lower of (a) eighteen percent (18%) per annum or (b) the highest interest rate permitted by law. In addition, after written notice to Distributor for payment thereof and for so long as such indebtedness shall remain unpaid, Company shall have the right, in addition to any other remedies it may have available, to (i) decline to make further deliveries of Product(s) to Distributor and impose storage charges and inventory carrying charges, if any, (ii) assess charges for any costs and expenses (including attorneys' fees) associated with collection of past due invoices or other amounts due and owing to such Company hereunder, and/or (iii) impose revised payment terms including, but not limited to, cash in advance ("C.I.A") or cash on delivery ("C.O.D."), collectively against all existing or future orders which Distributor may have with Company.

6. Quality Standards, Acceptance and Return of Products

6.1 Quality Standards and Documentation. Unless otherwise mutually agreed in writing, all Products are sold only with the Company's standard quality control tests and calibrations and the Company's standard documentation.

6.2 Acceptance Procedures. Within thirty-five (35) days from the delivery date of an Order (the "Inspection Period"), Distributor shall notify the Company in writing of all discoverable defects, quantity shortages, incorrect documentation, incorrect airworthiness documentation (e.g., FAA 8130) and incorrect Products, with respect to the Products contained in such Order. In the event that Distributor fails to inspect an Order and/or does not present a rejection notice for an Order to the Company in writing during the Inspection Period, Distributor shall have finally and irrevocably accepted such Order and the Products contained in that Order. After such deemed acceptance, Distributor's only recourse for non-conforming or defective Products shall be as set forth in Section 8, "Warranty".

6.3 Returns. No return of Products will be accepted without prior authorization from the Company or its designee and issuance of a Return Material Authorization ("RMA") number by the Company or its designee. Returned Products must be in original manufacturer's shipping cartons complete with all packing materials and shall be shipped DDP to Company's designated facility location (per Incoterms® 2020). Upon such delivery, title and risk of loss

shall transfer to the Company. In the event that Product(s) are returned due to a non-conformance issue as indicated on the RMA, Company agrees to pay for reasonable freight costs to return Product(s) to the Company.

- 6.4 Documentation of Returned Products. Parts that are received from the Company in factory new condition and are returned due to incorrect documentation (for example: incorrect part number, incorrect serial number, lack of signature of inspector, etc.) shall be returned to Distributor in factory new condition, not as repaired or serviceable or overhauled.

7. Monthly Reporting, Business Reviews, Product Development and Performance Remedies

- 7.1 Monthly Reporting Requirements. Distributor will provide monthly updates on Customer activities, opportunities and order bookings for Products to include a rolling forecast for both Order placement and Order receipts for the next twelve (12) months. Once every six (6) months during the term of this Agreement, Distributor shall provide a report of sales by Customer during the previous six (6) month period. In addition, Distributor will provide a monthly Performance Metrics Report, in mutually agreed spreadsheet and graphic formats, which shall contain the following information:

- a. Inventory level at the end of the month;
- b. Number of purchase orders for the month;
- c. Quantities ordered by part number;
- d. Fill rate - quantities fulfilled by part number;
- e. Order bookings: Year to date and for the month;
- f. Service Level and delivery performance for the month;
- g. On-time delivery to Distributor's promised date to the Customer;
- h. Customer feedback;
- i. Actions to be taken by Distributor in the event of any performance deficiencies;
- j. Company site-specific responsiveness;
- k. List of open actions per Company site

The reports shall be provided to Company on or before the 7th day of the month following the end of each month. Other ad hoc reporting shall be performed by Distributor as requested by Company.

- 7.2 Business Reviews and Product Development. At Company's discretion, on at least a monthly basis, the Parties shall meet in person or via telecom or as otherwise requested by Company to review the above-listed monthly reporting requirements. For the avoidance of doubt, this shall include, at Company's discretion, the right to schedule quarterly or annual business reviews as well. Such business reviews may include sales initiatives, training, promotions, Customer visits, and activities to promote sales results, development and penetration for the Products in the Territory, to develop the highest public perception of the Products and to provide proper after-sale product support. Distributor shall display, advertise and otherwise promote the sale and use of the Products in the Territory, maintain adequate facilities and an adequate sales and service staff and use such other commercially reasonable activities in the market development as are appropriate, provide a rolling 18-month forecast (updated quarterly) with a 90-day freeze on any changes.
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- 7.3 **Sales Pipeline & Milestone Alignment.** At least annually, Distributor and Company will meet to define and align on sales pipeline including but not limited to quarterly sales milestones by major aircraft type and region. Company and Distributor will review progress toward the defined milestones at least quarterly.
- 7.4 **Performance Remedies.** If Distributor fails to meet a monthly on-time delivery (“**OTD**”) of ninety-five percent (95%) for any given month, Distributor shall provide Company written notice by the 10th day of the month following the end of that month during which the failure occurred and a written recovery plan by the 20th day of the month following the end of that month. A failure to meet OTD occurs when a delivery does not meet the customer request date subject to the exceptions and caveats listed in this Section and Exhibit A. The written recovery plan shall contain a root cause analysis of the OTD failure, a corrective action plan, and a forward plan projection; i.e., the time by which OTD performance shall be restored to no less than ninety-five percent (95%) per month. The written recovery plan shall be subject to approval by Company. Upon notice to Company of such failure, and if Distributor fails to meet the OTD of ninety-five percent (95%) for any three (3) months during a rolling six (6) month period, Company shall have the right, but not the obligation, in its sole discretion, to exercise one or more of the following remedies:
- a. Immediately making direct sales to affected Customers until Distributor’s recovery plan succeeds in restoring monthly OTD to ninety-five percent (95%);
 - b. Restricting the number of Products which Distributor is authorized to sell;
 - c. If not already the case, changing Distributor’s status to that of being non-exclusive, and appointing other Distributors to sell the same Products to the same Customers in the Territory;
 - d. Exercising its right to terminate this Agreement for cause pursuant to Section 14

Excluded from the OTD performance level are delays in delivery of the Company, non-acceptance of an Order by the Company, inability to receive the Product due to quality of the Product, export control or force majeure events.

8. Warranty

Except as stated in the Standard Terms and Conditions which are incorporated herein by reference per Section 3.4, COMPANY DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. COMPANY DISCLAIMS ANY OBLIGATION OR LIABILITY FOR THE LOSS OF USE OF THE PRODUCTS WARRANTED OR ANY OTHER INDIRECT, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES AS A RESULT OF THE PRODUCTS OR THE USE OR SALE THEREOF. It is agreed and understood that Distributor shall not make warranties or representations concerning the Products that have not been supplied or approved by Company and shall not alter or modify any warranty supplied by Company. Distributor shall so instruct all employees, agents, permitted sub-distributors and representatives with respect to representations and warranties concerning Products.

9. Product Modification and Discontinuance

- 9.1 The Company shall have the right, but not the obligation, to modify or change its Product(s) in whole or in part, at any time prior to delivery thereof, in order to include improvements deemed appropriate by Company, without incurring any liability or obligation, including,
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without limitation, the obligation to modify or change any Product(s) previously delivered, or to supply new Product(s) in replacement thereof. Company reserves the right at any time to make design modifications that may affect form, fit or function of its Products. The Company shall not be obligated to incorporate such modifications to previously purchased but undelivered Products or delivered Products. In addition, Company reserves the right to discontinue the manufacture or supply of any of its Products with sixty (60) days written notice to Distributor so Distributor may dispose of and sell said inventory. Distributor shall not make any alterations or modifications to any of the Product(s) without the advance written consent of Company.

- 9.2 Notwithstanding anything to the contrary in this Section 9, Company shall modify or replace a Product when such Product has become unsellable to Customers due to the publication of a Service Bulletin (“SB”) or an Airworthiness Directive (“AD”), which has caused the part to become obsolete.

10. Insurance

Without limiting Distributor's duty to hold harmless and indemnify hereunder, Distributor agrees to secure and carry as a minimum the following insurance with respect to all for the duration of this Agreement:

- 10.1 Workers' Compensation Insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the laws of the U.S., foreign country, state, or other governmental subdivision in which the work or any portion of the work is performed and Employer's Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence;
- 10.2 Commercial General Liability Insurance including Premises Liability and Contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$5,000,000 for any one occurrence;
- 10.3 The following shall apply if Distributor is providing product, component parts, materials or work to be incorporated in aircraft where such products, parts or materials are classified as Flight Safety Parts (FSP) or its equivalent or having Critical Characteristics (CC) or its equivalent in accordance with the current revision of ASQR-01, ASQR-09.1 and/or any documents referenced therein: Distributor shall maintain Aircraft Product Liability, Completed Operations Liability and, if applicable to the Goods or Services, Hangarkeepers Liability Insurance coverage in a minimum amount of Combined Single Limit of \$50,000,000 for any one occurrence and in the aggregate where applicable, including AV52 coverage (War Risks Insurance). Such insurance shall remain in effect for two (2) years after the expiration or termination of the Order; and
- 10.4 If Distributor is performing professional services on behalf of the Company, Distributor shall maintain Professional Liability Insurance with a limit of no less than \$5,000,000.
- 10.5 All such insurance shall be issued by companies authorized to do business under the laws of the State or jurisdiction in which all or part of the Distributor markets or sells Products, and must have an AM Best financial rating of A- or better or an equivalent rating as produced by another rating agency acceptable to the Company. All such insurance policies will be primary in the event of a loss arising out of Distributor's performance under this Agreement, and shall provide that where there is more than one insured the policy will operate, except for the limits of liability, as if there were a separate policy covering each insured and shall operate without right of contribution from any other insurance carrier of the Company.
- a. Certificates evidencing such insurance coverage for
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- i. Commercial General Liability,
- ii. Aircraft Product Liability, Completed Operations Liability insurance, and
- iii. Professional Liability Insurance, if Distributor is performing professional services on behalf of the Company and Professional Liability Insurance is applicable,

shall be filed with the Company upon execution of the Order and before commencement of any work hereunder, and within thirty (30) days after any renewals or changes to such policies are issued. To the extent permitted by law, Distributor and its insurer(s) agree that subrogation rights against the Company are hereby waived; such waiver shall be reflected on the insurance certificate. Distributor shall, if requested by the Company, advise the Company of the amount of available policy limits and the amounts of any self-insured retention.

11. Limitation of Agreement

11.1 Notwithstanding any other provisions hereof, this Agreement shall not apply to:

- a. Sales of services, equipment or goods other than the Products detailed in Exhibit A; or
- b. Governmentally sponsored or funded military aid-type programs conducted under the auspices and/or assistance of any Governments or other international agencies, except as expressly set forth in a separate written addendum to Exhibit A addressing and identifying the specific business opportunity and provided that Distributor is legally permitted to and does so participate in such programs, but in such event subject to all conditions and limitations thereof; or
- c. Sales of Products to the U.S. Government ("USG"), unless specifically set forth in an appropriate exhibit to this Agreement.

11.2 The Company shall be entitled to change at any time, the Products (including, without limitation, the list price and lead time), Territory and/or Customers listed on Exhibit A in its sole discretion by written notice to Distributor, such notice to be effective ninety (90) days after the date of such notice.

12. No Compensation for Services Rendered

Distributor agrees that the Company shall not pay compensation to the Distributor for the sale of the Products or for any other service rendered under this Agreement. It is understood that the Distributor will enter into contracts of sale for the Products in the Territory with Customers. The contracts between the Distributor and the Customer for the Products within the Territory shall be solely for the account and risk of the Distributor and any profits derived therefrom shall belong to the Distributor. Distributor will determine the selling price it will quote to its customers, but for situations where Company is contractually bound by an OEM not to sell Products at a price that exceeds a particular sales price or prices to certain customers. In those situations, Company will advise Distributor of those prices and customers in Exhibit A, and Distributor agrees not to sell Products in excess of those prices to those customers. It is intended that the Distributor's entire compensation under this Agreement shall be the difference between the buying and selling prices of Products sold. In establishing these prices, the Distributor will include, as a profit to it, only such percentages and amounts as are reasonable and will not jeopardize the sale of the Products or restrict the natural expansion of the sale of the Products in the Territory. Distributor agrees that the selling price of the Products or services it establishes in its contract of sale adequately covers the Distributor's efforts hereunder.

13. Confidentiality and Data Privacy

- 13.1. Each Party (the “**Disclosing Party**”) may, from time to time, furnish Proprietary Information (as defined below) to the other Party (the “**Receiving Party**”). The Receiving Party shall not reveal any Proprietary Information to any individual, firm, corporation or other legal entity (other than to an employee of the Receiving Party who has a need to know and is bound by a written confidentiality obligation to the Receiving Party), without specific prior written authorization from the Disclosing Party.

“Proprietary Information” includes (i) technical information, inventions, product plans or strategies, product developments, processes or methods, or other confidential or proprietary information of the Disclosing Party (in oral, written or electronic form), including but not limited to, operating methods, material sources, customer relations, pricing practices, market analyses, customer information and (ii) other information of which the Receiving Party gains knowledge or which may come into the Receiving Party’s possession during its performance of this Agreement which should reasonably be known to be confidential to the Disclosing Party (for (i) and (ii) , whether disclosed to Distributor prior to or following the date hereof; further, the term “customers” here refers generically to any customer information provided by Disclosing Party, including, but not limited to, Disclosing Party’s Customers).

Furthermore, Disclosing Party shall not use any Proprietary 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, all tangible copies of Proprietary Information, including Disclosing Party’s work product and copies thereof, which are in Disclosing Party’s or its employees’ or sub-agents’ possession shall be promptly returned to the Disclosing Party. Notwithstanding the foregoing, the Receiving Party may retain copies of Proprietary Information that are stored on the Receiving Party’s IT backup and disaster recovery systems until the ordinary course deletion thereof or must be retained for regulatory purposes. The Receiving Party shall continue to be bound by the terms and conditions of this Agreement with respect to such retained Proprietary Information. The Receiving Party shall be responsible for any disclosures of Proprietary Information by its employees and sub-agents not in accordance with this Agreement.

In the event that a Receiving Party receives any subpoena or other legal documentation or request from a governmental authority pursuant to which such Party or its employees would be required to disclose Proprietary Information, such Party shall promptly notify the Disclosing Party and follow its instructions (or afford the Disclosing Party a reasonable opportunity) to seek a protective order to prevent or limit the disclosure of such Proprietary Information; in any event, the Receiving Party or its applicable employee shall disclose only the minimum Proprietary Information required to be disclosed.

- 13.2 The Parties may freely disclose the existence of this Agreement to third parties as reasonably required, but the contents of the Agreement, including, without limitation, its terms and conditions (the “**Contents**”), shall be considered Proprietary Information, and shall not be disclosed without both Parties’ prior written consent. Both Parties may disclose the Contents of this Agreement if requested in writing by an agency or department of the U.S. Government or a Government of the Territory, provided, however, that Receiving Party shall give the Disclosing Party advance written notification upon receipt of any request for such disclosure, unless it is directed in writing not to do so by the requesting Government agency or department.
- 13.3 In the event of a breach or a threatened breach by the Receiving Party of the provisions of this Section 13, The Disclosing Party shall be entitled to an injunction restraining the Receiving Party from disclosing, in whole or in part, said Proprietary Information. Nothing herein shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available for breach or threatened breach.
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- 13.4 Data Privacy. In furtherance of Distributor's obligation to participate in and cooperate with Company's due diligence efforts as set forth in Section 32, "Cooperation with Company", Distributor hereby explicitly consents to Company's collection and use of information relating to Distributor's business and information relating to its officers, directors, owners and employees, whether obtained by Company directly from Distributor .

To the extent such information contains data ("**Personal Data**"), relating to an identified or identifiable natural person or entity ("**Data Subject**") the Company shall maintain the confidentiality of any such Personal Data and shall not permit access by unauthorized persons. The Company will not use the Personal Data for any other purpose except what is necessary to perform its due diligence activities. The Company will take all appropriate and legally required technical, physical and organizational security measures to protect Personal Data against accidental or unauthorized access.

Distributor warrants and certifies that any Personal Data provided to the Company by Distributor has been obtained through lawful means and with the consent of the Data Subject.

14. Term and Termination

- 14.1 Effective Date. This Agreement shall come into effect on the Effective Date and shall remain in full force and effect for four (4) years. No later than six (6) months prior to expiration of the Agreement, the Parties shall enter into good-faith negotiations to determine whether an extension of the Agreement can be mutually agreed; for the avoidance of doubt, any such mutual agreement shall be subject to, among other things, the Distributor's provision of required information for Company's due diligence and Company's internal approvals of such an extension. This Agreement may only be extended by written agreement executed by both Parties prior to the expiration of the Agreement. Prior to the Effective Date, the anniversary date of this Agreement, or any extension thereof, the Distributor must provide the Company an Anti-Corruption Compliance Certification in the form provided in Exhibit B.

- 14.2 Termination for Convenience. Either Party may at any time terminate this Agreement by giving one hundred eighty (180) days prior written notice to the other Party of such termination.

14.3 Termination for Cause.

- a. Effective upon the receipt of a written notice by the Distributor, the Company may unilaterally terminate this Agreement under the following circumstances:
 - i. In the reasonable opinion of the Company, the Distributor or any director, officer, employee, or agent of the Distributor becomes for any reason persona non grata to any Government, Government Official, or any of the Company's customers, or if the Distributor or any director, officer, employee or agent of the Distributor is accused of wrongdoing or is debarred or suspended by a Government or Government Official; or
 - ii. The Distributor has materially breached the Agreement;
 - iii. The Distributor failed or refused to cooperate with any Company or RTX due diligence requirement, audit or investigation related to this Agreement and the obligations of Distributor hereunder; or
 - b. Either Party may unilaterally terminate this Agreement effective upon providing a written notice to the other Party under the following circumstances:
 - i. A Party acting in good faith, determines that any of the actions of the other Party or the provisions of this Agreement, including the obligation to pay commissions
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hereunder, violates or contravenes a Government Restriction of either the U.S. Government or the Government of any country in the Territory; or

- ii. The other Party becomes insolvent, bankrupt, or goes into receivership; or
 - iii. The other Party or any principal officer or manager of such Party is convicted of any activity that, in the opinion of the terminating Party Company, may adversely affect its ownership, operation, management, business, reputation or interest; or
 - iv. A substantial change in management, business direction that affect the ability of the other party to perform its obligations under the Agreement or direct or indirect ownership of the other Party. A substantial change of ownership includes, but is not limited to, the following:
 - Acquisition by a competitor of either Party of any interest in the other Party or any entity directly or indirectly in a position to control the other Party.
 - Acquisition by any person or entity of a controlling interest in the other Party or any entity directly or indirectly in a position to control the other Party (however, the Party subject to such acquisition shall send a written request for the written consent of the other Party, such consent not be unreasonably withheld, conditioned or delayed, and which consent shall be deemed provided absent receipt of any objection in writing by the Party subject to acquisition within ten (10) days of receipt of such written request).
 - Any dissolution, merger consolidation or other reorganization, whether by operation of law or not, of the other Party or any entity directly or indirectly in a position to control the other Party.
 - For the avoidance of doubt, a substantial change in management, business direction or direct or indirect ownership of the other Party shall not apply to an internal reorganization of the Party, included but not limited to a merger or sale of assets between the Party and one of the Party's affiliates or subsidiaries.
- c. Company may terminate this Agreement upon thirty (30) days written notice of breach to the Distributor; provided that Distributor has not cured such breach or provided written reassurances to Company which the Company has accepted in the case of (iii) below, within thirty (30) days of the receipt of the notification under the following circumstances:
- i. In the event that the Distributor loses the services of any of its key personnel (as listed in Exhibit A) for a period of at least two (2) months and such key personnel is not replaced by an employee with similar experience; or
 - ii. The failure of Distributor to meet the performances requirements set forth in Section 7, "Monthly Reporting, Quarterly Business Reviews, Product Development, and Performance Remedies"; or
 - iii. The Company has reason to believe that the representations and warranties made by the Distributor in Section 18, "Representations, Certifications and Warranties", are no longer valid; or
 - iv. Failure of the Distributor to comply with any Company safety policy; or
 - v. Any other breach of the Agreement by Distributor.
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- 14.4 Effect of Termination or Expiration. Upon the termination or expiration of the Agreement, the Distributor shall have the right to purchase and the Company shall continue to fulfill, subject to the terms of this Agreement, all Orders accepted by the Company, prior to the effective date of expiration or termination, unless this Agreement is terminated by the Company under Section 14.3. Unless this Agreement is terminated by the Company under Section 14.3, for Orders accepted prior to the effective date of termination or expiration, the Company shall honor the pricing in effect at the time of shipment. If this Agreement is terminated by the Company under Section 14.3, the Distributor shall not have the right to purchase, nor shall Company have the obligation to fulfill, Orders accepted prior to the effective date of such termination.
- 14.4.1 The Company may, at its option, repurchase from the Distributor any or all of the Products then stocked by the Distributor at the Distributor's invoiced price of such Products plus a reasonable handling fee not to exceed three percent (3%) and less such an amount to be agreed attributable to diminution in value of such products by reason of their physical condition and/or obsolescence. For the avoidance of doubt, absent Company's election to exercise this option, Company shall have no obligation to repurchase any or all of the Products then stocked by Distributor, whether upon expiration or termination of this Agreement.
- 14.4.2 In the event of termination for convenience or expiration of this Agreement nothing herein shall prohibit Distributor from continuing to sell Products in the Territory until its inventory is depleted.
- 14.4.3 In the event of termination for convenience by the Company, upon a written request by Distributor, Company shall cancel any Company-accepted Purchase Orders associated with the Annual Order that have not shipped or are not scheduled to ship within the thirty (30) days following the date of receipt by Company of Distributor's written request to cancel. The Parties agree to negotiate in good faith the cancellation of Company-accepted fill orders which have not shipped or are not scheduled to ship within the remaining Term. Notwithstanding anything to the contrary, in the event of a termination for convenience by the Company, upon a written request by Distributor Company shall cancel any Company-accepted Purchase Orders whose date of shipment is later than the last day of the remaining Term.
- 14.4.4 Distributor shall not be entitled to any termination or severance compensation or to payment in respect of any goodwill or loss of prospective profits or on account of any expenditure incurred by the Distributor by reason of expiration or termination of this Agreement.
- 14.4.5 Proprietary Information shall be returned by the Receiving Party to the Disclosing Party subject to Section 13.1.
- 14.4.6 Distributor, except as may be otherwise authorized in writing by the Company, shall cease to use the name(s), trade names, and trademarks of the Company. Distributor shall ensure such cessation of use and removal by all persons claiming to have received the right to such use from Distributor.
- 14.4.7 The acceptance of any order from, or the sale of any Product(s) to, the Distributor, after the expiration or the termination of the Agreement shall not be construed as a renewal or extension thereof nor as a waiver of expiration or termination. In the absence of a written agreement between the Parties, all such transactions shall be individually governed by the terms and conditions of this Agreement.
- 14.4.8 The following Sections shall survive termination or expiration of this Agreement: 5, "Prices and Terms of Payment"; 13, "Confidentiality and Data Protection"; 14, "Term and Termination"; 16, "Taxes"; 17, "International Trade Compliance Requirements"; 19, "Indemnification"; 20, "Limitation of Liability and Force Majeure"; 21, "Representation of Similar Product Lines"; 26, "Intellectual Property"; and 32, "Cooperation with Company."
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15. Non-Assignment

- 15.1 Distributor shall neither assign nor transfer this Agreement or any rights that may arise hereunder without the prior written consent of the Company. Distributor shall not use any sub-agents (e.g., any non-employee of Distributor; for these purposes, an affiliate of Distributor shall constitute a sub-agent) or delegate any of its duties hereunder for any purposes without the prior written consent of the Company. All sub-agents approved by the Company shall be subject to due diligence review to the same extent as Distributor, who shall require said sub-representatives to cooperate in full. Distributor shall impose upon any sub-agent terms and conditions substantively similar to those set forth in this Agreement. Notwithstanding the foregoing clause, Company may assign any and all of its rights and obligations hereunder to any Company Affiliate, upon notification to Distributor, regardless of Distributor's consent.
- 15.2 Company may further assign all of its rights and obligations to:
- a. a third party pursuant to any sale or transfer of all or part of the assets or business of company; or
 - b. a third party pursuant to or in connection with any financing, merger, consolidation, change in control, reorganization or other business combination involving Company, subject to Distributor's written consent to such assignment within ten (10) days of the receipt of the notification and request for consent from the Company, such consent not to be unreasonably withheld, conditioned or delayed; provided that Distributor's lack of response within such timeframe will be deemed a consent by Distributor.

16. Taxes

- 16.1 For the purposes of this Agreement, taxes shall include, but not be limited to, sales taxes; use taxes; withholding taxes; value added taxes; goods and services taxes; stamp taxes; excise taxes; gross receipts taxes; transfer taxes; profits taxes; turnover taxes; port dues; import, export and custom duties; and any related penalties and interest or other similar taxes ("**Taxes**").
- 16.2 All prices stated in this Agreement shall be exclusive of Taxes.
- 16.3 Distributor shall pay the cost of any Taxes which the Company is required by applicable law to charge to Distributor as a result of the transactions contemplated by this Agreement, unless Distributor shall have timely provided to the Company a valid and properly completed exemption certificate certifying that Distributor is not subject to such Taxes.
- 16.4 The Company shall have no liability for any Taxes, whether imposed on the Company or Distributor, in connection with the performance by the Company of its obligations under this Agreement other than, for the avoidance of doubt, taxes imposed on the Company's net income. In the event any amounts described in this Section 16.4 (other than, for the avoidance of doubt, taxes imposed on the Company's net income) are imposed on the Company, Distributor shall reimburse the Company for such amounts within fifteen (15) days of written request.
- 16.5 All payments shall be made without deduction or withholding. In the event that Distributor is required by any law to make any deduction or withholding from any amount payable to the Company, then the amount payable to the Company shall be increased such that after all deductions and withholdings, the amount paid to the Company shall be equal to the amount to which the Company would have been entitled under this Agreement had no deduction or withholding been required.
- 16.6 Any amounts withheld by Distributor shall be timely remitted to the relevant authority as required by law. Distributor shall promptly provide the Company with an official receipt or certificate in respect of the payment of such amounts.
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- 16.7 Both Parties agree to co-operate to eliminate or reduce, consistent with applicable law, any Taxes 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 or similar charges which increase its financial liability during the term of this Agreement, both Parties will negotiate in good faith to attempt to reduce or eliminate such additional Taxes or similar charges; provided, however, 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).

17. International Trade Compliance Requirements

- 17.1 Distributor shall comply with all International Trade Compliance ("ITC") laws and regulations ("ITC Laws"). ITC Laws mean the import, customs, export control, sanctions and U.S. antiboycott laws, regulations, and orders applicable at the time of the placement of an Order or the import, export, re-export, transfer, disclosure, or provision of Products or technical data, including, without limitation, the (i) Export Administration Regulations ("EAR") administered by the Bureau of Industry and Security, U.S. Department of Commerce, 15 Code of Federal Regulations (C.F.R.) Parts 730-774; (ii) International Traffic in Arms Regulations ("ITAR") administered by the Directorate of Defense Trade Controls, U.S. Department of State, 22 C.F.R. Parts 120-130; (iii) Foreign Assets Control Regulations and associated Executive Orders administered by the Office of Foreign Assets Control ("OFAC"), U.S. Department of the Treasury, 31 C.F.R. Parts 500-598; (iv) Internal Revenue Code, 26 U.S.C. § 999, enforced by the U.S. Department of Treasury; (v) International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C., § 1701 et. Seq.; (vi) Customs regulations administered by U.S. Customs and Border Protection, 19 United States Code (U.S.C.) and Title 19 C.F.R.; and (vii) applicable import, customs and export laws and regulations of other countries, except to the extent they are inconsistent with U.S. law. If Distributor is not a U.S. person or entity, it shall nevertheless comply with all ITC Laws fully and to the extent it would be required to do so if it were a U.S. person or entity.
- 17.2 Distributor understands that the authorization or written permission of the U.S. or other Governments or union of states (e.g., the European Union) may be required prior to the shipment of any Product or the transfer of any technical data. The Company agrees to notify Distributor of the jurisdiction and classification of Products and attendant technical data by including such information on shipping invoices or similar documentation. Distributor shall be responsible for complying with all ITC Laws and for obtaining all required licenses and authorizations to export any Products or technical data to the Territory, based on the ultimate customer, destination and end use. The Company agrees to cooperate reasonably and exercise reasonable efforts to support Distributor in obtaining the necessary licenses or authorizations required to export Products or technical data to the Territory. The failure or inability of Distributor to obtain any necessary license or authorization under any applicable ITC Laws shall not entitle Distributor to cancel or terminate any Order, or terminate its obligation to pay for, or reduce the price of, any Order. Distributor agrees to perform due diligence for all prospective sales of Products or transfers of technical data to ensure that the end uses and end users of the Products and technical data are permissible under the ITC Laws. The Distributor will ensure that neither the Products nor the related technical data are used or any military end use or by any military end users in contravention of Section 744.21 of the EAR or in contravention of arms embargoes or dual-use regulations of any country or jurisdiction to which the Products or technical data are subject.
- 17.3 Denied Party Screening/Sanctions.
- 17.3.1 The Distributor warrants that it is not listed on, and is not owned or controlled by, affiliated with or acting on behalf of any person or entity listed on, the OFAC Specially Designated Nationals
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and Blocked Persons List, the Denied Persons List, or any other list of restricted or denied parties maintained by the U.S. Departments of Commerce, Treasury, or State, or any non-U.S. counterpart of the foregoing.

- 17.3.2 The Distributor shall perform denied party screening on its employees and all parties whom the Distributor engages or solicits in connection with the placement of Orders and the sale of Products under this Agreement.¹ This requirement is intended to ensure that the Distributor identifies any potential Customer, person or entity with whom the Distributor engages in connection with this Agreement that is ineligible to perform such activity or ineligible to be a Customer because of any embargo, sanction, debarment or denied party designation.
- 17.3.3 In furtherance of its ITC obligations under this Agreement, Distributor shall not:
- a. Engage in or facilitate, directly or indirectly, or be involved in any matter under this Agreement with, the export, re-export, or re-transfer of any Products or technical data to Cuba, Iran, North Korea, Sudan, Syria, or the Crimea region of Ukraine, or to the Governments of those countries, or contrary to any applicable Russian Sectoral Sanctions²; and
 - b. Engage any person or entity to perform transactions, dealings, activities or services under this Agreement or solicit any potential Customer when such person or entity is identified as a denied party pursuant to any embargo, sanction, debarment or denied party designation maintained by the U.S. Government or any non-U.S. Government or union of states.
 - c. Provide a defense service³ related to activities covered under this Agreement to any third party without Company's express permission and after securing appropriate authorization, if applicable, from the U.S. Department of State.
- 17.4 If any Product is a defense article or if Distributor provides a defense service under the ITAR, Distributor shall, if and as required, become registered with the Directorate of Defense Trade Controls (if it is not already registered) as a Broker and/or an Exporter under the ITAR and shall submit annual brokering reports. Distributor shall maintain registration throughout the period of the Agreement and will provide evidence of registration annually to the Company.
- 17.5 If the Company agrees to become involved in any return of merchandise to the United States or other applicable non-U.S. jurisdiction for warranty or other purposes, Distributor agrees to provide the Company with sufficient advance notice to enable it to obtain any authorizations needed to comply with U.S. or other applicable import or export requirements.
- 17.6 The Distributor hereby certifies that it has not paid, or offered or agreed to pay, or has caused to be paid, or offered or agreed to be paid directly or indirectly, in respect of this Agreement any political contributions, fees or commissions (as defined in Part 130 of the ITAR), and it will not do so in connection with its work related to this Agreement.
- 17.7 Any Orders or other actions made by Distributor in contravention of ITC Laws are outside the scope of authority granted to Distributor under this Agreement and shall be null and void. Distributor shall not ship any Products sold under this agreement in contravention of ITC Laws.

¹ See www.treasury.gov/resource-center/sanctions/SDN-List/Pages/consolidated.aspx for US sanctions screening list; <http://www.international.gc.ca/sanctions/index.aspx?lang=eng> for Canadian sanctions screening list; and http://eeas.europa.eu/topics/sanctions-policy/8442/consolidated-list-of-sanctions_en for European Union sanctions screening list.

² See <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>, and Parts 742.8, 742.9, 742.10 and 746 of the EAR for a current list of restricted countries under U.S. law.

³ See Part 120.9 of the ITAR for the definition of defense service.

Distributor agrees to provide immediately to the Company any information Distributor becomes aware of that would indicate Products or technical data may have been diverted to an impermissible end use or end user. Distributor's obligations to comply with ITC Laws will survive any expiration or termination of this Agreement.

18. Representations, Certifications and Warranties

18.1 Distributor acknowledges that the Company conducts its business according to the highest ethical standards, seeks to avoid even the appearance of impropriety and insists that its distributors and other foreign intermediaries conduct their business in a similar manner. Distributor further acknowledges that its compliance with this Section 18 independently provides material consideration for the Company to enter into this Agreement such that breach of this Section 18 will provide cause for immediate termination of this Agreement (as provided in Section 14.3, "Termination for Cause") without compensation regardless of any services Distributor may have theretofore provided.

18.2 Distributor represents and warrants to the Company that:

- a. It has read and understands GCP48, and all activity hereunder will be rendered in strict compliance with GCP48.
 - b. It has refrained in the past, and will continue to refrain (directly or indirectly) at all times from offering, promising, attempting to provide or providing (i) any Corrupt Payment; or (ii) any RTX employee, Customer or any Government Official, any ownership, financial or other interest (e.g., governance position, employment consulting, contracting) in Distributor.
 - c. It has and shall have all licenses, permits and other authorizations from all governmental authorities necessary for Distributor to perform its obligations under this Agreement.
 - d. It shall not violate any copyright, trade secret, trademark, patent, invention, proprietary information, privacy, non-disclosure or any other statutory or common law rights of any third party in the performance of its obligations under this Agreement.
 - e. The owners of record of Distributor do not hold their interests in Distributor in trust or for the benefit of others.
 - f. Neither Distributor nor any of its officers or employees is a Government Official or agent of any Government Official.
 - g. Neither the Company, any Company Affiliate, Customer or Government Official, nor any employee of the foregoing, holds an ownership, financial, or other interest in Distributor or otherwise stands to benefit personally from Distributor's distributorship work for the Company.
 - h. This Agreement and the work performed do not and will not violate or contravene applicable law, including any restrictions of Distributor's employees arising from their former employment with any Government.
 - i. Distributor has read and understands the RTX Supplier Code of Conduct, a copy of which is available online at <https://www.rtx.com/suppliers> as may be amended from time to time. Distributor further unconditionally agrees to comply at all times with both the RTX Supplier Code of Conduct and applicable law, including without limitation laws prohibiting collusion, conflicts of interest, corruption, and unfair competition.
 - j. The profits earned by Distributor pursuant to this Agreement shall be used solely for legitimate and lawful business purposes.
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- k. No money or thing of value has been or will be paid, offered, given or promised by the Distributor, his agents or employees, directly or indirectly, to:
 - i. RTX, or any of its divisions, subsidiaries, affiliates, or business units, which includes the Company (in this Section 18 collectively referred to as "RTX"), or any directors, officers or employees of RTX; or
 - ii. any person, firm, or corporation, at the direction of or by arrangement with RTX, or any directors, officers or employees of RTX; or
 - iii. any political party or official thereof, any candidate for political office, or any officer or employee of any Government or of any instrumentality controlled by any Government, or other customer, supplier or counterparty, or any person acting on behalf of any such Government, instrumentality, customer, supplier or counterparty, or any official of any public international organization, for purposes of:
 - a) influencing any act or decision of such party, officer, employee, or person in his or its official capacity; or
 - b) inducing any such party, official, candidate, officer, employee, or person to use his/her or its influence with a Government or Government controlled instrumentality, or other customer, supplier or counterparty, to affect or influence any act or decision of such Government or instrumentality, customer, supplier or counterparty:

in order to promote sales of RTX Products or otherwise to assist RTX in any aspect of its business.

- 18.3 Distributor shall furnish to the Company at least annually a complete list and description of all of its business affiliations and shall promptly notify the Company of any changes in any business affiliations.
 - 18.4 Notwithstanding any other provision of this Agreement, Distributor agrees that the completion by the Distributor and submission to the Company of the Anti-Corruption Compliance Certification (Exhibit B) is a condition precedent to the Company's obligations to the Distributor under this Agreement. The Distributor further agrees to notify in writing the Company immediately should any information identified in Clause C of Exhibit B change or any of the other representations contained in Exhibit B no longer be complete or accurate.
 - 18.5 Distributor hereby certifies and warrants to the Company that neither it or any of its officers, directors, employees, agents or senior officials are currently or have ever been indicted or convicted for violation of any criminal law, and that it and its officers, directors, employees, agents, and senior officials are currently eligible to represent the Company in the Territory and to deal with any agency or instrumentality of the Government of the Territory. In the event the foregoing certifications are in any way false, then the Company reserves the right, and will be entitled, to terminate this Agreement immediately.
 - 18.6 Distributor warrants that at all times it will act in the best interests of the Company and will take no actions which are or may be detrimental to the Company.
 - 18.7 Distributor warrants that it will not solicit or accept competitive or proprietary information of any Company's competitors from a Customer, potential Customer or from any third party, unless that information was already made available by the competitor in the public domain, or was provided by the Customer to all competitors for procurement, pursuant to local law or regulation.
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- 18.8 Distributor hereby acknowledges receipt of a copy of GCP48, and by execution of this Agreement, the Distributor warrants and certifies that it fully understands GCP48 with respect to international sales transactions and relations with Customers and suppliers, and that the Distributor will do nothing on the performance of the Services required under this Agreement which will be in conflict with GCP48.
- 18.9 Distributor warrants that this Agreement does not violate or contravene any existing laws or regulations of any country in the Territory.
- 18.10 Distributor understands that the Company and RTX will rely upon the foregoing representations and warranties in filing reports and tax returns in the United States and other countries.
- 18.11 Distributor understands the provisions of the Foreign Corrupt Practices Act ("FCPA"), United Kingdom Bribery Act ("UKBA") and similar laws of the Territory and country where performance of this Agreement takes place (collectively, "Anti-Corruption Laws"), and that it will at all times remain in compliance with such Anti-Corruption Laws.
- 18.12 Distributor agrees to promptly notify the Company if at any time the foregoing representations and warranties are no longer valid.

19. Indemnification

- 19.1 Distributor hereby agrees to indemnify and hold the Company and Company Affiliates and its parents, subsidiaries and affiliates and its and their shareholders, directors, officers, employees, agents, successors and assigns (collectively, the "Company Indemnified Parties") harmless and (if so requested by the Company) defend the Company Indemnified Parties at Distributor's cost and expense, from and against any and all third party claims, demands, causes of action, losses, damages, costs or expenses (including fees and expenses of counsel and investigative expenses) that may be incurred by any Company Indemnified Party relating to, arising out of or in connection with (i) any action or omission of Distributor, its employees, agents and/or subcontractors, including, without limitation, special, incidental or consequential damages or losses to persons or property, injuring to persons including death, or any liability arising out of any contract or written guarantees by Distributor arising from the purchase, use, sale or installation by Distributor of the Products furnished by the Company (collectively, "Distributor") in Distributor's performance of its obligations or Services under this Agreement, (ii) Distributor's breach of this Agreement, (iii) any representation of Distributor, (iv) any and all employee liability and similar claims or (v) the Company's payment to Distributor of any compensation hereunder, if any. Distributor shall not be obligated to indemnify the Company Indemnified Parties to the extent of third-party claims against the Company Indemnified Parties for defects in the design or manufacture of the Products.
- 19.2 The indemnities in Section 19.1 shall not cover the Company Indemnified Party to the extent that the relevant claim results from a Company Indemnified Party's negligence or willful misconduct.
- 19.3 Nothing in this Section 19 shall restrict or limit the Company Indemnified Parties' general obligation to law to mitigate a loss it may suffer or incur as a result of an event that may rise given to a claim under the indemnities in Section 19.1.

20. Limitation of Liabilities and Force Majeure

- 20.1 THE PARTIES AGREE THAT NEITHER PARTY SHALL, UNDER ANY CIRCUMSTANCES, INCLUDING, BUT NOT LIMITED TO, TERMINATION UNDER SECTION 14, "TERM AND TERMINATION", BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL, COLLATERAL,
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RESULTANT OR CONSEQUENTIAL DAMAGES (INCLUDING LOST SALES, LOST REVENUES AND/OR LOST PROFITS) ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER OR NOT FORSEEABLE, AND WHETHER ARISING IN CONTRACT (INCLUDING WARRANTY), TORT (INCLUDING ACTIVE, PASSIVE OR IMPUTED NEGLIGENCE), STRICT LIABILITY OR OTHER OTHERWISE ARISING UNDER OR RELATED TO THIS AGREEMENT OR BY REASONS OF THE USE OR LOSS OF USE OF THE PRODUCTS OR SERVICES FURNISHED HEREUNDER.

- 20.2 Excluding Distributor's payment obligations under this agreement, any failure of either Party to perform or delay in performance of any of its obligations under this Agreement, shall be excused if such failure is caused by circumstances beyond the reasonable control of and without the fault or negligence of such Party, including, but not limited to, acts of God, acts of Government or public authorities, epidemics, pandemics, quarantines, riot wars and war measures, acts of terrorism, fires, floods, hurricanes, tornadoes, or other unusually severe weather, labor difficulties, strikes, shortages of material or fuel, failure or delays of suppliers or carriers, or shortage of transportation, or any other causes beyond the such Party's reasonable control (a "**Force Majeure Event**").

21. Representation of Similar Product Lines

- 21.1 During the term of this Agreement and for a period of one (1) year thereafter (collectively, the "**Restricted Period**"), Distributor shall not, directly or indirectly, sell, market, offer, promote, distribute or otherwise provide Services in the Territory to any person or entity with respect to products competitive with or substantially similar (including, but not limited to, PMA or OE Type Certificated parts) to those which Distributor is promoting and selling hereunder (a "**Competitive Business**", whether as a distributor for the Competitive Business, or in any other capacity). Distributor shall promptly advise the Company of any new or expanded representation on its part during the Restricted Period which raises a potential conflict. Distributor further agrees that during the Restricted Period, Distributor shall not, in the Territory and directly or indirectly, solicit, divert, take away or attempt to solicit, divert or take away any person or entity that was a customer, client or significant vendor of or to the Company during the Restricted Period for any purpose with respect to a Competitive Business, or contact or communicate with any such person or entity for any such purpose.
- 21.2 Distributor acknowledges and agrees that any breach of any of its obligations set forth in this Section 21 would result in irreparable damage to the business of the Company and its affiliates, which could not be compensated by monetary damages alone. Therefore, in addition to all other legal or equitable remedies that may be available to the Company for any breach of this Section 21, Distributor acknowledges and agrees that the Company and/or its affiliates shall be entitled to equitable relief, including an injunction enjoining any breach or threatened breach by Distributor and specific performance of this Section 21, as a remedy for any such breach, and Distributor further waives any requirements for the securing or posting of any bond in connection with any such remedy.
- 21.3 Distributor acknowledges and agrees that (i) the business of each Company and its affiliates is conducted both within and outside the Territory and that the duration and scope of the covenants and agreements contained in this Section 21 are fair, reasonable and necessary to preserve the goodwill and proprietary rights of the Company and its affiliates and (ii) that Distributor is entering into the covenants and agreements contained in this Section 21 in contemplation of, and consideration for, the transactions contemplated by this Agreement (including its appointment as a Distributor of each Company and the discounts provided to Distributor from the list prices of Products). If any provision contained in this Section 21 shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality
-

or unenforceability shall not affect any other provision of this Section 21, but this Section 21 shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. It is the intention of the Parties that if any of the restrictions or covenants contained herein is held to cover a geographic area or to be for a length of time which is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under applicable law, a court of competent jurisdiction shall construe and interpret or reform this Section 21 to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law.

- 21.4 The Restricted Period shall be tolled during (and shall be deemed automatically extended by) any period in which Distributor is in violation of the provisions of this Section 21.

22. Claims INTENTIONALLY DELETED

23. Governing Law

This Agreement and all Orders issued by Distributor hereunder shall be construed, and the relations between the Parties determined, in accordance with, the laws and regulations of the State of New York, USA, as the same would be applied to transactions between residents of the state to be fully performed within the state and without regard to the State's or any other jurisdiction's conflict of laws principles. Each Party irrevocably agrees that the courts of the State of New York shall have exclusive jurisdiction to settle any dispute of claim that arises out of or in connection with this Agreement. Distributor hereby agrees and submits to the jurisdiction of the District Court of the Southern District of New York, of any Federal District Court sitting in New York, New York and any state court sitting in the county of New York. for any resolution of any question, dispute or interpretation of or under this Agreement and agrees to waive any claim that such jurisdiction or forum is inconvenient.

24. Notices

All notices and correspondence with respect to this Agreement shall be made by facsimile or email to the addresses set forth for each Party on the signature page to this Agreement, followed by a copy transmitted by overnight courier service to such other Party, or in any case to such other notice address as a Party may give to the other Party by transmission in accordance with the provisions of this Section 24. Notice shall be deemed received the business day after the date of transmission of the facsimile or email.

25. Non-Waiver

No course of dealing between the Parties, including, without limitation, any delay or omission in exercising any right hereunder, shall operate as a waiver of any of the rights of either Party. An actual waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.

26. Intellectual Property

- 26.1 Distributor acknowledges that it has paid no consideration for, and absent further agreement between the Parties as provided below, has no right to use of any Company's trademarks, logos, copyrights, trade names or designations except as provided in the Company's guidelines provided by Company to Distributor and attached hereto as Exhibit D as may be amended from time to time in Company's sole discretion, and nothing contained in this Agreement will give Distributor any right, title or interest in any of the Company's trademarks, logos, copyrights, trade names or

designations. Distributor acknowledges that the Company owns and retains all patent rights, trade secrets, copyrights, trademarks, trade names, logos and other proprietary rights in, or related to, all Products, and agrees that Distributor will not at any time during or after the term of this Agreement assert or claim any interest in or do anything that may adversely affect the value, validity or enforceability of any patent, trade secret, trademark, trade name, copyright or logo owned by or licensed to any Company. Any permitted use by Distributor of the Company's trademarks, logos, trade names and designations will inure to the Company's benefit. Without prior consent by the Company, Distributor shall neither register for use, nor use, any of trademarks, logos, copyrights, trade names or designations of the Company (either alone or in association with other words or logos). In the event that Distributor wishes to use the Company's trademarks, logos, copyrights, trade names or designations, Distributor shall submit a written request to the Company, which such request Company shall be permitted to grant, deny or condition in its sole discretion.

26.2 Distributor shall not remove or modify any copyright notice or restrictive legend affixed to or contained in any data, computer software, or other recorded information provided to Distributor by the Company or otherwise engage in any act or omission that results in the degradation of any Company's proprietary rights in such data, computer software or information.

26.3 Distributor shall promptly notify Company upon its knowledge of any third party's apparent infringement of or challenge to the trademarks, trade names or designations known to Distributor. If so required by Company, Distributor shall, insofar as it may be entitled under law, initiate and pursue any legal proceedings which Company may consider necessary to protect the trademarks, trade names and designations against such infringement and/or challenge. The costs of such proceedings shall be borne by Company.

27. Severability

In the event any provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be unenforceable, invalid or illegal, the remaining provisions of this Agreement will remain in full force and effect provided said remaining provisions continue to reflect the intent of the Parties. Upon such determination that any provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

28. Execution of the Agreement

This Agreement may be executed in two or more counterparts, each of which when so executed will be deemed an original, and all of which together will constitute one and the same instrument. This Agreement may be executed by a Party's facsimile or electronic signature, and copies of this Agreement executed and delivered by such means shall have the same force and effect as copies hereof executed and delivered with original signatures. The English language shall be the controlling text of this Agreement in as far as allowable under applicable law.

29. Complete Agreement / Modifications

This Agreement constitutes the entire Agreement relating to the subject matter hereof between the Parties and supersedes and terminates all previous negotiations, agreements, commitments, and writings in connection herewith or therewith. This Agreement, including its Exhibits, cannot be amended or modified by except by written agreement fully executed and delivered by the Parties hereto. There are no side or oral agreements that are applicable to this Agreement.

30. Non-Exclusivity INTENTIONALLY DELETED

31. Notification of Material Changes in Circumstances

Distributor agrees to promptly notify the Company in writing of any material change in circumstances, including, but not limited to, changes in personnel, ownership, financial condition, legal structure, countries of operation, or any enforcement actions have been initiated against it by the U.S. Government or any other Government, which may affect the ability of Distributor to perform its duties or the validity of its representations made herein.

32. Cooperation with Company

Distributor shall cooperate with the Company, in regard to any matter, dispute or controversy in which the Company may become involved and of which Distributor may have knowledge. Such obligation shall continue after the expiration or termination of this Agreement. Where any matter, dispute, or controversy was caused by or contributed to by Distributor, Distributor's foregoing obligations shall be performed without cost to Company. Distributor shall submit to, and comply with, all Company required due diligence and compliance checks prior to distributing, selling or marketing Products or performing any activities under this Agreement, and shall cooperate and provide the Company with all information required to conduct such due diligence. Distributor shall further complete training (in-person or online) as may be required from time to time by Company during the term of this Agreement.

33. Conflicts of Interest

Distributor shall promptly notify the Company in writing upon becoming aware of any matter that could constitute a conflict of interest with regard to its Services for the Company hereunder. A conflict of interest may include, but is not limited to, an organizational or personal economic or financial interest in a Customer, vendor or other party involved in a Represented Business-related transaction; prior or concurrent distribution services of a competitor or customer in violation of this Agreement; or any similar circumstance that might affect Distributor's ability to carry out its responsibilities hereunder. The Distributor hereby represents and warrants that any distributorship arrangement with another company does not present a conflict of interest with regard to its obligations hereunder.

34. Accurate Books and Records / Audit Rights

Distributor agrees to maintain accurate books and records, which shall mean any and all documents created and maintained by or on behalf of Distributor to record and represent Distributor's business affairs and transactions, including, without limitation, accounts, books, journals, ledgers, financial statements, contracts and similar instruments, invoices, payments, and receipts as well as any internal approvals or authorizations and supporting documents related to any of the foregoing, whether hard-copy or stored electronically in connection with its performance under this Agreement. Distributor further agrees to provide RTX, the Company, or an authorized agent thereof with audit rights as specified herein. An authorized agent shall be subject to the consent of Distributor, which consent shall not be unreasonably withheld, delayed, or conditioned. RTX, the Company, or its authorized agent, shall have the right to review Distributor's overall business practices, focused primarily on its financial records and other documents, to ascertain whether accurate records are maintained in connection with the performance of this Agreement and if those records properly reflect Distributor's compliance with this Agreement, with GCP48 and applicable laws, and with the business nature and purpose of the transactions, or if areas of concern are present to suggest potential bribery or corruption. This right of examination shall include inspection during business hours times of the Distributor's offices or parts of them engaged in performing the Agreement. Distributor shall make available at its office(s) at all reasonable times the records, materials, and other documents for examination, audit,

or reproduction, including, without limitation Product inventory, until three (3) years after final payment under this Agreement or any longer period as may be required by law or regulation. Any information audited and or reproduced is subject to the terms and conditions set forth in Section 13 "Confidentiality and Data Privacy: of this Agreement. In addition, if this Agreement is completely or partially terminated for any reason, records relating to the work terminated shall be made available for three (3) years after any resulting final termination settlement, and records relating to claims, disputes, or litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

35. Distributor's Independent Status

Distributor acknowledges and agrees that it is an independent contractor, and not in the service or employment of the Company. All costs, salaries, severance pay and other expenses incurred by Distributor in connection with its performance under this Agreement shall be borne solely by Distributor. Neither Distributor nor any employee of the Distributor shall be considered an employee, agent or legal representative of the Company for any purpose whatsoever. Distributor shall have no authority, express or implied, to obligate the Company to any third party, including without limitation:

- a. accepting orders on behalf of the Company;
- b. incurring obligations or making representations or warranties on behalf of the Company; or
- c. receiving or paying money on behalf of the Company. Distributor shall not represent to third parties, either during or following the term of this Agreement, that the relationship between Distributor and the Company is other than as stated in this Agreement. The Company does not assume any responsibility for proposals, guarantees, or contracts entered into by Distributor with others.

36. Miscellaneous

Nothing contained herein, express or implied, is intended or shall be construed to confer upon or give any person or entity, other than the Parties, any rights or remedies under or by reason of this Agreement. Each party has cooperated in the drafting and preparation of this Agreement. Accordingly, in any construction of any provision hereof, such provision shall not be construed against any party on the grounds that such party was the drafter thereof. The headings of the Sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

37. Separate Agreement with Respect to Each Company or Represented Business

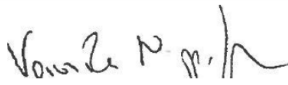
If Distributor will be providing Services to more than one Company or Represented Business, this Agreement constitutes a separate obligation and agreement between such Company or Represented Business and Distributor. No Company or Represented Business shall be responsible or liable for any other Company or Represented Business' obligations hereunder. This Agreement may be terminated with respect to one or more Company or Represented Business without affecting this Agreement with respect to other Company or Represented Businesses. For the avoidance of doubt, Distributor Services and authorizations hereunder are limited only to the Company, Represented Business, Products and Territory specifically identified in Exhibit A hereto, and specifically excludes other businesses of the Company and Company Affiliates.

IN WITNESS WHEREOF, the duly authorized representative of each of the Parties has executed this Agreement as of the date first set forth above.

THE COMPANY:

GOODRICH CORPORATION,
A part of Collins Aerospace, doing business
by and through its unincorporated business
division Goodrich De-icing and Specialty
Systems

by:



typed name: Veronika Nippe-Johnson
title: Compliance Counsel

DISTRIBUTOR:

AAR SUPPLY CHAIN, INC.

by:



typed name: Eric Young
title: Sr. Vice President, OEM Solutions

Notices sent to COMPANY
shall be sent to:

Notices sent to DISTRIBUTOR
shall be sent to:

Attention: Lauren Bier
Position Associate Director, Distribution
Services
Street: 150 Oak Plaza Blvd.
Additional:
City: Winston Salem, NC 27105
Country: U.S.A.
Phone:
Mobile: (704)497-1503
Fax:
E-Mail: Lauren.Bier@collins.com

Attention: Paige Immordino
Position: General Manager, OEM
Solutions - Commercial
Street: 1100 N Wood Dale Rd.
Additional:
P-Code, City: Wood Dale, IL 60190
Country: U.S.A.
Phone: (630)402-1070
Mobile:
Fax:
E-Mail:

Paige.Immordino@aarcorp.com

With a copy to: Britt Davis, Ken Heath

EXHIBIT LIST

- Exhibit A:** Territory, Customers, and Products
- Exhibit B:** Anti-Corruption Certification
- Exhibit C:** RTX Corporate Policy Manual Section 48
- Exhibit D:** Branding Guidelines
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EXHIBIT A
–REPRESENTED BUSINESS, TERRITORY, PRODUCTS & CUSTOMERS –

This Exhibit A is attached to, an integral part of, and subject to the terms of the Agreement, as the same may be amended or modified from time to time. Capitalized terms not defined in this Exhibit A shall have the meanings given to such terms in the Agreement.

1. Represented Business and Distributor Appointment:

- 1.1. Distributor shall be the exclusive Distributor for the products currently manufactured at the following site locations (the “**Products**”), which manufactures and sells De-Icing and Specialty Heating Products:

Goodrich Corporation, a part of Collins Aerospace, doing business through its unincorporated division Goodrich De-Icing and Specialty Systems unit
1555 Corporate Woods Parkway
Uniontown, OH 44685 USA (Business Development/Administration)

Goodrich Corporation, a part of Collins Aerospace doing business through its unincorporated division Goodrich De-Icing and Specialty Systems unit
225 Stringtown Road
Union, WV 24983 USA (Manufacturing)

- 1.2. In the event company changes the manufacturing site for Products currently manufactured in the locations stated above, such Products will remain within the scope of this Agreement unless mutually agreed to by the Parties.

2. Territory Defined:

Global

3. Customers Identified:

- 3.1. Customers covered by this Agreement:

- a. commercial airlines, regional airlines, Part 135 operators (cargo, charter), fixed base operators (FBO), individual aircraft owners or A&P's, US military/Government, non-US military/Government,
- b. third party resellers (brokers, distributors) without airworthiness regulatory authority to perform repairs and
- c. maintenance and repair facilities with airworthiness regulatory approval to perform repairs including prop overhaul facilities.

For third party resellers (brokers, distributor), Goodrich will refer all inquiries to Distributor.

4. Products/ Prices/Discounts:

The Annual Order (minimum) shall be submitted by October 15th of the preceding year. In April of the delivery year, Company will allow one adjustment to the Annual Order parts remaining outside of lead time. This is only for shifts and substitute of parts and will not change the dollar amount of the submitted Annual Order. The Company asks that Distributor makes a concerted effort to request delivery of Annual Orders as evenly as practical within the next calendar year.

4.1. Prices. [Prices for Products before discount are based off the current year List Price Catalogue]

4.2. Annual Order Minimum

Delivery Year	Value of Annual Order PO	Date of PO Placement
2022	\$11.5M	February 18, 2022, *
2023	\$14.7M	October 15, 2022
2024	\$15.4M	October 15, 2023
2025	\$16.2M	October 15, 2024

*However, Distributor shall not act as a distributor of the Products, or contact Customers about this Agreement or the Products, including, but not limited to, soliciting or accepting sales from Customers pursuant to this Agreement, prior to March 14, 2022.

4.3. Annual Order Volume Discounts:

Options	Delivery Year 2022 Annual Order List Price	Delivery Year 2022 Annual Order Purchase Price (Req. Min.)	Delivery Year 2023 Annual Order List Price	Delivery Year 2023 Annual Order Purchase Price	Delivery Year 2024 Annual Order List Price	Delivery Year 2024 Annual Order Purchase Price	Delivery Year 2025 Annual Order List Price	Delivery Year 2025 Annual Order Purchase Price	Discount Off Delivery Year List Price
Required Base Level Delivery Year Prices & Discount	\$18.8M ¹	\$10.4M ¹	\$26.7M	\$14.7M	\$28.0M	\$15.4M	\$29.5M	\$16.2M	45% ²
Optional Level 2 Delivery Year Prices & Discount	\$21.7M ¹	\$11.5M ¹	\$30.6M	\$16.2M	\$33.4M	\$17.70	\$35.2M	\$18.7M	47% ²
Optional Level 3 Delivery Year Prices & Discount	\$25.2M ¹	\$12.6M ¹	\$35.4M	\$17.7M	\$36.8M	\$18.4M	\$38.8M	\$19.4M	50% ²

¹ The above-referenced 2022 Annual Order Amounts reflected are adjusted due to the March 14, 2022 date referenced in Exhibit A, Section 4.2

² The above-referenced discount rates in the column titled "Discount Off Delivery Year List Price" apply to all Products but for the Competitive Prop De-Icers and Wire Harnesses, to which a greater discount rate of 65% will apply.

For Purposes of the above Table, the following products are excluded from the discounts

- (a) application engineering, field service engineering, training, provisioning, installation, testing, and changes of and to other products and services offered by a Company,

- (b) non-recurring engineering services,
- (c) transfers or licenses of technology by a Company to Customers

4.4. Fill Order Discounts:

Product	Discount
Care & Maintenance Products	40%
Electrothermal De-Icing	40%
Erosion Products	40%
Pneumatic De-Icers (Non-Competitive)	40%
Pneumatic De-Icers (Competitive)	45%
Pneumatic De-Ice Hardware	40%
Lucas/Bendix De-Ice Hardware	25%
Prop Components	40%
Prop De-Icers	65%
Prop Wire Harnesses	65%
Prop Hardware	40%

4.5. Adjustment in Annual Order Minimum

Distributor may request an adjustment to the Annual Order minimum when (i) there has been a material change in the market demand for the Products or market conditions related to the Products (including but not limited to SB or AD affecting the Products, surplus material available in the market, existing or new LTAs between previous distributors and Customers or House Accounts and Customers and new PMA competition with Products), or (ii) Company has increased the number of its House Accounts, Partial House Accounts or has otherwise modified the scope of this Agreement. Distributor shall provide along with its request for adjustment, market and Products data supporting its adjustment request. Company and Distributor shall negotiate in good faith an adjustment to the Distributor Annual Order Minimum as set forth in Section 4 of this Exhibit A, to reflect such changes.

5. Additional requirements of Distributor to those in Sections 4 and 7 of the Agreement:

5.1. Ship-Aheads

Notwithstanding Section 4.5 of the Agreement, in the event the Company elects to program early shipments, so long as the request date is within or equal to fifteen (15) days of the ship date, no prior notification is required.

5.2. On-Time Delivery (OTD) Metrics

In order to calculate OTD as set forth in Section 7.4, "Performance Remedies" of the Agreement, the following will be taken into consideration:

- 5.2.1. LRUs and piece parts
 - 5.2.2. Remove "Credit Hold" Customers (sales process)
 - 5.2.3. No prior sales of 2 or more instances in the last 12 months
 - 5.2.4. No Pass-thru units (FOC)
 - 5.2.5. No special orders parts (OAN/RETROFIT)
 - 5.2.6. No dual usage parts
-

- 5.2.7. No special test equipment
 - 5.2.8. LRUs split quantity into line items; piece parts single line item by order
 - 5.2.9. One business day to process and ship order
 - 5.3. Distributor Reporting Requirements
 - 5.3.1. Monthly:
 - i. Sales Report by Customer, Part Number, Description and Units
 - ii. Inventory Report by Part Number and Units, by Location
 - iii. Competitive Market Intelligence Items of Interest (I.O.I.)
 - iv. Missed Opportunity Reports
 - 5.3.2. Quarterly:
 - i. Sales Initiatives, Training, Promotions, Customer Visits, and Activities to Promote SIS
 - ii. Rolling 18 Month Forecast (updated quarterly) with a 90 Day Freeze on any changes
 - 6. **Key Personnel of Distributor:**
 - 6.1. Distributor shall assign a Product Line Manager who will be the focal point for all communications with Goodrich.
 - 6.2. Distributor shall identify at least five (5) Subject Matter Experts (SMEs) to participate in device sales and product training. Training is expected to take place at the Goodrich West Virginia production facility. Distributor can request additional training resources if new or replacement SME's are required to support the business.
 - 7. **House Accounts:**

Pursuant to the definition of House Accounts in the Agreement, a list of Exclusive and Partial House Accounts is provided in Section 3.2 to Exhibit A.
 - 8. **Long-Term Agreements (LTAs) and Competitive Negotiations:**
 - 8.1. If a competitive LTA proposal or a negotiation is in consideration between the Distributor and their customer and the Distributor indicates that an additional purchase price discount is necessary to secure the business, Goodrich will address same with the Distributor on a case-by-case basis.
 - 8.2. No LTA shall limit the Customer's ability to purchase Products directly or indirectly from the Company pursuant to Section 1.2 or upon expiration or termination of this Agreement. Distributor shall ensure that any LTAs include language to this effect.
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ATTACHMENT 1 TO EXHIBIT A

Those items listed under A. are Exclusive House Accounts; those items listed under B. are Partial House Accounts

A. Exclusive House Accounts:

Airframe manufacturers, their subsidiaries, and their contractors including, but not limited to:

Airbus (excluding Satair A/S)
ATR
AVRO International
Boeing (excluding Boeing Distribution Inc.)
Bombardier (including Bombardier Services and Lear Jet)
De Havilland Aircraft of Canada Limited
MHIRJ
Commercial Aircraft Corporation of China, Ltd.
Dassault
Embraer
Gulfstream
Textron Aviation, Inc. (including any products branded as Hawker Beechcraft)
Mitsubishi Aircraft Corporation
SAAB Aircraft
Shanghai Aircraft Manufacturing Co, Ltd.
Sierra Nevada, Sukhoi Civil Aircraft
Diehl Aerospace Inc.
Zodiac Aerospace Inc.
Bruce Aerospace Inc.
STG Aerospace Inc.
Goodrich Hella Aerospace Lighting Systems
Raytheon Aerospace Systems

B. Partial House Accounts:

No such accounts as of the Effective Date of the Agreement.

EXHIBIT B
ANTI-CORRUPTION COMPLIANCE
CERTIFICATION



Eric Young certifies the following:

- A. Distributor has not and will not directly or indirectly pay, offer, give, or promise to pay or give or authorize the payment or gift of any portion of the compensation it receives or anything of value to any Government Official for purpose of influencing any act or decision by such person in his official capacity, inducing him to use his influence to affect, either by action or inaction, any act or decision of such Government or securing any improper advantage to obtain or retain business.
- B. For purpose of this Anti-Corruption Compliance Certification, Distributor acknowledges that the following definitions apply:
1. The term Government Official includes officers or employees of any Government, or any department, agency or instrumentality thereof, or any person acting on behalf of the Government, political parties and candidates for public office, employees or others acting on behalf of public international organizations, and Government-owned enterprises, including Government owned airlines and their employees.
 2. The term Distributor includes its owners, directors, officers, employees, agents or other representatives.
- C. Distributor has supplied the Company with full and accurate information in writing regarding:
1. Any family or other close personal or business relationships Distributor or its owners, officers, directors and principal employees have with any Government official.
 2. Any political contributions made by or on behalf of Distributor or its owners, officers, directors or principal employees in connection with the last and/or currently pending or contemplated election.
 3. Any prior positions with the military or any Government agency or continued involvement in the military reserves or as a retired military officer by the Distributor or its owners, officers, directors or principal employees.
- C. All representations and certifications made by the Distributor associated with its retention by the Company as a sales representative, including without limitation the questionnaire, are accurate in all respects.
- D. Distributor confirms that none of its owners, officers, directors and principal employees serves in any capacity with a Government agency or ministry, a Government-owned corporation, or a political party or candidacy, except as disclosed to the Company in writing.
- E. Distributor confirms that it has not hired or retained and does not utilize any sub-representatives, consultants or others to assist in the performance of its Agreement with the Company except as disclosed to and approved in writing the Company.
- F. Distributor agrees that if subsequent developments cause any of these representations or prior information furnished to the Company to no longer be accurate and complete, Distributor shall immediately furnish the Company with a supplementary report detailing such change in circumstances.

AAR Supply Chain Inc.

by:

typed name: Eric Young

title: SVP

Wood Dale, USA

Location (City, Country)

2/10/22

Date (DD-MM-YYYY)

EXHIBIT C
-RTX CORPORATE POLICY MANUAL SECTION 48-

EXHIBIT D
-BRANDING GUIDELINES-