

Able Aerospace Purchase Order Terms and Conditions

SPECIAL INSTRUCTIONS

1. If you perform maintenance, preventative maintenance and/or subcontract this work, at any tier, you are responsible to ensure that you as well as your supplier and/or subcontracted supplier comply with the applicable drug and alcohol and duty time limitation program regulations, 14 CFR Part 120 and 14 CFR 121.377.
2. For shelf life limited items, each item purchased must have at least 75% shelf life remaining.
3. If the delivery date specified cannot be met, confirm in writing with the actual delivery date.
4. All calibration services must be performed to National Institute of Standards and Technology (NIST) standards or standards that are traceable to NIST.

PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance. In these Purchase Order Terms and Conditions ("Terms and Conditions"), Able Aerospace Services, Inc. and its subsidiaries will be known as "Able" and the supplier of the goods or services will be known as "Supplier", each of whom may be referred to individually as "Party" or collectively as "Parties". The Purchase Order ("Order") is offered to the Supplier for the purchase of Goods or Services and shall be binding upon Supplier's written acknowledgment, commencement of performance, or any other conduct of Supplier, which recognizes the existence of a contract pertaining to the subject matter hereof. In such event, Supplier's acceptance is limited to the terms contained herein; additional or different terms are material, objected to and hereby rejected. This Order may not be modified, except by an Order Supplement signed by Able. It is understood that any conditions of sale printed anywhere on the form of acknowledgement issued by Supplier are deemed to be null and void, and will not be binding on Able.
2. Pricing, Invoice and Payment. The prices shown herein for the material, equipment or items ("Goods") or services ("Services") of the type ordered hereunder shall be complete, and no additional charges may be added without Able's express written consent, including any charges for transportation, packaging, customs, duties, taxes, storage, insurance, boxing and crating expenses or travel and incidental expenses.
 - a. This Order may not be invoiced at a higher purchase price than shown on the face of this Order. If no price is shown, the Goods or Service shall be invoiced at the price last quoted, last paid or the prevailing market price, whichever is lower.
 - b. Supplier shall pay all taxes, duties, due and other related charges imposed under any present or future law, whether now or hereafter in force, up to the Goods or Services delivery point stated in this Order, or as a result of, or in connection with the Goods or Services furnished under this Order
 - c. Supplier provide a "commercial invoice" for all goods imported to Able in accordance with and as set out in further detail in **Section 30**, International Trade Compliance.
 - d. Payment terms are 2% 15, net 60 days after receipt of invoice.
 - e. Unless Able has made arrangements with Supplier for batched billings, Supplier will separately invoice Able for each delivery (and not invoice prior to the delivery) of Goods or Services. Payment due date and discounts will be computed from the date Able receives a correct invoice. Unless taxes, freight or other charges are itemized, discounts will be taken on the full invoice amount. Able has the right to withhold payment of any invoice amount disputed in good faith.
3. Delivery.
 - a. Delivery must be in strict compliance with the schedule contained in this Order and shall be made by Supplier at such times and places and of such items and quantities as are specified by Able. Parts fabricated in excess or in advance of Able's requirements contained in this Order are at Supplier's risk. Able reserves the right to return to Supplier, at Supplier's expense, all goods received more than seven (7) calendar days ahead of the required delivery date or in excess of Able's Orders. Able reserves the right, without loss of discount privileges, to pay invoices covering items shipped in advance of the schedule on the normal maturity after the date specified for delivery.

Able Aerospace Purchase Order Terms and Conditions

- b. If Supplier fails to meet its scheduled delivery dates and Able elects to call for expedited shipments, Supplier will pay the actual expedited rate incurred. Should Able accept goods which are not delivered on or before the required delivery date, which option Able reserves, Supplier shall be liable for all additional costs incurred by Able because of such delay(s) including, but not limited to, telecommunication costs, additional or premium transportation charges, special handling expenses, and costs to Able to install the materials out of normal sequence in addition to other remedies available by law to Able.
 - c. Title and risk of loss shall remain in Supplier until goods are delivered FBO Destination. Notwithstanding such delivery, Supplier shall bear risk of loss or damage to goods purchased hereunder from the time that Able gives notice of rejection of goods pursuant to the inspection provisions of this Order. If Supplier encounters or anticipates difficulty in meeting the delivery schedule, Supplier shall immediately notify Able in writing, giving pertinent details; provided however, that the receipt of such data shall be for information purposes only and shall not be construed as a waiver by Able of any delivery schedule or date or of any rights or remedies provided by law or this Order. If Supplier fails to make delivery promptly and regularly, as required by the Order, Able may, in addition to other remedies available at law, terminate this Order in accordance with the section of this Order entitled "Termination for Cause." Nothing contained in this section shall prevent termination by Able under the provisions of the "Termination for Cause" section of this Order.
 - d. Any goods or services which are nonconforming as to the quality, quantity, or delivery schedule will constitute a breach of this Order. In the event of such a tender, Able will be entitled to all remedies as provided by law, and in addition thereto will have the right to do any or all of the following, at Supplier's risk and expense: (1) to reject the goods or services in whole or in part (including the right to hold such nonconforming goods for a reasonable period pending such determination); (2) to return such nonconforming goods to Supplier for replacement or correction (Able's election); (3) to accept such nonconforming goods or services subject to an equitable price reduction; (4) to replace or correct such nonconforming goods or services and charge to Supplier the cost occasioned to Able thereby; (5) to reject and repackage non-conforming deliveries at Supplier's expense; (6) to recover by setoff or otherwise any and all expenses, costs, price reductions, and damages paid, incurred, or suffered by Able as a result of any of the foregoing (including those related to late deliveries); or (7) to terminate this Order, previous purchase Orders and all other agreements.
4. Packing and Shipping. All Goods and Services shall be suitably packed for delivery to prevent damage in transit. Damage to any Goods or Service(s) resulting from improper packaging will be charged to Supplier. Each container must be accompanied by one copy of the shipping documents (i.e. Packing list) plus any requested documentation on this Order. Unless otherwise specified on this Order, no value shall be declared on any shipment for the purpose of insurance. Supplier agrees to comply with appropriate export requirements and describe the Goods on the bill of lading in conformity with appropriate freight classifications.
5. Excusable Delay.
 - a. Except for defaults of Supplier's subcontractors at any tier, neither Able nor Supplier will be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. In the event of a party's failure to meet any of its obligations under this Order, where such failure is the result, in whole or part, of any labor dispute or strike, failure of usual sources of supply, war, riot, insurrection, vandalism, commotion, fire, flood, earthquake, accident, storm, epidemic, pandemic, terrorism, freight embargoes, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, or any other cause beyond such party's reasonable control (for purposes of this section, an "Excusable Delay"), such party's obligations hereunder shall be suspended (except for the obligation to make payments for amounts owed) to the extent of the Excusable Delay event, except as provided hereafter. The party declaring an Excusable Delay event shall give notice to the other party, using the most expedient means available under the circumstances, stating the particulars of the

Able Aerospace Purchase Order Terms and Conditions

- event. The parties shall use all diligent efforts to promptly resume normal performance hereunder after the occurrence of any Excusable Delay event.
- b. If the Excusable Delay event continues for longer than thirty (30) calendar days, then the party not declaring the Excusable Delay event, at its sole option, may terminate the Order in whole or in part without any obligation or liability except for the obligation to make payments for amounts owed prior to Excusable Delay notice receipt.
6. Hazardous Chemicals and Declarable Substances.
 - a. Supplier will appropriately label all hazardous chemicals/materials in accordance with such systems as may be required by law or specified by Able.
 - b. For any goods delivered under an Order that contains an Explosive, Radioactive, National Aerospace Standard 411 Listed Substance and/or a Substance that requires EU 2006/1907 authorization (Declarable Substance), notice must be provided at time of delivery to Able with Able's part number and all required Safety Data Sheets, technical documents and competent authorities.
 - c. Able further reserves the right to require substance disclosures according to National Aerospace Standard (NAS) 411 or the Aerospace and Defense Declarable Substance List (AD-DSL) for any goods delivered. Supplier shall provide Declarable Substance disclosures within thirty (30) days of Able's request. A non-response by Supplier will be treated by Able as a certification by Supplier that a Declarable Substance is not present in the delivered Goods.
 - d. All disclosures or non-disclosures and the accuracy of information pertaining to Declarable Substances are the sole responsibility of the Supplier. Any Able liability resulting from Supplier failing to correctly report this information to Able or Able's customer shall be the responsibility of Supplier.
 7. Changes. Able may make changes in the technical requirements, specifications, drawings or designs, materials, packaging, place of delivery, method of transportation, Able-furnished property, quantities or delivery schedules of the Goods or Services by notifying Supplier in writing. Any material effect on the costs or time required to perform due to any such change will entitle Supplier to re-quote Able for an adjustment in the price and/or delivery schedule in writing for review and approval by Able.
 - a. Supplier shall not have authority to make any changes to Able's drawings or drawings supplied by a prime contractor to whom Able is a subcontractor. Further, Goods manufactured or Services rendered in accordance with Able's specifications and drawings will not be furnished or quoted to any other party without Able's prior written consent.
 8. Warranty. Supplier warrant that all Goods and Services will: conform to the requirements of this Order and any samples or other descriptions given; be of good quality and free from defects in material, workmanship and design (to the extent not manufactured pursuant to Able's drawings or internationally recognized standards); be free from all liens and encumbrances; and be merchantable and fit for their intended purpose. Supplier also warrants that: all software Goods will function in accordance with documentation; all Services will be performed in a competent and timely manner. The breach of any of the foregoing warranties shall entitle Able to elect, at Able's sole option, repair or replacement of the Goods or Services or refund of all amounts paid therefor. All warranties shall survive any inspection, test, acceptance or use of the Goods or Services and shall transfer to Able and to all parties to whom the Goods or Services may be resold. All warranties shall be construed as conditions as well as warranties, and no warranties or remedies for breach thereof shall be deemed to be exclusive. Supplier shall save Able harmless from any loss, damage or expense whatsoever that Able may suffer from the breach of any of these warranties.
 9. Inspection/Testing. Able's acceptance of Goods or Services shall be subject to final inspection and testing within a reasonable time after receipt at destination. Any inspection or testing shall not constitute an acceptance of the results thereof. Neither failure to inspect nor acceptance of an inspection or testing will relieve Supplier of any obligation herein and will not be construed as a waiver by Able of Able's rights or remedies. Able shall have the right to reject any Goods or Services found not to be in compliance with the specifications or other requirements of this Order. If any Goods or Services are partially or fully rejected the rejected Goods or Services may be

Able Aerospace Purchase Order Terms and Conditions

returned to Supplier at Supplier's sole expense and risk. Unless Able has given notice of termination for cause pursuant to Section 12 herein, following return of any rejected Good or notification of any rejected Service, Supplier shall promptly replace or correct the Goods or Services rejected with Goods or Services of suitable quality. The obligations of this section shall survive the cancellation, termination or completion of this Order.

10. Infringement

- a. Supplier warrants that the sale, use, or incorporation into manufactured products of machines, parts, components, services, devices, material, goods and rights furnished or licensed hereunder which are not of Able's design, composition, or manufacture will be free and clear of infringement of any valid patent, copyright, trademark or other proprietary rights. Supplier agrees that it will, at its own expense (including but not limited to the payment of attorney's' fees, court costs and any bond or appeal from any adverse judgment), indemnify, defend and hold harmless Able against any and all claims, charges or lawsuits asserted or instituted by any party against Able or its customers for alleged infringement of any patent, copyright, mask work, trade secret, trademark, or other intellectual property right, proprietary right, or similar right caused by or relating to the manufacture or use of goods manufactured by or for Supplier and furnished to Able in the performance of an Order, or relating to the manufacture or use of such goods in combination with other articles of its manufacture as intended or as contemplated by this Order or as is otherwise recommended by Supplier, except where such claims, charges or lawsuits arise from Supplier's manufacture of the goods pursuant to drawings or designs furnished to Supplier by Able, provided Able gives Supplier reasonable notice in writing of any such claims or charges, and of the institution of any such lawsuit of which it has knowledge and provides Supplier with control over the defense and/or settlement of the applicable claims. In the event of any claim that any goods furnished hereunder infringe any patent, copyright, trademark or similar right Supplier may, at its option and expense: (i) procure for Able and its customers the right to continue using the goods, or (ii) replace or modify the goods so that such goods become non-infringing provided the replaced or modified goods comply with the specification for the goods and Supplier remains responsible for all other commitments regarding the goods contained in this Order, including any applicable product support agreement. Supplier further agrees that in case of any settlement including the payment of any monies, Supplier will pay all monies due under the settlement. Supplier further agrees that in case of a final judgment or award of damages or other monetary relief in any such lawsuit, it will pay such judgment or award and will indemnify and hold harmless Able and all persons claiming under Able in respect to such award, court costs, attorney fees, and expenses incurred by reason thereof. Supplier shall notify Able in writing of each such notice or claim of which Supplier has knowledge.
- b. Counsel selected by Supplier to represent Able or its customers in any lawsuit over which Supplier is to provide a defense shall be subject to the prior written approval of Able, which approval shall not be unreasonably withheld. Additionally, in the event that a conflict of interest arises between Able (or Able's customer) and Supplier so that the same counsel cannot properly represent both Able (or Able's customer) and Supplier in the same lawsuit, Able may select separate counsel to represent Able (or Able's customer), and no later than the fifteenth (15th) day of each month Supplier shall reimburse Able for all legal fees, costs and expenses (including expert fees) paid by Able in the immediately preceding month. Further, in the absence of any such conflict of interest, Able shall have the right to separate or additional counsel to represent Able (or Able's customer) at Able's sole expense.
- c. Supplier shall not enter into any settlement of any claim or lawsuit under this section in which Able (or Able's customer) is a party to the settlement, without the prior written consent of Able, which consent shall not be unreasonably withheld.
- d. The obligations of this section shall survive the cancellation, termination, or completion of any Order.

11. Quality. Supplier shall implement and maintain a quality program acceptable to Able and in accordance with Able's quality and reliability requirements for the goods delivered and services

Able Aerospace Purchase Order Terms and Conditions

rendered under this Order. Supplier will have the continuing obligation to immediately notify Able of change or deviation from Supplier's approved quality program and to notify Able of any goods delivered or services rendered during the period of such change or deviation.

12. Termination for Convenience. Able reserve the right to terminate this Order, in whole or in part, without cause and for Able's sole convenience, upon at least thirty (30) days prior notice to Supplier specifying the extent of termination and the effective date thereof. In the event and to the extent of such termination, Supplier shall immediately stop all work hereunder. Able's total liability to Supplier for the terminated part of this Order shall be limited to the price of Goods or Services delivered to and accepted by Able prior to the effective date of termination.
13. Termination for Cause. Able shall have the right to terminate this Order, without prejudice to Able's right to seek appropriate damages from Supplier for Supplier's default, effective upon notice to Supplier, in the event (a) Supplier fails to deliver the Goods or perform the Services within 15 days of the delivery date stated on the Order, (b) Supplier fails to perform any other provision of this Order (or to make progress so as to endanger performance of this Order) and do not cure such failure within ten (10) days after notice from Able, (c) any Supplier representations or warranties made herein were untrue at the time given, (d) Supplier suspends business operations, make an assignment for the benefit of creditors, become insolvent, is unable to pay bills as they become due, files or has filed bankruptcy or insolvency proceedings that are not dismissed within thirty (30) days from their filing, or (e) a receiver, liquidator or trustee is appointed for Supplier or any of Supplier property. Able rights and remedies hereunder are cumulative and are in addition to any other rights or remedies Able may have at law or in equity. If after termination it is determined that Supplier was not in default, the termination will be deemed for Able's convenience and the rights and obligations of the parties will be as set forth in Section 12.
14. Independent Contractor. Supplier is and shall remain Able's independent contractor, and under no circumstances will Supplier or any of the Supplier's personnel be deemed Able agents or employees. As such, Supplier is responsible for injury to or death of persons, and damage to or destruction of property, resulting from the quality of, or the manner in which, work is performed pursuant to this Order.
15. Assignment/Subcontracting. No part of this Order may be assigned or subcontracted by Supplier, directly or indirectly, without Able's prior written approval. Able shall have the right, exercisable in Able's sole discretion, to immediately terminate this Order upon any change of control of Supplier, as determined by Able in Able's sole discretion. Able reserves the right to assign all or any part of this Order to any of Able subsidiaries or affiliates or any successor in interest to all or any part of Able operations. Subject to the foregoing, this Order shall be binding on and inure to the benefit of Supplier's and Able's respective heirs, representatives, successors and assigns.
16. Confidentiality.
 - a. All information and documentation disclosed or furnished by Able to Supplier hereunder or in connection herewith (including the terms of this Order) is confidential and proprietary and shall not be used by Supplier for purposes other than the performance of this Order or disclosed by Supplier to third parties without Able's prior written approval. Supplier shall not use Able's name or advertise or disclose this Order's existence without Able's prior written approval. The confidential and proprietary information, which may be furnished hereunder, is of a special, unique and extraordinary character, and Able could be irreparably harmed by any disclosure thereof in violation of this Agreement. Use of any Able confidential or proprietary information for your business purposes and/or any other person or entity to whom Supplier may thereupon disclose it to, could enable such party and/or such other persons or entities to whom it may thereupon be furnished, to compete unfairly with Able. The duty of nondisclosure by Supplier shall survive this Order.
 - b. Supplier shall not publish, distribute or use any information developed under or about the existence of this Order, or use the Able name (or the name of any parent, division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for products or service endorsement without prior written approval of Able.

Able Aerospace Purchase Order Terms and Conditions

17. Compliance with Laws.

- a. Supplier agrees to comply with all applicable local, state and federal laws, orders, directives and regulations heretofore or hereafter promulgated including, without limitation, the Fair Labor Standards Act, the regulations and orders of the U.S. Department of Labor, applicable OSHA and EPA requirements, and the U.S. Department of Transportation regulations on hazardous materials. Supplier shall not source goods or services in violation of any U.S. trade regulation, nor shall Supplier procure goods or services in violation of the Lacey Act (16 U.S.C. §§ 3371–3378). In addition Supplier agrees to comply with the Textron Code of Conduct for Suppliers and other Business Partners available at [http://www.textron.com/assets/resources/Textron Code of Conduct Suppliers Business Partners.pdf](http://www.textron.com/assets/resources/Textron_Code_of_Conduct_Suppliers_Business_Partners.pdf)
- b. Supplier represents and warrants that neither it nor any of its subtler suppliers will utilize child, slave, prisoner or any other form of forced or involuntary labor or engage in abusive employment or corrupt business practices, in the performance of this Order. At Able's request Supplier shall certify in writing its compliance with the foregoing.
- c. Supplier warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Able any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986 with a view toward securing any business from Able or influencing such person with respect to the terms, conditions, or performance of any contract with or purchase order from Able, nor has Supplier engaged in any practice in violation of the Foreign Corrupt Practices Act of 1977. Any breach of this warranty will be a material breach of each and every contract between Able and Supplier.
- d. Supplier agrees to indemnify and hold Able harmless and defend it from and against any loss, damage, fine, penalty, demands or expense whatsoever (including attorney's fees and other professional expenses) that Able may suffer as a result of or relating to Supplier's failure to comply with any of the provisions of this **Section 17**. The foregoing is in addition to and not in mitigation of any other requirements of this Order.

18. Disputes and Applicable Law.

- a. This Order shall be deemed to be a contract entered into in the State of Arizona, U.S.A., and shall be construed and governed in all respects, and the legal relationships between the parties shall be determined in accordance with applicable commercial law of the State of Arizona, U.S.A., including but not limited to, the Uniform Commercial Code, as the same may be enacted and in force from time to time in that jurisdiction. For purposes of this Article, "applicable commercial law of the State of Arizona, U.S.A.," shall not include any limitations regarding indemnity and/or contribution under the law of the State of Arizona, U.S.A.
- b. Able and Supplier expressly agree to exclude from this Order the United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor thereto.
- c. Any dispute arising under or relating to this Order that cannot be resolved by mutual agreement, shall be resolved by an action brought in, and the parties consent to the venue and jurisdiction of the United States District Court for the District of Arizona; provided, however, if the United States District Court for the District of Arizona lacks proper subject matter jurisdiction then and only then the parties consent to the venue and jurisdiction in the State Courts of the State of Arizona, County of Maricopa, and irrevocably waive any objection to the jurisdiction of, or venue in, and agree that the acceptance of this Order constitutes doing business in the State of Arizona.
- d. In any such action between the parties, the prevailing party shall be entitled to recover (in addition to any other relief awarded or granted) its reasonable costs and expenses (including attorneys' fees) incurred in the proceeding.
- e. Pending resolution of any dispute hereunder, Supplier shall proceed diligently with the performance of work, including the delivery of goods in accordance with Able's direction. Upon resolution of the dispute, Orders shall be equitably adjusted, if necessary, to reflect such resolution.

Able Aerospace Purchase Order Terms and Conditions

- f. The rights of both parties hereunder will be in addition to their rights and remedies at law or in equity.
 - g. In no event will Able be liable for anticipatory profit, special (including multiple or punitive), incidental, or consequential damages (including without limitation, lost profits) arising from or relating to this Order, or any breach thereof. Able's liability for any claim of any kind for loss or damage arising out of or in connection with this Order shall not exceed the price allocable to the Goods or Services (or unit thereof) that give(s) rise to the claim.
 - h. Any action resulting from Able's breach of this Order must be commenced within one (1) year after the cause of action has accrued.
19. Equipment and Tooling. Unless otherwise agreed in writing, Supplier shall furnish at its own expense all special dies; tools, jigs, fixtures, equipment and patterns used in the performance of this Order ("Tooling") the same to be kept in good condition and to be replaced by Supplier when necessary without expense to Able.
20. Setoff. Able may set off any amount due from Supplier, whether or not under this Order, against any amount Able owes the Supplier. Able may also withhold from payment of any amount Able owes to Supplier an amount sufficient to reimburse Able for any loss, damage, expense, cost or liability arising from Supplier's breach of this Order.
21. Right to Audit. Supplier shall keep complete records and accounts from which may be determined the actual cost of Goods or Services provided under this Order and compliance with all other terms and conditions hereof. Such records and accounts shall be open for inspection, examination, audit and copying by Able or Able designated representative at all reasonable times for up to three (3) years following the expiration or termination of this Order.
22. Survival. Notwithstanding anything herein to the contrary, the sections or portions of this Order that expressly or implied survive expiration or termination, shall survive the expiration or termination of this Order.
23. Invalidity and Waiver. If any provision of this Order is declared unlawful, invalid or unenforceable by any final administrative, legislative or judicial action, this Order shall be deemed to be amended to conform to the requirements of such action and all other provisions hereof shall remain in full force and effect. Neither Able's failure or delay in requiring strict performance of or in enforcing any provision of this Order, nor Able's previous waiver or forbearance of any such provision, shall in any way be construed as a waiver or continuing waiver of any provision of this Order. This Order is the entire agreement of the parties, and shall supersede any prior or contemporaneous oral or written agreements or understandings between the parties, relating to the subject matter hereof.
24. Provisions and Management of Parts. Except as otherwise notified by Able in writing, Supplier shall provide all parts, documentation, information and materials necessary for the provision of the Goods or Services. All parts or materials used by Supplier shall be secured only from sources that can trace their origin to the manufacturer and be of a part number and modification status as listed and identified in Able applicable Drawings, Specifications and/or Writings, if any. Any deviation from the applicable Drawings, Specifications, and/or Writings must have written authorization from Able Engineering Department prior to the use of such part or material. Material certification slips, where applicable, shall be retained by Supplier and copies supplied with the parts upon delivery. Able reserves the right, in Able's sole discretion, to furnish to Supplier any parts or materials for the provision of the Goods or Services, which parts and materials shall be delivered to Supplier in a timely manner. In that regard, Supplier shall accumulate, store and assume full responsibility for all parts supplied by Able, unserviceable recoverable parts or scrap material and shall provide Able with an inventory of such items as requested, at no cost to Able. Able shall give Supplier, directions on the disposition of all such parts and materials.
25. Monitoring of Work. Able shall have the unrestricted right to monitor manufacture of the Goods or performance of the Services in progress. For that purpose, Supplier shall permit Able agents or employees to enter your facilities when the Goods are being manufactured or the Services are being performed. Supplier shall impose an identical requirement on any subcontractor permitted hereunder.
26. American's Right to Use Documentation. Able shall have the royalty-free right to use and disclose, for the purposes of the sale, use, operation, maintenance or other property, any oral or

Able Aerospace Purchase Order Terms and Conditions

written documentation or information received from Supplier that is required for such use. Able shall also have the unlimited right to duplicate said documentation and information for the purposes set forth above.

27. Notices. Unless otherwise specified in this Order, all notices, approvals, requests, consents and other communications given pursuant to this Order shall be in writing and shall be deemed to have been duly given when received if hand-delivered, sent by courier or sent by certified or registered mail, addressed to the addresses set forth in this Order or to such other addresses as may be subsequently specified by the parties in writing.
28. Option. Unless otherwise agreed in writing, the Goods or Services covered hereby are being ordered at Able's option. There are no minimum unit or dollar volumes of Goods or Services guaranteed by Able to Supplier hereunder. This is a nonexclusive Order, and therefore at any time Able may provide, or use any third party supplier to provide, any or all of the same or similar Goods or Services as are provided hereunder.
29. Usage and Distribution. Unless otherwise agreed in writing, Able may use Goods or Services provided hereunder worldwide for the benefit of any of Able. For Goods to which Able takes title, there are no restrictions on Able subsequent distribution thereof. For software Goods, Supplier grants Able a perpetual, worldwide, paid-up, irrevocable license to use each licensed copy on any one computer or piece of equipment at a time and to make backup copies.
30. International Trade Compliance.
 - a. Supplier acknowledges that Able's obligation to provide any technical data or hardware (including fixtures, test equipment and Able supplied assemblies) to Supplier is conditioned upon Able having previously received any required export license or permit. Supplier agrees that it will comply with any restrictions imposed on the use of the technical data or hardware provided by Able as set forth in the export license. Restrictions imposed by the export license (including any Technical Assistance Agreement or Manufacturing License Agreement) may include, but are not limited to, restrictions on the access to the licensed hardware or technology by foreign nationals and restrictions associated with the use of dual nationals. Supplier agrees to comply with all applicable import and export regulations, including but not limited to U.S. International Traffic in Arms Regulations (ITAR), Export Administration Regulations (EAR), and those regulations enforced through the Office of Foreign Assets Control (OFAC). Supplier agrees to work with Able to put into place the necessary controls needed to ensure compliance with such laws and regulations. Able may delay the provision of any technical data or hardware to Supplier until such time as Supplier is able to demonstrate to Able's satisfaction that the necessary controls are in place to meet the requirements of the export laws and regulations. In the event Supplier is required to produce any goods or Services regulated by ITAR, then Supplier agrees to register as a Defense Manufacturer at Supplier's cost.
 - b. In the event Supplier produces the goods outside of the United States, Supplier agrees that it will be the party responsible for obtaining any necessary export license or permit required for export out of the country of origin. In the event a U.S. Import license is needed for the goods, Supplier agrees to notify Able ninety (90) days in advance so that Able can obtain the necessary license.
 - c. Supplier shall immediately notify Able if Supplier is named on the Office of Foreign Asset Control's Specially Designated Nationals Blocked Persons list, or the Denied Party or Entity lists maintained by the U.S. Bureau of Industry and Security or the Debarred persons list maintained by the U.S. Office of Defense Trade Controls. In addition, Supplier will notify Able if Supplier is debarred from participating in government contracts (in any country), or in the event it becomes subject to a trade embargo maintained by a U.S. government or other country during the term of this Order.
 - d. Prior to the first shipment of an item of Goods or Services under this Order, and with each subsequent shipment of Goods and Services, Supplier will provide Able for each part number: (1) the Export Control Classification Number or USML Classification Number; (2) the Harmonized Tariff Schedule Classification Number; and (3) a Certificate of Origin or a Manufacturer's Affidavit. Supplier shall use the template forms and the

Able Aerospace Purchase Order Terms and Conditions

- submission address found on the "Import/Export" tab at <https://ww2.txtav.com/Supplier/Resources/ContractualFlowdown>.
- e. Supplier shall provide to Able the documentation required by any free trade agreements and tariff and duty waivers and exemptions needed to minimize, to the maximum extent allowed by law, the duties and tariffs paid in connection with any import into the country of destination for the Goods and Services.
 - f. Supplier shall provide all required Importer Security Filing (ISF) data and documentation to Able at least seventy-two (72) hours prior to goods being loaded on the vessel. All imports must be marked in English with the country of origin of the imported goods in accordance with 19 CFR §134 requirements.
31. Conflict Minerals. Supplier acknowledges that Able's ultimate parent company, Textron Inc., is subject to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") and the implementing rule promulgated by the U.S. Securities and Exchange Commission ("SEC") which will require reporting related to tin, tantalum, tungsten and gold (the "Conflict Minerals") contained in products sold by Able. Supplier shall promptly provide such written certifications concerning Conflict Minerals contained in Products, components, parts and materials supplied to Able by Supplier as Able may request from time to time. Supplier acknowledges that for purposes of any reports Textron Inc. may file with the SEC, Able and Textron Inc. will rely on the accuracy and completeness of each such certification. Supplier represents and warrants that it has adopted and will maintain a supply chain policy and procedure to conduct, and require its suppliers to conduct, a reasonable inquiry to determine, (i) whether the products, components, parts or materials supplied to Able contain Conflict Minerals and (ii) whether the source of any such Conflict Minerals not derived from recycled or scrap materials may be from the Democratic Republic of the Congo or an adjoining country and if so to perform due diligence to identify the facilities used to process such Conflict Minerals and make efforts to identify the location of each mine or location of origin of such Conflict Minerals with the greatest possible specificity. Supplier represents, warrants and certifies that its Goods, parts, components and materials are not, and will not be, produced with child, indentured or forced labor.
32. Insurance and Indemnification.
- a. Supplier shall maintain such public liability, property damage, motor vehicle liability (personal injury and property damage), employer's liability, workers compensation and any other insurance necessary to obtain licenses or comply with applicable laws in such amounts as will protect Supplier (or its subcontractors) and Able from said risks and from any claims. Supplier shall furnish Able with certificates certifying that such insurance is in effect. Such certificates shall provide that Able will be given at least thirty (30) days prior written notice in the event that any such insurance will be canceled or materially changed.
 - b. Supplier shall defend, indemnify, and hold harmless Able and Able's directors, officers, employees agents and customers from any liability, claim of liability, expense, cause of action, loss, or damage whatsoever, including attorney's fees arising out of or in any way connected with Supplier's performance or failure to perform this Order, or that of Supplier's agents, employees, or subcontractors.
33. Intellectual Property. The Parties agree that any design, literary property, trade secret, inventions, discoveries, patentable subject matter, copyrightable subject matter, mask works, or similar intellectual property (hereafter collectively referred to as "IP") conceived, invented, reduced to practice, developed, authored or otherwise created by Supplier (including without limitation employees of Supplier and consultants, subcontractors or others working for or at Supplier's direction or request), jointly with Able, are included within data, and shall be owned exclusively by Able (hereafter "Able IP"). Supplier further agrees to disclose in writing to Able, at Able's request, any Able IP not otherwise made known to Able and, at Able's request, to assist Able or its attorneys and other representatives in preparing and filing applications to register or issue Able IP including without limitations applications for copyright registration and applications for patent. Supplier further agrees to make, execute and deliver or cause to be made, executed and delivered, any and all such further documents, instruments, agreements, and assurances, and take all such other actions as may be reasonably necessary or proper to carry out the terms and intent of this Article, including without limitation any documents necessary or proper to evidence,

Able Aerospace Purchase Order Terms and Conditions

record, reflect, perfect or exploit Able's right, title and interest to such Able IP. Supplier further agrees not to permit any person to perform work for or at the direction or request of Supplier unless such person has a written agreement with Supplier consistent with the foregoing and the exclusive rights of Able in and to the Able IP. Any invention or intellectual property first made or conceived by Supplier in the performance of this Order or which is derived from or based on the use of confidential information supplied by Able will be considered a "work made for hire" and will be and become the property of Able; and Supplier shall execute any documents necessary to perfect Able's title thereto.

34. Federal Procurement.

- a. Able is an equal employment opportunity employer and is a federal contractor. Consequently, the parties agree that, to the extent applicable, they will comply with Executive Order 11246, Executive Order 13645 (Employment Eligibility Verification), Executive Order 13496, 29 CFR 471, Appendix A to Subpart A (Employee Rights under the National Labor Relations Act) the Vietnam Era Veterans Readjustment Assistance Act of 1974 as amended by the Jobs for Veterans Act of 2002, 38 U.S.C. 4212 (VEVRAA) and Section 503 of the Vocational Rehabilitation Act of 1973 and also agree that these laws are incorporated herein by this reference.
- b. To the extent applicable, the parties shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.
- c. To the extent applicable, the parties shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.
- d. In the event commercial items or services to be furnished hereunder are for use in connection with an acquisition by the U.S. Government, including as applies in a foreign military sale, Supplier shall comply with the terms as set forth in the **Able Supplement No. 1: Commercial Item Flowdowns**, of the revision level applicable on the date of issuance of this Order
- e. In the event this Order is for items that are not commercial items as defined in the FAR, and is subject to mandatory provisions required for United States Government Contracts, the same will be set forth in supplements hereto, will be deemed incorporated herein for all purposes, and will be controlling over any other provisions in this Order.
- f. For Orders placed in support of Department of Defense prime contracts and for which the stipulation in this Section (f) applies, Supplier shall comply with the following DFARS: (i) 252.204-7009 concerning Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information is applicable if Order is for services that include support for the U.S. Government's activities related to safeguarding covered defense information and cyber incident reporting, including subcontracts for commercial items, without alteration, except to identify the parties. If Able is subject to any liability or expense, including government withholding of payments, as the result of Supplier or its lower-tier sub-contractors' failure to comply with the subject clause and the requirement therein, then Supplier agrees to indemnify and hold Able harmless to the full extent of any damage or expense resulting from such action. (ii) 252.204-7012 concerning Safeguarding Covered Defense Information and Cyber Incident Reporting is applicable if covered defense information is resident or transiting through Supplier's information systems. In reference to the regulation subsection (b)1(ii)(A), Supplier shall provide to Able a copy of the notification sent to DoD CIO at the time such notification is sent. In reference to the regulation subsection (b)1(ii)(B), Supplier shall provide to Able a copy of the effective security measures and/or equivalent protections as accepted by DoD CIO at the time such measures are accepted. In reference to the regulation subsection (c)1(ii), Supplier shall provide a copy of cyber incident reports to Able at the time such incident is reported to DoD CIO. If Able is subject to any liability or expense, including government withholding of payments, as the result of Supplier or its lower-tier sub-contractors' failure

Able Aerospace Purchase Order Terms and Conditions

to comply with the subject clause and the requirement therein, then Supplier agrees to indemnify and hold Able harmless to the full extent of any damage or expense resulting from such action and (iii) 252.239-7010 concerning Cloud Computing Services is applicable if Supplier expects to use, involve or may involve cloud services. In reference to the regulation subsection (i)(1) and (2), "Contracting Officer" shall also mean Able. Supplier shall provide a copy of the written notification, as described in regulation subsection (j) to Able. Supplier shall provide to Able a copy of the notification from U.S. Government or provide notice to Able upon Supplier's discovery of a spillage, as described in regulation subsection (k).

- g. Unless specified otherwise in this Order, the terms as used in the regulations referenced in this Section shall be interpreted as follows: (i) the term "Contractor" shall mean "Supplier", (ii) the term "Contract" shall mean "Order", and (iii) the term "subcontractor" shall mean Supplier's subcontractors.
35. Order of Precedence. In the event of a conflict between the Terms and Conditions of this Order and the documents which form a part hereof, the conflict will be resolved by giving precedence in the following order: (i) United States Government mandatory provisions; (ii) the Order to which these Terms and Conditions are attached; (iii) these Terms and Conditions; (iv) drawings; (v) specifications; and (vi) any other documents incorporated by reference. In cases of ambiguity in the specifications, drawings, or other requirements of this Order, Supplier must, before proceeding, consult Able, whose written interpretation will be final.
36. Incorporated Documents; Entire Agreement. All documents attached hereto or referenced herein, any modifications thereto, and including any applicable purchase or support agreements, are hereby incorporated as an integral and inseparable part of this Order, which contains the entire agreement of the parties and supersedes any and all prior agreements between the parties, written or oral, with respect to the transactions herein contemplated. There are no verbal understandings, agreements, representations or warranties between the parties which are not expressly herein set forth. This Order may not be changed or terminated orally but may only be changed by an agreement in writing signed by both parties.