

TERMS AND CONDITIONS OF PURCHASE

GENERAL PROVISIONS APPLICABLE TO ALL PURCHASE ORDERS

1. **DEFINITIONS.** As used in this Purchase Order, the below terms shall have the following meanings: (a) "Contractor" or "Buyer" means the legal entity purchasing the supplies/services; (b) "Subcontractor," "Seller," "Supplier," or "Vendor" means the legal entity that has entered into this agreement with the Buyer; (c) "Contract," "Subcontract," "Purchase Order," "Agreement," and "Order" (whether capitalized or not) are used interchangeably and refer to this contractual instrument; (d) "Government" means the Government of the United States; and (e) "Prime Contract" means the Government contract under which this order is issued.
2. **APPLICABLE LAW.** This Purchase Order shall be governed by and construed in accordance with the laws of the state of the Buyer's office indicated on the face of the order.
3. **INTERPRETATION OF PURCHASE ORDER.** This Purchase Order and any documents incorporated by reference or attached constitute the parties' complete agreement. No prior representations or agreements, either written or oral, shall be considered to change, add to, or contradict it. Any ambiguity, conflict, or inconsistency in the Purchase Order shall be resolved by applying the most reasonable interpretation under the circumstances, giving full consideration to the parties' intentions at the time of contracting, which is not resolved by Order of Precedence.
4. **ACCEPTANCE OF PURCHASE ORDER.** This Purchase Order supersedes all previous written or verbal representations and agreements between the parties with respect to the subject matter hereof and becomes a binding agreement, subject to the specific terms and conditions stated herein, upon Seller's acceptance by acknowledgment or commencement of work. This Purchase Order contains the entire agreement of the parties and expressly limits acceptance to the terms and conditions stated. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions hereof are objected to and void unless agreed to in writing by the Buyer.
5. **ASSIGNMENT/SUBCONTRACTING.** Seller shall not assign this Purchase Order, or any rights, interest or payments, or the performance of any of its duties under this order without the prior written consent of Buyer. Except for standard commercial items, raw materials, or other supplies identified in Seller's proposal as procured from others, Seller shall not subcontract the complete or any substantial portion of the work without the prior written consent of Buyer. Any attempted or purported assignment/subcontracting by Seller without Buyer's prior written consent shall be void and not binding upon Buyer.
6. **SETOFF.** Buyer shall have the right at all times to setoff any amount due or payable to Seller hereunder against any claim or charge Buyer may have against Seller.
7. **TAXES.** The price of the supplies/services procured hereunder includes all applicable federal, state, and local taxes and duties unless otherwise stated in the Purchase Order.
8. **INFORMATION DISCLOSED TO BUYER.** Any information or knowledge Seller discloses to Buyer regarding this order shall not be deemed confidential or proprietary unless expressly agreed upon by the parties in writing. Any such unpatented information or knowledge shall be acquired by Buyer free of any restrictions.

9. **PAYMENT TERMS.** Unless otherwise specified in this Purchase Order, terms of payment are "Net 30 days." If a discount for prompt payment of Seller's invoice is allowed, payment shall be made within the allowable period to qualify for such discount. The time allowable for payment shall begin after both: (a) Buyer's receipt of Seller's invoice, and (b) delivery of acceptable supplies or performance of satisfactory services. Payment shall be deemed to have been made when deposited in the mail
10. **INVOICES.** An itemized invoice shall be submitted in duplicate to the address shown on the face of the order to the attention of the Buyer. The invoice should contain the Purchase Order number, description of supplies/services furnished, quantity, unit prices, and total price. Payment of invoices may be delayed pending correction of any errors or omissions. Seller's failure to submit an invoice within 180 calendar days after delivery shall constitute a waiver of any Buyer liability to make payment.
11. **WORK ON BUYER'S OR BUYER'S CUSTOMER'S PREMISES.** If this order requires Seller to perform work on Buyer's or Buyer's customer's premises, Seller shall take all necessary precautions to prevent any injury to persons or damage to property during the progress of such work. Except to the extent that any injury to persons or damage to property is due solely and directly to Buyer's or its customer's fault or negligence, Seller agrees to indemnify Buyer and its customer against all loss or liability resulting from any act or omission of Seller, its employees, agents, or subcontractors.
12. **PATENT, COPYRIGHT, AND TRADEMARK INDEMNITY.** Seller agrees to indemnify, defend, and hold harmless Buyer, its customer, and those for whom Buyer may act as agent, from any costs, expenses, damages, or liability that Buyer may incur as a result of any proceedings charging infringement of any patent, copyright, or trademark by reason of sale or use of any supplies/services/data furnished by Seller. Seller shall have no liability regarding alleged patent infringement for supplies furnished to Buyer in accordance with Buyer's design specifications.
13. **WARRANTY OF SUPPLIES/SERVICES.** Seller warrants that the price charged for the goods and/or services purchased in this order shall be no higher than Seller's current price to any other customer for the same quality and quantity of such goods or services. Seller warrants that all supplies/services furnished under this Purchase Order shall conform to the Buyer's drawings, specifications, or other description and will be of good material and workmanship and free of defects. Seller further warrants that the supplies/services will meet Seller's published specifications and standards, will be new (not used or reconditioned), merchantable and suitable for the purpose intended.
- These warranty provisions shall inure to the benefit of, and shall be assignable to, Eagle Technologies, LLC customers. These warranties shall survive inspection, acceptance, and payment. Supplies/services that do not conform to the above warranties may, at any time within twelve (12) months after delivery to Buyer, be rejected and returned to Seller, at Seller's expense, for correction or replacement. If Seller does not promptly correct or replace same, Buyer may correct or replace the non conforming supplies/services at Seller's expense. The foregoing warranties are in addition to all other warranties and remedies expressed or implied by law including incidental or consequential damages.
14. **CHANGES.** Buyer may, at any time, in writing, make changes to this order. If any such change causes an increase or decrease in the cost or time required for performance of the work, the price and/or delivery schedule shall be equitably adjusted and the Purchase Order so modified. Seller shall submit any claim for adjustment to Buyer within twenty (20) days following receipt of Buyer's written Change Order. Failure of the parties to agree to an adjustment shall be considered a dispute under the Disputes clause hereof; however, pending resolution of any dispute, Seller shall immediately proceed with the work as changed without interruption and without awaiting settlement of any such claim.

15. **DISPUTES.** Any dispute arising under this order that is not settled by agreement between the parties may be settled by appropriate legal proceedings in the state from which the Purchase Order was issued. Pending final resolution, Seller shall proceed with the performance of this order in accordance with Buyer's instructions.
16. **STOP-WORK ORDER.** Buyer may, at any time, by written notice to Seller, stop all or any part of the work hereunder for up to ninety (90) days. Upon receiving a stop-work order, Seller shall immediately comply with its terms and take all reasonable steps to avoid incurring any additional cost allocable to such work. Within ninety (90) days after the effective date of the stop-work order, Buyer shall either cancel the stop-work order or terminate the work covered by the stop-work order. Buyer shall make an equitable adjustment in the Purchase Order delivery schedule and/or price if the stop-work order results in an increase in time or cost for performance. Seller must assert a claim for equitable adjustment within thirty (30) days after the end of the work stoppage.
17. **TERMINATION FOR CONVENIENCE.** Buyer reserves the right, at any time, in its own best interest, and without liability, to terminate this order in whole or in part, by written notice of termination for convenience to Seller. If the order is so terminated, then, within thirty (30) days following Seller's receipt of the termination notice, Seller shall submit a claim for equitable adjustment. If the termination involves only services and products received by the Buyer prior to the termination date, Buyer shall be obligated to pay only for services performed or products received before the termination date. Seller shall provide Buyer any supporting information necessary to document the reasonableness of Seller's termination for convenience claim.
18. **TERMINATION FOR DEFAULT.** Buyer may, without liability, and in addition to any other rights or remedies provided herein or by law, terminate this order in whole or in part by written notice of default if Seller: (a) fails to deliver the supplies or perform the services within the time specified; (b) fails to make sufficient progress with the work, thereby endangering completion of performance within the time specified; or (c) fails to comply with any of the other instructions, terms, or conditions. Buyer's right to terminate for default may be exercised if Seller does not cure the failure within ten (10) days after receiving Buyer's notice of such failure. If Buyer terminates this order in whole or in part, Buyer may purchase similar supplies or services from others and Seller shall be liable for any additional costs above the original price for the terminated supplies/services. In the event of a partial termination, Seller shall continue the work not terminated. Seller will pay all reasonable attorney fees and cost of collection incurred by the Buyer. Buyer shall pay Seller the order price for any completed supplies/services delivered and accepted. Buyer and Seller shall agree on the amount of payment for manufacturing materials (parts, tools, dies jigs, planes, drawings, etc.) delivered and accepted by Buyer. Buyer may withhold from any payments due Seller, any sum necessary to protect Buyer against any liability or expenses due to the termination for default. Seller shall provide Buyer any supporting information necessary to document the reasonableness of Seller's termination for default claim.
19. **PACKAGING AND PACKING.** Seller shall be responsible for properly packing and packaging the supplies in suitable containers for protection during shipment in accordance with transportation regulations and good commercial practice. No additional charge will be allowed for packing and packaging unless specifically agreed to in writing. Seller shall label each package with the corresponding Purchase Order number, Prime Contract number, if any, and any other special markings called for by this order. Seller shall prepare an itemized packing list bearing the Purchase Order number, description of items, part number, and quantity shipped for each package. One copy of the packing list shall be placed in the shipping container, one copy shall be forwarded to Buyer, and one copy shall accompany Seller's invoice.

- 20. BUYER'S PROPERTY AND INFORMATION.** Buyer's property, such as drawings, specifications, data and the like, furnished to Seller for performance of the work shall remain the property of Buyer, shall be considered private and confidential Buyer information, and shall not be given to others not having a need-to-know or used by Seller for its own purposes. Any designs drawings, dies, molds, tooling, technical data/information, materials, equipment, etc. that Seller makes or buys from others for producing the supplies/services and charged to Buyer's accounts, shall become Buyer's property immediately upon manufacture or procurement. All such Buyer property shall be marked as belonging to Buyer and shall be held by Seller and shall be used exclusively to perform the work requirements of this Purchase Order. Upon order completion, all Buyer furnished property shall be returned to the Buyer in the same condition as received,, allowing for reasonable wear and tear, except to the extent that the property has been incorporated into supplies delivered or consumed in the performance of the work. Seller, however, has the right to use any Buyer furnished, but Government-owned property/information to furnish supplies or services for direct sale to the Government.
- 21. UNAUTHORIZED CHANGES TO SUPPLIES/SERVICES.** Seller shall make no changes affecting form, fit, function, reliability or maintainability of the supplies without Buyer's prior written approval. Changed articles shall be clearly identified and segregated from previous articles. Any approvals by Buyer shall not relieve Seller of responsibility for any errors or deficiencies that may exist, or for performing the work and furnishing the supplies/services in strict accordance with the Purchase Order requirements.
- 22. PERMITS, FEES, AND LICENSES.** Except as may be otherwise provided in this order, Seller shall obtain and pay for all permits, fees, and licenses required for the work at no additional charge to Buyer.
- 23. ORDER OF PRECEDENCE.** The following descending order of precedence shall apply in the event of an ambiguity, discrepancy, or conflict in the documents comprising this Purchase Order: (a) the Purchase Order, (b) documents referenced or appended to the Purchase Order, (c) the Statement of Work, (d) the technical specifications, and (e) the drawings. However, in the event of an ambiguity, discrepancy, or conflict in any of the technical requirements or drawings, Seller shall immediately consult Buyer for a resolution.
- 24. INSPECTION AND TEST.** Buyer and its customer may inspect and/or test materials, work in progress, and completed supplies at all reasonable times and places during performance of the work and prior to shipment. Rejected supplies shall be corrected or replaced. Rejected services shall be re-performed in an acceptable manner. If inspection and test are made on Seller's premises, Seller shall, without additional charge, provide reasonable facilities and assistance for the safety and convenience of the inspectors performing these duties. Inspections and tests shall be performed in such a manner as not to unduly delay work in progress. Unless otherwise agreed in writing, all supplies furnished under this Purchase Order are subject to Buyer's inspection and acceptance or rejection at destination, notwithstanding any previous Buyer or its customer's source inspection or test. Inspection/test at source or at destination shall not relieve Seller of its responsibility to furnish the supplies/services in strict conformance with the Purchase Order requirements. Seller shall maintain an inspection and quality control system acceptable to Buyer and its customer. Seller shall furnish Buyer the records of inspection/test for supplies and services furnished hereunder at any time during the warranty period upon Buyer's request.
- 25. DOCUMENTATION.** Buyer may refuse to accept items delivered under this purchase order if the seller fails to submit the certification documentation, test data or reports specified in the purchase order.

26. **QUALITY ASSURANCE RECORDS AND RETENTION REQUIREMENTS.** Supplier shall maintain Quality Assurance related records and retain for a period of not less than seven (10) years.
27. **CERTIFICATION OF INDEPENDENT PRICE DETERMINATION.** Seller certifies that the price(s) proposed have been arrived at independently, without consultation, communication, or agreement with any others for the purpose of restricting competition, and that Seller has not and will not knowingly disclose the price(s), directly or indirectly, to any other offeror.
28. **TRANSPORTATION CHARGES.** Unless otherwise provided in this Purchase Order, transportation charges shall be prepaid and invoiced to Buyer. No insurance or premium transportation costs will be allowed unless authorized by Buyer. Risk of loss, regardless of cause, is Seller's responsibility until the supplies/services/data are delivered. If Seller is delinquent in delivery, Buyer may require shipment by the fastest means available, and any premium transportation charges therefore shall be Seller's responsibility.
29. **DELIVERY.** Seller agrees that time is of the essence in the performance of this Purchase Order. Deliveries shall be strictly in accordance with the order delivery schedule. Buyer reserves the right to refuse or return, at Seller's expense, any excess shipments or deliveries. Seller agrees to advise Buyer, as soon as possible, of any delays in meeting the order delivery schedule and the reasons therefore. If a delay is due to Seller's or its subcontractor's failure, and a delay is not cured within ten (10) days after Seller's receipt of Buyer's notice thereof, Buyer may, at its sole discretion, either accept a revised delivery schedule and an equitable reduction in the order price or terminate the order for default. Acceptance of late deliveries shall not constitute a waiver thereof by Buyer.
30. **IMPROPER RESUBMITTAL.** Articles rejected by the Buyer and subsequently resubmitted to the Buyer shall be clearly and properly identified as resubmitted articles. Seller's shipping document shall contain a statement that articles are replacement or reworked articles and shall also refer to Buyer's rejection document. Seller shall provide evidence of corrective action to prevent recurrence of the nonconformance.
31. **PUBLIC RELEASE OF INFORMATION.** No public release of information, news release, announcement, advertisement, denial or confirmation of this order or the subject matter hereof, shall be made without Buyer's prior written approval.
32. **WAIVER OF RIGHTS.** Failure of either party to insist on performance of any provision of this order shall not be construed as a waiver of that provision or a waiver of Buyer's or Seller's right to require compliance with such provision in any later instance. If any provision of this order is found to be illegal or unenforceable under law, that provision shall be deleted; however, all other provisions of this order shall not be affected thereby, and shall remain in full force and effect.
33. **INSOLVENCY.** If Seller ceases to conduct normal business operations (including inability to meet their obligations), or if any proceedings under bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or Seller makes an assignment for the benefit of creditors, Buyer may terminate this order, without liability, except for deliveries previously made and for supplies completed and subsequently delivered in accordance with the terms of the order. In the event of Seller's insolvency, Buyer shall have the right to procure the balance of this order from others without liability.

- 34. INSURANCE.** Seller shall maintain insurance and coverage in the following areas: (a) Workers' Compensation and Employers' Liability Insurance in the minimum amount as may be proper under applicable state or federal statutes; (b) Commercial/General Liability Insurance, on an occurrence form including coverage for Contractual Liability, Bodily Injury, and Property Damage, with limits of not less than \$1,000,000 combined single limit per occurrence; (c) Automobile Liability Insurance, including all owned, non-owned or hired vehicles, with limits of not less than \$1,000,000 combined single limit per occurrence. If any of the work is to be performed on Buyer's or Buyer's customer's premises, Seller shall, if so requested, furnish Buyer certificates of such insurance prior to commencement of work. Upon Seller's failure thereof, Buyer may obtain, at Seller's expense, the insurance coverage required for such compliance. Seller also agrees to provide insurance for all Buyer's property in Seller's possession against loss or damage resulting from fire or theft, including extended coverage, malicious mischief and vandalism. Buyer shall be given at least ten (10) days advance written notice of cancellation of any such insurance.
- 35. NOTICE OF LABOR DISPUTES.** When an actual or potential labor dispute or other condition delays or threatens to delay the timely performance of this order, Seller shall immediately notify Buyer in writing. Such notice shall include all relevant information regarding such dispute or other condition. Seller shall insert the essence of this provision in all subcontracts issued hereunder.
- 36. NOTIFICATION OF FACILITY CHANGE.** Seller shall not relocate any production, manufacturing and/or processing facilities during performance of the purchase order, without promptly notifying Buyer and affording Buyer an opportunity to examine such facilities for compliance with Quality Assurance Requirements, including any necessary approvals.
- 37. TITLE AND RISK OR LOSS.** Unless otherwise provided in this Purchase Order, the F.O.B. point shall be the delivery destination indicated in this order, and title to the supplies and risk of loss or damage shall pass to Buyer upon Buyer's acceptance of the supplies regardless of where Buyer takes physical possession. If the F.O.B. point is designated as the Seller's location, then title and risk of loss or damage to the supplies shall pass to Buyer upon Seller's delivery of the supplies to the carrier.
- 38. QUANTITY.** It is the Seller's responsibility to furnish the quantity of supplies/services called for in this order. No variation in the quantity specified herein will be accepted as compliance with this order. Buyer is not obligated to return excess shipments.
- 39. GRATUITIES.** Seller warrants that it has not offered, or given and will not offer or give to any employee, agent, or representative of Buyer, a payment, gratuity, or kickback for obtaining or rewarding favorable treatment by Buyer with respect to the terms, conditions, price, performance, or award of an order. A breach of this warranty shall be considered a material breach of the order and may result in Buyer's termination of the order and/or notification to Buyer's customer of such breach.
- 40. NO EXTRA CHARGES.** The total price payable to Seller hereunder for supplies/services furnished in accordance with the procurement requirements shall be stated in this Purchase Order. The price shall not be increased to cover any future seller price increase and shall be inclusive of packing, packaging, and cartage, premium transportation charges, reusable containers, service or carrying charges, permits, fees, and licenses, or any other charges whatsoever unless specifically agreed to in writing by Buyer.
- 41. FLOW DOWN CLAUSES-** suppliers is required to flow down to sub-tier suppliers the applicable requirements in the purchasing document, including key characteristics where required.

42. **RIGHT OF ACCESS-** right of access by Eagle Aviation, it's customers and regulatory authorities to all facilities involved in the order and to all applicable records.
43. **LIMITATION OF LIABILITY.** The Buyer's liability to Seller hereunder shall not, under any circumstances, be greater than the total dollar amount of the order indicated herein.
44. **ENTIRE AGREEMENT.** This Purchase Order constitutes the entire agreement between Buyer and Seller regarding this procurement and supersedes all previous written or oral agreements and commitments. No terms or conditions of sale set forth in Seller's quotation or acknowledgment shall be included as a part hereof, nor shall any prior course of dealing, custom, or usage in the trade supersede or modify any Purchase Order provisions. Any subsequent additions, deletions or modifications to this agreement shall not be binding upon the parties unless same are mutually agreed upon and incorporated herein in writing.

AS9100 REV C SPECIFIC CLAUSES

1. Our organization reserves the right of final approval of product, procedures, processes and equipment.
2. All special processes required by this PO must be performed by qualified personnel.
3. Our organization reserves the right to review and approve the Vendors
4. Quality Management System. Standard QMS Requirements Include:
 - a. Vendors providing special processing must maintain a system for validating processes.
 - b. Customer Directed sources must operate in accordance with approved specifications and standards as dictated and controlled by the customer in question.
 - c. Suppliers initially approved for use via Certification (ISO, AS9100,) must notify our organization of any changes to that certification.
5. The Vendor shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.
6. Our organization reserves the right to approve or specify any designs, tests, inspection plans, verifications, use of statistical techniques for product acceptance, and any applicable critical items including key characteristics.
7. Our organization reserves the right to designate requirements for test specimens for design approval, inspection/verification, investigation or auditing.
8. The Vendor is required to:
 - a. Notify our organization of nonconforming product.
 - b. Obtain our organization approval for nonconforming product disposition.
 - c. Notify our organization of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations.
 - d. Flow down to the supply chain the applicable requirements including customer requirements.
9. Right of access by our organization, our customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.
10. All vendors providing Calibration Services must be Certified ISO17025 (or equivalent). All Calibration Certificates must identify standards used and must be traceable to NIST (National Institute of Standards Technology).
11. Seller shall provide a proper Bill of Lading signed by Carrier, or any other legally applicable documents providing title to the goods to Purchaser upon delivery, fully protecting all parties in case of damages in transit. All cost incurred due to improper packing will be paid by Seller. .Certification of Materials and/or Process performed must accompany materials/parts received. Invoice will be aged for payment based on date Certification(s) is received.

Document Title: General Purchase Terms and Conditions

Date Created: 9/11/2008

Date Revised: 9-4-2014

Revision Number:REV A

Document Number: EATI-QF-025

12. Far Clause 52.246.2 and 52.203-7 are hereby invoked.
13. As applicable, the Vendor shall comply with the DPAS priority ratings, imposed by the Federal Government, referenced on the purchase order. DPAS Ratings: (DX) Highest national defense urgency. (DO) Critical to national defense. (<http://guidebook.dcm.mil/38/DPAS%20Guidebook.htm>)

EXPORT/IMPORT/ITAR COMPLIANCE

Warning: Information furnished to seller under this purchase contract may contain data subject to U.S. Export Laws and Regulations. Seller is advised that such data may not be exported or re-exported to foreign persons, employed by or associated with, or under contract to seller or seller's lower-tier suppliers, without the prior written consent of General Aviation Industries, Inc., and under the authority of an export license or applicable license exemption. If such data is marked as export controlled, seller shall indemnify and hold buyer harmless from and against any and all claims, liabilities and expenses resulting from sellers' failure to comply with the Export Laws and Regulation of the United States