



## General Purchase Order Terms and Conditions For CAM Suppliers

These Purchase Order Terms and Conditions (the “Terms and Conditions”) apply to any Purchase Order (“PO”) issued by Consolidated Aerospace Manufacturing, LLC, or its affiliates (“Buyer”), that is not governed by a written Master Purchase Agreement, or any other “Agreement”, entered between Buyer and the vendor or seller named on the PO (the “Supplier”). “Affiliates” shall mean any company directly or indirectly owned or controlled by CAM, including but not limited to Bristol Industries LLC, 3V Fasteners Company, Inc., Aerofit, LLC, EA Patten Company, QRP, Inc., Voss Industries, Inc., Moeller Manufacturing & Supply, Inc., Panalok Limited., Automatic Screw Machine Products, Prikos & Becker.

### 1. Acceptance of Purchase Order

Agreement by Seller to furnish the materials, parts, and products (“goods”) or services, including the products resulting from such services, or its commencement of such performance, or acceptance of any payment, shall constitute Seller’s unqualified acceptance of this Purchase Order. Any prices or delivery schedule to which Buyer has not specifically agreed to in writing, or any other terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions herein, shall be void. Modifications or additions to these Purchase Order terms and conditions must be in writing and signed by Buyer’s Purchasing Representative. These terms and conditions, together with all supplements, documents, exhibits, attachments, and any other agreements incorporated by reference into this Purchase Order, constitute the entire agreement between Buyer and Seller (collectively “the Parties” and singularly a “Party”) with respect to the subject matter of this Purchase Order, and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

### 2. Shipping Instructions

- a) Seller shall be responsible for ensuring the proper packaging of goods hereunder. Seller shall not charge for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order.
- b) Unless otherwise directed by Buyer in writing, Seller shall consolidate shipments on one bill of lading or air waybill when shipping goods on the same day from and to a single location. Seller shall submit all required shipping papers to Buyer prior to final payment. Title to goods furnished under this Purchase Order shall pass to Buyer upon formal acceptance, regardless when or where Buyer takes physical possession, unless the Purchase Order specifically provides for earlier passage of title
- c) All “Goods” purchased are F.O.B. Destination (as “F.O.B. the place of destination” is described in the Uniform Commercial Code Section 2-319) Seller shall bear the expense of transport of, and risk of loss or damage to, the goods to the named place.
- d) Purchase Order number(s) and the relevant line item number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, air waybills, and invoices.
- e) A “Certificate of Conformance” shall be submitted with each shipment.

### 3. Delivery, Delays

- a) On time performance is a material condition of this Purchase Order and failure to perform



according to the delivery schedule in this Purchase Order, if unexcused, shall be considered a material breach. Acceptance of late deliveries shall not constitute waiver of this provision. Buyer may refuse or return, at Seller's risk and expense, shipments made in excess of this Purchase Order or in advance of required schedules. Buyer may defer payment on advance deliveries until scheduled delivery dates.

- b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule, but such notice and proposal or Buyer's receipt or acceptance thereof, shall not constitute a waiver of Buyer's rights or remedies as described in Section 23.

#### **4. Price; Payment Terms**

- a) A separate original invoice is required for each shipment under the PO. Buyer will pay for the Goods within **sixty (60) days** after the later of the date of Buyer's receipt of the applicable invoice or the date acceptable Goods are received by Buyer (but not earlier than the specified delivery date). Supplier warrants that the prices charged to Buyer are no higher than the lowest prices charged to any other customer during the past twelve (12) months for the same or comparable Goods.
- b) The price will reflect shipping [F.O.B. Buyer's facility.] Buyer will not accept C.O.D. shipments. Unless otherwise agreed to by Buyer in writing, Supplier will be responsible for payment of all charges for handling, shipping, packaging, wrapping, bags, container, boxing, crating, labeling, customs and duties, taxes (except for state sales tax, if any), storage, insurance and other related matters. Supplier will cause all Goods to be insured for the full value during all phases of packaging and delivery and such insurance will remain in place until such time as Buyer has accepted delivery of Goods at its facility.
- c) The price includes all taxes directly applicable to the Goods unless otherwise specified. Notwithstanding the foregoing, Buyer will only be liable for such federal, state, and local taxes that Supplier is required by law to collect from Buyer.

#### **5. Planned Obsolescence**

During performance of this Purchase Order, Seller shall notify Buyer of any planned obsolescence of the goods set out in this Purchase Order

#### **6. Specifications**

Supplier will comply with any specifications specifically cited or incorporated by reference on the PO and with any applicable specifications of Buyer's customer. Supplier may obtain copies of any applicable specifications upon written request to Buyer.

#### **7. Quality Management System**

- a) Seller will establish and maintain a quality control system acceptable to CAM and relevant to the Product. Processes, product, services, or supplies are to the latest revision unless otherwise stated. Supplier shall inform Buyer of changes in processes, product, services, or supplies,



including changes of their external providers of location of manufacture, processing and approvals prior to processing and shipping to Buyer, and when applicable, obtain Buyer approval. Supplier shall have adequate controls to prevent the shipment of counterfeit processes, product, services, or supplies to Buyer.

## **8. Buyer Inspections**

- a) Buyer's rights to perform inspections, surveillance, and tests and to review procedures, practices, processes, and documents related to quality assurance, quality control, and configuration control at Supplier's facility or its subcontractor's facility, a right which Supplier hereby grants to Buyer, will extend to Buyer's customers. Supplier will cooperate with any government-directed or Buyer-directed inspection, surveillance, test or review, without additional charge to Buyer. Nothing in these Terms and Conditions will be interpreted to limit United States Government access to Supplier's facilities pursuant to law or regulation.
- b) Verification by Buyer, Buyer's customers, representatives, or regulatory authorities shall not absolve the Supplier of the responsibility to provide acceptable processes, product, services, or supplies. Nor shall it preclude subsequent rejection by the Buyer.

## **9. Supplier Inspections**

- a) Supplier will inspect and otherwise certify/verify that all Goods, including those components procured from or furnished by others, comply with the requirements of the law, the specifications and the PO prior to shipment. Supplier is responsible for all tests and inspections. Supplier agrees to furnish copies of test and/or control in data upon request of Buyer. Supplier must assure Buyer in writing that all Goods and production comply with Buyer's Quality Assurance and Product Data (DPD) surveys and that the Goods are processed and shipped in compliance with the latest version of Buyer's specifications. Further, Supplier warrants that Goods have been inspected per the defined standard process unless an alternative process is specifically noted on the PO. Supplier will maintain all quality documentation for a period of ten (10) years, which records must directly reflect that all Goods were produced in accordance with applicable specifications. Quality documentation includes all inspection records and any other document which furnishes objective evidence of the fulfillment of the requirement for quality.
- b) Acceptance sampling is a method to reduce cost of inspection while ensuring an acceptable quality level. Acceptance sampling can only be used as a means of ensuring conformance to requirements, not for quality improvement. All plans must have a "zero acceptance" number. The lot shall be rejected if a nonconformance is discovered in the sample. If a nonconformance is found in the sample, inspect all pieces in the lot for the nonconformance that had been noted and remove all nonconforming pieces from the lot. The sampling plan and tests shall be performed in accordance with the applicable print or specification. If sample size is not specified on the print or specification, please contact the Buyer.
- c) Gage and Test Equipment shall be controlled and calibrated to ANS/ISO/IEC 17025 and/or ANSI/NCSL Z 540-2 or equivalent.
- d) Plating – All individual lots must be processed in the same plating tank or bath.



- e) Heat Treaters – Each load must be individually inspected and tested.

## **10. Change Orders**

Buyer may at any time, by written notice to Supplier, make changes in the drawings, specifications, quantities, delivery schedules, shipping instructions, and other terms and conditions under a PO. Supplier will immediately comply with any such change. If any such change increases or decreases the cost of performing or the time required for performance of the PO, an equitable adjustment in prices and/or schedules will be considered by Buyer provided that any claim by Supplier for such adjustment is presented in writing with supporting documentation to Buyer within two (2) business days from the date of Buyer's notice to Supplier. No changes whatsoever will be initiated by Supplier without Buyer's written approval.

## **11. Subcontracting and Mandatory Flow Down**

Supplier will not enter into a subcontract for manufacture or procurement of any Goods without first obtaining Buyer's prior written approval. This does not, however, preclude Supplier from purchasing raw materials from sub-tiers as long as such raw materials are in compliance with the specifications standards and rules of the PO and the Supplier and its sub-tiers must comply with all mandatory flow down clauses of any customers of Buyer or otherwise which are applicable to Buyer and the Goods, including special requirements, critical items or key characteristics where required.

## **12. Ownership of Intellectual Property**

Buyer retains title and ownership of all information, patents materials and intellectual property ("Buyer IP") furnished to Supplier or developed by Supplier in connection with performance of the PO, and the same will be: (i) treated as and will legally become Buyer's sole property segregated from Supplier's property, and individually marked and identified as Buyer's property; (ii) used by Supplier exclusively for the purpose of completing the PO, and (iii) returned to Buyer at Buyer's direction or upon completion, termination, or cancellation of the PO, along with all copies or reproductions, unless otherwise agreed in writing by Buyer. Except as noted in this paragraph, all work product and intellectual property developed in relation to Goods for sale to Buyer in conjunction with the performance of a PO is and will be the sole property of Buyer and that Buyer will have all rights therein or arising from such and the same will also be deemed Buyer's IP. To the extent all rights in Buyer IP do not automatically vest in Buyer, Supplier and each employee or subcontractor of Supplier hereby assigns and grants to Buyer all of the right, title, and interest of every kind and nature in any IP, without additional compensation for doing so, in a manner that will enable Buyer to fully secure the applicable Buyer IP rights. Supplier and each of its employees waive any and all of their respective intellectual property rights in the Buyer IP. Buyer IP does not include Supplier's background patent and intellectual property rights. Supplier grants to Buyer an irrevocable, non-exclusive and worldwide license of all intellectual property owned or controlled by Supplier, but only to the extent that such intellectual property rights would interfere with Buyer's use or enjoyment of the Goods delivered by Supplier.

## **13. Information Technology Assurance**

Seller shall maintain data protection processes and systems sufficient to adequately protect specifications, information, data, drawings, software, and other items which are (i) supplied to Seller by Buyer, or (ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer (collectively, "Buyer Data"), and to comply with any law or regulation applicable to such data. If an



event occurs whereby Seller knows, or reasonably believes, that Buyer Data has been actually or potentially disclosed to, or accessed or acquired by, an unauthorized individual or individuals (“Security Incident”), Seller shall (i) use commercially reasonable efforts to investigate, contain, and remediate the Security Incident, and (ii) notify Buyer in writing promptly, but not later than seventy-two (72) hours after discovering the Security Incident. Seller’s notification to Buyer of a Security Incident shall include sending Buyer’s representative, and Seller shall encrypt emails to Buyer containing details of a Security Incident using industry standard encryption methods.

#### **14. Storage of Goods Prior to the Time for Delivery**

Supplier will store Goods at its cost in a safe manner and not subject to environmental degradation until the Goods are ready for shipment to Buyer.

#### **15. Packaging**

Goods will be suitably prepared for shipment to secure the lowest transportation rates (unless a premium method is specified on the face of a PO) and comply with all carrier regulations. No charges are allowed for packing, crating, freight express, or cartage unless authorized by Buyer. Aluminum clad material must be interleaved with foam, craft paper or similar grade and quality protective packaging. Supplier will ensure that the goods are packaged in accordance with the applicable specifications, or where no packaging requirements are detailed therein, to a standard commensurate with the types of goods being shipped, with due recognition given to the mode of transportation and to the environmental impact of such. In all cases, Supplier must ensure that all packaging meets the requirements of the applicable law. Suppliers packaging method shall ensure that no Foreign Object Debris / Foreign Object Damage (FOD, conditions exist. FOD is any substance, metal, tool, equipment, part container that could potentially cause damage to any direct good. I.E. (FOD – Foreign Object Damage).

#### **16. Liens, Claims and Encumbrances**

Supplier warrants and represents that all the Goods when delivered will be free and clear of all liens, claims, encumbrances and infringements of any patents, trademarks, copyrights or franchise rights.

#### **17. Routing, Risk of Loss, Excess Shipments and Delays**

Time is of the essence in the performance of Purchase Orders. Supplier will take all necessary action, both normal and extraordinary, to ensure timely deliveries. If Buyer selects the mode of transportation, routing of, and carrier for the Goods on the face of the PO, Supplier will be liable for excess transportation costs resulting from deviation. Supplier will bear the risk of loss until the delivery point specified in the PO or, if not so specified, until delivery at Buyer’s dock. If Supplier believes that it will be unable to meet its delivery schedule, Supplier will immediately notify Buyer in writing. Upon receipt of notice of the anticipated delay or upon occurrence of an actual delay, Buyer may (i) direct expedited routing of Goods, with excess costs paid by Supplier, or (ii) cancel the PO and purchase substitute Goods elsewhere.

#### **18. Rejection of Goods and Revocation of Acceptance**

Buyer’s action in paying for or initially accepting any Goods will not constitute a waiver of any rights or remedies of Buyer, including Buyer’s right to revoke acceptance and return any part of the Goods or the right to make a claim for damages because of the failure of the Goods to conform to the PO. For all non-conforming Goods, Supplier will provide Buyer, at Buyer’s election, a full refund or replacement of the



Goods, at Supplier's risk and expense, including transportation costs both ways. As an example of grounds for rejection, Buyer will not accept hardware marked "FAA-PMA." Buyer may, at its option, purchase substitute Goods in lieu of non-conforming Goods, and Supplier will be liable for the difference in costs, less expenses saved by Buyer. Buyer's rights herein will be in addition to all other rights of Buyer under the PO and applicable law.

#### **19. Warranties**

Supplier warrants that all Goods delivered will strictly conform to the PO (and all applicable Buyer specifications); will be of good design, material, and workmanship; will be free of defects; will be merchantable and fit for their intended purpose; and will meet all applicable industrial and governmental safety standards. Supplier further warrants that Supplier will have title to and the right to sell such Goods at the time of delivery, and that all such Goods will be new (unless otherwise specified in the PO) at the time of delivery. Supplier will also transfer to Buyer the warranties on goods and services incorporated into Goods. All warranties will survive any inspections, delivery, acceptance or payment by Buyer, and will run to Buyer, its successors, assigns, customers and users of Goods. Buyer may, at its option and without cost to Buyer, either (i) return for credit or refund any defective or nonconforming Goods, (ii) require prompt correction or replacement of the defective or nonconforming Goods, or (iii) repair the defective or nonconforming Goods and charge Supplier for all related repair costs. Return to Supplier of defective or nonconforming Goods and re-delivery to Buyer of corrected or replaced Goods will be at Supplier's expense and Supplier will pay for all other resulting damage, loss or claims arising out of defective or nonconforming Goods. Supplier's warranties with respect to repaired or replaced Goods will be the same as the warranties given with respect to the original Goods. No approval of Supplier's designs, drawings, samples, test results, procedures, processes, schedules or other items by Buyer will in any way limit or diminish Supplier's warranties hereunder.

#### **20. Indemnification**

Supplier agrees to defend, indemnify and hold Buyer, including its officers, directors, employees, parent, subsidiaries, affiliates and agents (collectively, the "Indemnified Party"), harmless of and from any claim, loss, cost, damage, settlement or judgment arising out of Supplier's provision of Goods to the Indemnified Party or the presence of Supplier's employees, agents or subcontractors on the Indemnified Party's premises. This duty to defend, indemnify and hold harmless extends to any legal claim or proceeding, whether based on contract, warranty, infringement, strict liability in tort, negligence or other legal theory, and also extends not only to third party claims but also to any loss suffered directly by the Indemnified Party. Buyer is entitled to control Supplier's defense of Buyer hereunder.

#### **21. Limitations of Buyer's Liability**

Any liability of Buyer for any breach of any term or condition imposed upon it, whether such term or condition is contained in these Terms and Conditions or otherwise, will not exceed the purchase price for the Goods involved in the alleged breach. Buyer will not under any circumstance be liable for consequential or incidental damages.

#### **22. Assignment**



Supplier will not assign or delegate any of its rights or interest in a PO without the prior written consent of Buyer, which consent Buyer will give in its sole and absolute discretion. The prohibition against assignment or delegation includes, without limitation, a change of control of Supplier. Change of control means any of the following transactions: (a) the sale or other transfer to, or acquisition by, any person of securities possessing more than fifty percent (50%) of the total combined voting power of the outstanding securities of Supplier in one or more related transactions; or (b) the sale or other transfer of all or substantially all of the assets of Supplier in one or more related transactions, whether by sale, exchange, merger, consolidation, reorganization, dissolution, or liquidation; or (c) a merger or consolidation (or series of related transactions culminating in a merger or consolidation) (i) in which Supplier is not the surviving entity, except for a transaction the principal purpose of which is to change its state of domicile, or (ii) in which Supplier is the surviving entity but in which securities possessing more than fifty percent (50%) of the total combined voting power of its outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such event. Failure to obtain approval of any assignment, including an involuntary assignment to creditors, will constitute a breach which may lead to termination of any outstanding Purchase Orders.

### **23. Buyer's Remedies**

All of Buyer's rights and remedies under any PO or at law are cumulative and non-exclusive. In the event of a delivery delay other than due to Force Majeure, in the event Supplier violates these Terms and Conditions, or in the event the Supplier delivers nonconforming Goods (any of these events is hereafter a "Breach"), the parties acknowledge that Buyer will suffer and Supplier will be liable for Buyer's actual costs and damages arising from or relating to the Breach, along with all incidental and consequential damages, and that Buyer may proceed to press its claims against Supplier and, at the same time, pursue corrective actions.

Without limiting the foregoing, in the event of a Breach, Buyer, in its sole and absolute discretion, may elect to pursue any or all legal or equitable rights and claims against Supplier. This includes, as illustration and not as limitation, the right to pursue claims for all damages, expenses, and costs incurred directly or indirectly by the Breach, including any charges or penalties assessed to Buyer by its customer, and the right to terminate the PO with Supplier, as well as a reasonable attorney fee for pursuing such remedies.

In addition to all other rights and remedies available to Buyer, Supplier specifically agrees to be liable for all administrative expenses incurred by Buyer because of a Breach. Administrative expenses include but are not limited to: employee overtime; telecommunication costs; transportation charges; special handling expenses; and various anticipated and unanticipated costs to install the products out of the normal manufacturing sequence.

### **24. Non-Compliant Shipments**

- a) Supplier shall notify Buyer of any nonconforming process, product, service, or supplies and must obtain Buyer approval prior to shipment. Processes, products, services, or supplies discovered with nonconformance after shipment to Buyer must be reported to Buyer immediately.
- b) Supplier will be charged a \$250.00 administrative fee each time (a) Supplier ships Goods in excess of the allowable PO tolerance (if any) without prior approval from Buyer, or (b) Supplier's Goods are rejected at Buyer's facility.

### **25. Setoff**



Buyer will, at its option, have the right to set off against and apply to the payment or performance of any obligation, sum, or amount owing at any time to Buyer or any affiliate of Buyer under the applicable PO or any other purchase order or agreement with Supplier of any affiliate of Supplier, all deposits, amounts, or balances held by Buyer or any affiliate of Buyer for the account of Supplier or any affiliate of Supplier and any amounts owed by Buyer or any affiliate of Buyer to Supplier or any affiliate of Supplier.

**26. Termination for Convenience**

Buyer may terminate all or part of a PO by written notice to Supplier. Any such written notice of termination will specify the effective date and the extent of any such termination. Notwithstanding the foregoing, Buyer may only implement this provision in the exercise of good faith and solely to the extent necessary: (i) to terminate a PO erroneously entered by it or its agent; (ii) to terminate all or part of a PO with respect to Goods that Buyer subsequently determines it has no actual need of in its processes and does not use in its processes; or (iii) to the extent Buyer's customer has terminated all or part of its contract with Buyer and such termination directly affects the Goods. Buyer will not use this provision in a situation primarily to permit it to obtain for itself or its customers more favorable pricing or other terms with respect to Goods. In addition, any reimbursement to Supplier will be limited to the same extent Buyer is limited to seeking reimbursement from its customer.

**27. Termination for Default**

- (a) Buyer may, after providing Seller with ten (10) calendar days written notice, and upon Seller's failure to cure such default in that ten (10) day period ("Cure Period"), terminate this Purchase Order in whole or in part at any time by notice in writing for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance; provided, however, there shall be no Cure Period for default related to failure to meet the delivery schedule or for defaults incapable of cure.
- (b) To the extent allowed by law, Buyer may also terminate this Purchase Order in whole or in part without a Cure Period in the event of Seller's suspension of business, insolvency, bankruptcy, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors (collectively hereinafter "Insolvency"). Seller agrees to provide detailed written notice to Buyer within five (5) days of initiating such Insolvency proceedings. In the event of partial termination, Seller shall perform the non-terminated balance of work under the Purchase Order.
- (c) If this Purchase Order is terminated for default, Buyer may by written notice require Seller to transfer title and deliver to Buyer any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that Seller has specifically produced or acquired for the terminated portion of this Purchase Order. Upon direction of Buyer, Seller shall also protect and preserve property in its possession in which Buyer has an interest. The Parties shall agree on the amount of payment for such deliveries and for the protection and preservation of the property above.

**28. Governing Law;**





- (a) In the event any controversy or claim arises out of or relates to any resultant Purchase Order ("Dispute") either Party may send written notice to the other outlining the substance of the Dispute. After receipt of the notice, the Parties shall engage in good faith negotiations through persons with appropriate authority to resolve the Dispute. If any Dispute remains unresolved thirty (30) calendar days from the date the notice is received by the other Party, or such additional time as the Parties mutually agree upon in writing, such Dispute shall be finally settled by binding and confidential arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The number of Arbitrators shall be three (3). The claimant shall name one arbitrator in its request for arbitration, the respondent shall name one arbitrator in its response. Unless the nominated arbitrators cannot agree on the appointment of the third arbitrator who shall serve as the Chairman, the President of the American Arbitration Association shall appoint the third arbitrator. Arbitration shall be conducted in New York, New York, in the English language. The Arbitrators shall, to the extent possible, have experience in international defense industry contracting arrangements, governmental procurement, and the governing law of this Purchase Order. To the extent possible, the Arbitrators shall also be chosen so as to minimize any legal restrictions on access by the Arbitrators to relevant technical or legally controlled information. The Arbitrators may award compensatory damages against either Party, but are not authorized to award punitive, exemplary or multiple damages of any kind. The Arbitrators shall have the authority, but not the obligation, to award the costs of arbitration, including reasonable attorney's fees, to the prevailing Party; however, if the Arbitrators do not award such costs and fees, each Party will be responsible for its own costs, but shall equally share the costs and fees imposed by the Arbitrators for their expenses. Judgment upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof or application may be made by any such court for a judicial recognition of the award and an order of enforcement, as the case may be, all regardless of conflicts of law issues. The Parties waive any right they may enjoy under the law of any nation to apply to the courts of any such nation for relief from the provisions of this Section 7 or from any decision of the Arbitrators made before the award. Notwithstanding the foregoing, the Parties agree that the rights of the United States Government in any technical data associated with any goods or services procured under this Purchase Order shall not be arbitral in accordance with this Section 7.
- (b) Notwithstanding the foregoing, the Parties acknowledge that money damages may not be an adequate remedy for breach of Section 9 Proprietary Rights and Section 16 Infringement of this Purchase Order, or as a remedy to any Dispute regarding the misuse, misappropriation or unauthorized use or disclosure of proprietary information or intellectual property of a Party, and each Party agrees that the other Party shall be entitled to seek injunctive relief or monetary damages in a court of competent jurisdiction in the United States. Notwithstanding anything hereinto the contrary, any such judicial request shall not be deemed incompatible with the terms of paragraph a of this Section 7, nor shall it constitute a waiver of the right to arbitrate.
- (c) Pending resolution or settlement of any Dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order shall be governed and construed in accordance with the laws of the State within the United States from which Buyer issues this Purchase Order, without regard to its conflicts of laws provisions. However, any provision in this Purchase Order that is:
- (i) incorporated in full text or by reference from the Federal Acquisition Regulation (FAR) or;



(ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the United States Government. The provisions of the "United Nations Convention on Contracts for International Sale of Goods" shall not apply to this Purchase Order.

(d) This Purchase Order constitutes the commercial activities of Seller. Seller hereby waives any sovereign immunity or other immunity from legal proceedings to enforce or collect upon an arbitral award rendered pursuant to this Section.

### **29. Customer Agreements**

Supplier acknowledges that Buyer has written agreements with customers which require Buyer to bind its suppliers to certain terms and conditions. Supplier agrees to be bound, to the extent applicable to Supplier, by any and all such customer agreements.

### **30. Export Compliance**

In performing work under any PO, Supplier and its subcontractors will comply with all applicable federal, state, and local laws, and the rules and regulations of any governmental authority. Specifically, Supplier agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation ("ITAR"), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. 2401-2420, including the Export Administration Regulations ("EAR"), 15 C.F.R. 730-774; and including the requirement for obtaining any export license or agreement, if applicable.

Supplier represents and warrants that (a) it is not a representative of a foreign interest; (b) it will not employ foreign persons on the effort related to this PO; and (c) it is a U.S. firm incorporated under U.S. law. Supplier will notify Buyer immediately if any of these representations or warranties changes.

Supplier will ensure that Goods that are subject to the ITAR and/or EAR will not be exported, re-exported, transferred, or released to a foreign person or country for international shipments, without first complying with all applicable U.S. export requirements; and will immediately notify Buyer if Supplier is, or becomes, listed on any U.S. or other government list of restricted or prohibited persons, or if Supplier's export privileges are otherwise denied, suspended or revoked in whole or in part by any government entity or agency.

### **31. Code of Basic Working Conditions and Human Rights**

Buyer is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its operations and throughout its supply chain as fully described on its website: [www.camaerospace.com/resources](http://www.camaerospace.com/resources) (the "Supply Chain Transparency Policy"). Seller will adopt and enforce similar policies throughout its supply chain, including conducting Seller's operations in a manner that is fully compliant with all applicable laws and regulations pertaining to fair wages and treatment, freedom of association, personal privacy, collective bargaining, workplace safety, and environmental protection. Seller will promptly cooperate with and assist Buyer in Buyer's implementation of and adherence to its Supply Chain Transparency Policy (which may be amended from time to time).



### **32. Force Majeure**

Except for a default of Seller's subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence, including acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity (including acts of government related to economic sanctions and embargoes), fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that causes of the type described above ("Force Majeure") adversely affect performance of this Purchase Order, the Party whose performance is so affected shall so notify the other Party's authorized representative in writing. Buyer may reasonably adjust the delivery schedule due to the existence of a Force Majeure.

### **33. Counterfeit Parts**

- a) Seller shall not furnish suspect counterfeit or counterfeit parts to Buyer under this Order. All material delivered under this Order shall be authentic and traceable to the original manufacturer. Seller shall provide authenticity and traceability records to Buyer upon request. Electronic parts shall not be acquired from brokers unless approved in advance in writing by Buyer. Seller shall immediately notify Buyer if Seller cannot provide parts, components, and/or assemblies traceable to the original component manufacturer or the original equipment manufacturer. Upon receipt of such notification, Buyer reserves the right to terminate this Order at no cost to Buyer or require specific material validation test and inspection protocol requirements to Seller.
- b) If suspect counterfeit or counterfeit parts are furnished under this Order and are found in any of the Products delivered hereunder, such items will be impounded by Buyer. Seller shall promptly replace such suspect/counterfeit parts with parts acceptable to the Buyer. Seller shall be liable for all costs relating to the removal and replacement of said parts, including without limitation Buyer's external and internal costs of removing such suspect/counterfeit parts, of reinserting replacement parts and of any testing or validation necessitated by the reinstallation of Seller's Products after suspect/counterfeit parts have been exchanged. Buyer's remedies described herein shall not be limited by any other clause agreed upon between Buyer and Seller in this Order and are in addition to any remedies Buyer may have at law, equity or otherwise under this Order.

### **34. Insurance**

- a) Seller and its subcontractors, at their sole cost and expense, will at all times, prior to commencement and throughout the period of performance of this Order, maintain with reputable insurance companies that are authorized to do business under the laws of the state(s) in which the work is being performed, insurance coverage in the minimum amounts as indicated below:
  - 1. Worker's Compensation insurance coverage (or DBA, LS&H, or local equivalent outside the U.S.) as required by the laws of the state in which the work is performed and such insurance shall provide waiver of subrogation against Buyer.
  - 2. Employer Liability insurance in the amount of \$1,000,000.
  - 3. Commercial General Liability (CGL) (ISO form CG 0001 12/04 or equivalent) with a Combined Single Limit (CSL) of \$ 2,000,000 bodily injury and/or property damage. Coverage shall include, but not necessarily be limited to, premises and operations, Products and completed operations and contracts.



4. Automobile Liability (AL) with a CSL of \$2,000,000 bodily injury and/or property damage covering all owned, hired and non-owned vehicles.
  5. If work involves Aviation or Spacecraft Products, Aviation Products Liability with a CSL of \$100,000,000. In addition, for any Seller who will be responsible for aircraft in their care, custody and control, Hangar keeper's Liability Insurance with adequate limits to cover all such aircraft at any one location.
  6. If project involves ownership or lease of an aircraft, on Buyer's behalf, Aviation Hull and War Risk for Replacement Cost or Agreed value.
  7. For Foreign Direct Sales, such insurance as mandated by the country involved.
  8. Additional insurance types and/or limits will be necessary if the work involves special or hazardous operations. The special or hazardous operations include, but are not limited to: information technology/cyber risk, dispensing of medical care, operations involving the nuclear hazard, providing professional engineering advice, large construction projects (above \$5,000,000) hazardous waste, food service (including liquor liability), crane operation, work above ground, work below ground, and operations involving demolition or explosives. Following are examples for additional types of insurance: a. Errors and omissions or professional liability b. Commercial Crime, including employee dishonesty coverage, and if relevant, computer crime and wire transfer coverage, with limits of at least \$5 million per occurrence. Coverage must apply to loss or damage to Buyer (or to third parties for whom Services are performed), that is caused by Seller's employees. c. Environmental impairment liability or pollution liability insurance with a minimum limit of \$10 million per event, \$10 million aggregate covering the Seller's relevant locations under this agreement. d. Warehouse liability insurance with a minimum limit of \$10 million, covering the Seller's relevant locations under this agreement. Coverage must not contain exclusions for financial records of any kind.
  9. Such other insurance as Buyer may require as set forth in this Order or an attachment hereto.
  10. Limits required may be met by any combination of primary and umbrella/excess insurance.
  11. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Seller.
  12. The insurance required under this Order must be placed with insurers rated "A-" or better by A.M. Best Company, Inc.
  13. The duty to defend, indemnify, and hold harmless Buyer under this agreement shall not be limited by the insurance required in this Order.
- b) The insurance required in this Order shall include the following provisions:
1. Seller shall waive the insurer's rights of recovery and subrogation against Buyer
  2. The insurance required in items 2,3,4 and 5 above shall name Buyer as an additional insured;
  3. Seller's insurance coverage shall be primary (i.e. pay first) as respects any insurance, self-insurance or self-retention maintained by Buyer and any insurance, self-insurance or self-retention maintained by Buyer shall be excess of Seller's insurance;



4. Severability of interests wording in all policies and endorsements;
  5. The legal defense provided to Buyer under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for Buyer is necessary;
  6. The insolvency or bankruptcy of the insured Seller shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Seller from meeting the retention limit under the policy.
- c) If requested, Seller shall provide a Certificate of Insurance to the Buyer's Authorized Representative evidencing Seller's compliance with these requirements. Seller shall also furnish renewed certificates upon request of Buyer's Authorized Representative.

### **35. Release of Information and Advertising**

- a) Except as required by law, Seller shall not release to anyone outside Seller's organization any information, or confirmation or denial of same, with respect to this Order or the subject matter hereof without the prior written approval of Buyer. Requests for approval shall be made at least fifteen (15) days before the proposed date for release and shall identify the specific information to be released, the medium to be used, and the purpose for the release. Additionally, Seller shall not use the name "Northrop Grumman" or any other Buyer trade name, any Products, parts thereof or replicas of Products, or in any other way identify Buyer in any advertisement, display, news release, or other disclosure without Buyer's prior written consent. The Parties agree that in the event a news release is so approved and made, such news will recognize Buyer and Seller.
- b) The Seller agrees to insert the substance of this clause, including this sentence, in any lower tier subcontract. Seller shall submit requests for authorization to the Buyer.

### **36. Labor Disputes**

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay timely performance of this Order, Seller shall immediately give notice to Buyer's Authorized Representative and provide all relevant information including, but not limited to, nature of dispute, labor organizations involved, contingency plans regarding the protection of Buyer's Order, and estimated duration. Seller shall also provide updated reports throughout the dispute duration. Seller agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract

### **37. Compliance with Laws**

- a) Seller shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances.
- b) Seller shall maintain environmental, health and safety management systems as appropriate to ensure compliance with applicable federal, state and local requirements. Seller further agrees to continuously promote a safe and healthy workplace and a sustainable environment related to water and air quality, water and energy conservation, greenhouse gas emission reductions, solid and hazardous waste reductions. Seller shall convey the requirement of this clause to its suppliers.



### **38. Miscellaneous**

- a) The PO constitutes the entire agreement between Buyer and Supplier with respect to the subject matter and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings, and all other communications between Buyer and Supplier. No waiver, alteration, modification of or addition to the PO will be binding unless expressly agreed to in writing and signed by duly authorized representatives of Buyer and Supplier. A waiver of any PO term or condition will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is specifically, in writing, directed.
- b) Any conflict between provisions on the face of the PO and these terms and conditions will be resolved so that the provisions printed directly on the PO prevail.

### **39. Currency and Offsets**

- a) Payment will be in United States dollars unless otherwise agreed to by specific reference in any resultant Purchase Order.
- (b) Seller agrees that Buyer, its subsidiaries, affiliates or its designees may exclusively use the value of this Purchase Order to satisfy any international offset or industrial participation obligations that Buyer may have with Seller's country, subject to the offset qualifying laws, rules and regulations of that country and prohibitions on incentive payments for the purpose of satisfying any offset agreement with that country under 22 U.S.C. § 2779a (the "Feingold Amendment"). In addition, Seller grants to Buyer exclusive rights to all offset credits or industrial participation generated or performed by its suppliers and subcontractors in connection with this Purchase Order. Upon Buyer's request, Seller shall provide copies of any relevant purchase orders or subcontracts with foreign suppliers and execute all necessary documents to evidence Buyer's right to use, claim, or assign any offset credits or industrial participation. Seller shall include the substance of this Paragraph 22(b), in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Purchase Order.

### **40. Release of Information**

Without prior written approval of Buyer, Seller shall not (i) publish, distribute, use, or otherwise disclose this Purchase Order, or the existence of this Purchase Order, to any third party for any purposes not required by the express terms of the Purchase Order, or (ii) use the CAM Company name (or the name of any 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 website content, or for goods or service endorsement.