

## TALON AEROSPACE GENERAL TERMS AND CONDITIONS OF PURCHASE

### 1. ACCEPTANCE AND ACCESS.

This purchase order becomes a contract when Talon Aerospace, LLC. (hereinafter referred to as "Buyer") engages the purchase order receives written acceptance thereof or upon Seller making shipment or delivery of the item(s) ordered. Buyer recognizes that Seller, for its own convenience, may wish to use its own procedure of acknowledgement or acceptance. In such event, or in the event of shipment or delivery of the ordered items without a written acknowledgment or acceptance by Seller of this purchase order, Seller, by delivering such form of acknowledgment or acceptance to Buyer, or by such shipment or delivery, shall be deemed to understand and agree that the terms and conditions in this purchase order, including, but not limited to, arbitration, shall bind both Buyer and Seller and that any terms or conditions which may be contained in Seller's own form of acknowledgment or acceptance, or any other terms or conditions which may be indicated by Seller (whether oral, typed, written, printed, or electronically transmitted) shall be deemed to be null and void and of no effect, notwithstanding the fact that such form of acknowledgment or acceptance may be issued, or that such other terms and conditions may be specified, on a date later than the date of this purchase order. Neither the performance of any inspection or test, nor the payment by Buyer of all or any part of the purchase price, shall be evidence of acceptance of any items by Buyer. Upon request, Seller shall give to Buyer, or to Buyer's customer or to any regulatory authority unconditional right of access to Seller's facility strictly for the purpose of inspecting any and all records and other matters related to this purchase order.

### 2. SELLER'S QUOTATION

Reference, if any, in this purchase order to Seller's offer does not indicate acceptance of any terms or conditions as stated in such offer unless such terms or conditions are expressly adopted herein. Any terms and conditions in such offer which amend or add to or are inconsistent with the terms and conditions contained in this purchase order shall be deemed to be null and void and of no effect.

### 3. PRICE, CERTIFICATION, QUANTITY, AND TRACEABILITY

Packaging and labeling are included in the price Seller quotes. When not priced separately, certification is included in the price Seller quotes. Risks of loss remain with the Seller until items reach Buyer's specified destination and delivery is confirmed. Seller shall provide all relevant documentation as per current law and/or regulations and/or any Purchase Order's instruction. Unless otherwise specified by this Purchase Order, Buyer requires the following documentation for each Product listed on the Purchase Order:

Certification of Conformity to the specification(s) referenced on this purchase order, including **Full** traceability of the items to the original manufacturer or approved source and, shelf-life, if any, remaining at time of delivery to Buyer.

Failure to provide any required documentation constitutes nonconformity. This purchase order may not be filled at prices higher than those specified herein unless Buyer expressly accepts such higher prices in writing. Where Seller produces a quantity other than the ordered quantity, shipped or delivered quantity shall total within five percent (5%) of the ordered quantity. A short quantity may be received as a partial shipment.

Documented information supporting the certification of conformity shall be retained to ensure traceability of product for a period of 5 years for products manufactured and 10 years for critical product.

### 4. CONFLICT MINERALS COMPLIANCE

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Securities and Exchange Commission Rules adopted in connection therewith, require certain corporations to report the use of "Conflict Minerals" in the manufacture of their products. Generally, Conflict Minerals collectively refers to cassiterite, columbite, tantalite, gold, wolframite, or their derivatives, including tantalum, tin and tungsten, which originate from the Democratic Republic of the Congo or specified adjoining countries. Talon, as a privately held corporation, is not subject to the

Conflict Minerals rules and reporting requirements. However, we understand that our customers may be, and we are committed to helping our customers comply with their reporting requirements. In order to determine if our manufactured products contain Conflict Minerals, Talon will periodically conduct a survey of our key suppliers to ascertain their use of any Conflict Minerals in the materials they supply to us. Currently, to the best of our knowledge, our products do not contain Conflict Minerals. We will continue to work with our key suppliers to ensure that we are able to identify the use of Conflict Minerals in our supply chain, and the representations made in this compliance statement remain accurate. To that end, we reserve the right to amend this statement at any time based on subsequent developments or information. Should you become aware of any of your products having Conflict Minerals please contact Talon Purchasing with details. If you have any other questions or concerns regarding this statement, please do not hesitate to contact us.

## 5. DELIVERY

Time is of the essence and the delivery schedule specified in this purchase order is firm and binding. If Seller fails to deliver all items in accordance with the purchase order requirements or delays occur in making delivery, Buyer may, at its option, cancel this purchase order or any part thereof without incurring any obligation or liability to Seller and at no cost to Buyer. Seller shall be liable to Buyer for all losses and damages suffered or incurred by Buyer and arising out of or resulting from such failure or failures by Seller, including loss of profits. Seller shall immediately report and confirm in writing to Buyer in advance all events or circumstances which may result in failures of or delays in delivery of items listed on this purchase order. The delivery schedule specified in this purchase order may not be modified unless Buyer expressly agrees thereto in writing. No such modification, however, shall relieve Seller of its other obligations and liabilities to Buyer pursuant to this purchase order. Upon delivery of items made using shop drawings, programs, tooling and/or prototypes or samples owned or furnished by Buyer, Seller shall surrender such items to Buyer without delay and in their original condition.

## 6. CANCELLATION BY BUYER AND AMENDMENTS

In addition to Buyer's other rights to cancel this purchase order as stated in these General Terms and Conditions of Purchase, Buyer may cancel this purchase order without incurring any obligation or liability to Seller, other than the obligation to pay for ordered items previously delivered in accordance with requirements stated in this purchase order, in the event of insolvency of Seller, the appointment of a trustee, receiver or liquidator for all or a portion of Seller's property or the institution of any bankruptcy, reorganization, arrangement, liquidation or similar proceedings by or against Seller or an assignment by Seller for the benefit of creditors. In addition, Buyer reserves the right to cancel this purchase order at any time, at its sole discretion, without cause, without incurring any obligation or liability to Seller, other than the obligation to make an equitable adjustment by reimbursing Seller for Seller's actual costs properly incurred until the time of cancellation in performing its obligations pursuant to this purchase order.

Buyer reserves the right to make any changes, which Buyer, in its sole discretion, deems desirable, with respect to this purchase order, including, but not limited to, changes in drawings and specifications, methods of shipment and packaging, delivery schedules, and locations of delivery. If any such change increases the cost to Seller or affects the ability of Seller to make delivery pursuant to the delivery schedule specified in this purchase order, an equitable adjustment will be made by agreement between Buyer and Seller, but any claim by Seller for adjustment in either price or delivery schedule must be made and presented by Seller to Buyer and confirmed in writing ten (10) days after Buyer has notified Seller of such change.

## 7. SELLER'S WARRANTY

Seller expressly warrants that the goods supplied are of good quality, are right and fit for its intended purpose, are merchantable and free from patent or latent defects in design, material, or workmanship, and conform to the specifications mentioned in the purchase order and/or to the samples and drawings provided and are in safe condition for installation in accordance with best known operating practices or specified assembly instructions. Seller warrants that Seller has title to the goods sold hereunder and that they are free and clear from all liens or encumbrances, and of any claims by third parties. Seller further warrants that Seller shall not supply Buyer with any products obtained, either directly or indirectly, from any military or government sources and that none of the parts it supplies against the purchase

order have been subjected to severe heat, stress, moisture, or other extreme conditions that may affect the intended performance or life of the product.

Seller further warrants that all services or work (whether design, engineering, manufacturing, repair, modification, installation, or otherwise) rendered by Seller, its agents, employees, consultants, associated third parties, or its subcontractors, in connection with this order, shall be performed in a highly competent manner and to the entire satisfaction of Buyer.

Seller takes all necessary measures to prevent suspected unapproved or counterfeit parts be supplied to Buyer. In the event that Seller has knowledge that the goods ordered by Buyer are non-conforming, defective, or suspected to be non-conforming, defective, or counterfeit parts, Seller shall immediately, upon such determination, inform Seller in writing and provide product identification and full description of the nonconformity or defect and indemnify and hold harmless the Buyer for the non-conforming, defective, or counterfeit parts. The Seller shall immediately inform Buyer in writing of any changes in product specification as they occur.

Seller's warranty shall extend to Buyer and to all subsequent purchasers and users of the ordered items. All warranties herein shall be construed as warranties as well as conditions and guarantees.

## 8. INSPECTION AND CONFORMITY

If any portion of the ordered items is found to be defective in design, material, or workmanship or otherwise not in strict conformity with the specifications or requirements of this purchase order, Seller shall immediately remedy the situation to the full satisfaction of Buyer and shall be liable to Buyer for all damages, consequential or otherwise, arising by reason thereof. Buyer, in addition to its right to such damages, and other rights which it may have under express or implied warranties of Seller or otherwise, shall have the right to reject such defective items. At Buyer's option, Seller shall promptly reimburse Buyer the full purchase price for the defective items, or, Buyer may have the defect items repaired or replaced by Seller or by another party of Buyer's choice, all at the sole risk, cost, and expense of Seller. Seller shall pay all transportation, duty, insurance charges, fees, and applicable taxes if any incurred in connection with the transportation of any defective item to and from Seller or to and from such other party and Seller shall obtain Buyer's written approval for nonconforming material disposition. Failure by Seller to ship or deliver parts in accordance with the scheduled delivery stated in this purchase order constitutes nonconformity.

## 9. CORRECTIVE ACTIONS

Seller shall provide corrective action responses as requested by Buyer. For a nonconformity deemed to be caused by Seller, Buyer may generate a SCAR (Supplier Corrective Action Request) to Seller. Seller shall provide written acknowledgement of receipt of the SCAR within five (5) business days and submit to Buyer for review a plan of action for correcting the condition whereby the nonconformity could arise. Seller shall submit to Buyer within thirty (30) days of Buyer's issuance of a SCAR evidence that Seller's corrective action effectively corrected the condition whereby nonconformity could arise.

## 10. COMPLIANCE WITH LAWS AND REGULATIONS

Seller shall comply with all Federal, State, and local laws and regulations including but not limited to the Occupational Safety and Health Act of 1970 (OSHA), the Foreign Corrupt Practices Act (FCPA) or any applicable corrupt practices or anti-bribery acts, Federal and Civil Aviation Regulations, export compliance regulations, environmental laws, regulations and directives of the USA, the European Union, and any country where Seller and Buyer have legal residence(s). Seller shall provide to Buyer product and material composition information enabling Buyer to meet export regulations and EC Directives. Sale, assignment, or transfer by Buyer of the ordered items shall comply with the applicable export laws and regulations. Buyer prohibits the sale, assignment, or transfer of parts or services to persons, which are denied, debarred, or sanctioned by the United Nations or by the governments of the USA or European Community.

Upon request, Buyer shall make known the end-user and the application of the ordered items if so required by law. No gratuities (in the form of entertainment, gifts or otherwise) or kickbacks shall be offered or given by Seller, to Buyer with a view toward securing favorable treatment of Seller. Seller certifies that all items shipped or delivered pursuant to this

purchase order conform to and comply with said standards and regulations. Seller further agrees to indemnify and hold harmless Buyer for all damages assessed against Buyer as a result of Seller's failure to comply with laws and regulations and for the failure of the items furnished under this order to so comply. Buyer and Seller shall abide by the requirements of 41 CFR §§ 60- 1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that Buyer and Seller take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

#### **11. ETHICAL BEHAVIOR**

Seller shall conduct business in a responsible, fair, and ethical way. Seller shall respect the Human rights of Seller's employees. Seller shall ensure Seller's working conditions are humane and safe, and discrimination is not tolerated. Seller shall not make use of child labor or forced labor. We expect Seller to protect the environment by minimizing pollution and to use environmentally friendly materials or substances where possible. Seller shall not tolerate or engage in Bribery and/or corruption.

#### **12. NO ASSIGNMENTS**

Seller shall not assign this purchase order or any moneys due, or to become due hereunder, without Buyer's prior written consent.

#### **13. INDEMNITY**

Seller shall indemnify Buyer (including but not limited to its affiliates, directors, officers, employees, agents and assigns) and all subsequent purchasers and users of the ordered items, services or work, and provide and pay for a full defense, upon Buyer's notice, and shall save and keep Buyer and all such purchasers and users free and harmless of, from and against, all without any geographical limitations, any and all actions, proceedings, claims (actual or threatened), losses, judgments, damages, costs, liabilities, charges and expenses (including attorneys' fees) of any nature whatsoever which may be made or incurred by or against Buyer or against such purchasers or users, or which Buyer or such purchasers or users may suffer, sustain, incur or be in any way subjected to: (i) by reason of injury to or death of any person or persons, or damage to or loss of property, arising out of the performance of this purchase order by Seller or out of anything undertaken or done in carrying out this purchase order, or out of the manufacture, purchase, sale or use of the ordered items; or (ii) to the extent that the ordered items are not manufactured pursuant to detailed designs furnished by Buyer, arising out of or in connection with any actual or alleged infringement of any patent, copyright or trademark by reason of the design, manufacture, purchase, sale or use of the ordered items. Seller agrees that without geographical limitations in addition to defending Buyer, Seller may be made a party by Buyer to enforce Buyer's rights by way of cross claims or any other third-party action, to any action or proceeding to which Buyer is made a party.

#### **14. INTELLECTUAL PROPERTY**

Seller agrees that Buyer shall be the owner of all inventions, technology, designs, works of authorship, mask works, technical information, computer software, business information and other information conceived, developed, or otherwise generated in the performance of this purchase order by or on behalf of Seller. Seller hereby assigns and agrees to assign all right, title, and interest in the foregoing to Buyer, including without limitation all copyrights, patent rights and other intellectual property rights therein and further agrees to execute, at Buyer's request and expense, all documentation necessary to perfect title therein in Buyer. Seller agrees that it shall maintain and disclose to Buyer written records of, and otherwise provide Buyer with full access to, the subject matter covered by this clause and that all such subject matter be deemed information of Buyer. Seller agrees to assist Buyer, at Buyer's request and expense, in every reasonable way, in obtaining, maintaining, and enforcing patent and other intellectual property protection on the subject matter covered by this clause. Seller warrants Seller's the work performed under this Contract shall not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Seller agrees to defend, indemnify and hold harmless Buyer and its customers from and against any claims, damages, losses, costs and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based

upon a claim that Seller's work performed or items delivered under this purchase order infringes or otherwise violates the intellectual property rights of any person or entity.

#### 15. FINANCIAL CONDITIONS

Prices stated in this purchase order are firm and fixed and not subject to any escalation. Invoices shall concern one purchase order solely. Any invoice shall be forwarded to Buyer's address as mentioned in this purchase order and contain: (i) Purchaser Order number, (ii) Product and any other detail required by current law. No payment shall be made if Buyer has not received an invoice as defined herein. Payment shall be made within forty-five (45) days upon acceptance of the Product and receipt of an invoice in compliance of this Article. Payment shall be made by means of a bank wire transfer on Seller's account. Buyer shall be entitled to set off all monies owed under this purchase order from any other sums, whether liquidated or not, that are or may be due by Seller, whether arising out of this purchase order or of a different transaction or contract with the Seller, its subsidiaries, or affiliates.

Unless otherwise provided, all Federal, State, and local sales, use, excise, or similar taxes payable with respect to ordered items shall be paid by Seller.

#### 16. DEFAULT

If seller defaults in performing any of its obligations to Buyer pursuant to this purchase order, or any agreement between Buyer and Seller whether related to this purchase order, Buyer may at its option, and without incurring any liability thereby, cancel and terminate this purchase order as well as any or all agreements between Buyer and Seller. Moreover, in the event of any default by Seller in performing any of its obligations to Buyer pursuant to this purchase order, Buyer in addition to all rights and remedies provided for in this purchase order, shall have a right to recover all damages sustained by it, directly, indirectly, or consequently, including loss of profits, as well as the rights and remedies provided a buyer, with respect to defaults by a seller, under the Uniform Commercial Code.

#### 17. APPLICABLE LAW AND ARBITRATION

This purchase order shall be governed by and interpreted in accordance with the laws of the state of Alabama without giving the effect of conflicts of laws provisions that would require the application of the law of another state. Venue for any claim or causes of action brought under this purchase order shall be in Shelby County, Alabama.

Any controversy or claim arising out of or relating to this purchase order or to Buyer's purchase or use of goods or services, or out of or related to the supply of goods or services by Seller to Buyer, including, without limitation, arbitrability and any dispute concerning the scope of this arbitration clause, shall be settled by binding arbitration, using one neutral arbitrator applying the Federal Arbitration Act and governing commercial rules of the American Arbitration Association and applying Alabama substantive and procedural law without regard to its conflict of laws rules and to the exclusion of the U.N. Convention on Contracts for the International Sales of Goods. Judgment upon the award in any arbitration rendered by the arbitrator may be entered in any court of competent jurisdiction. In any action or proceeding arising out of or in connection with this purchase order, the non-prevailing party shall pay reasonable costs and expenses (including without limitations, attorney's fees) of the prevailing party.

#### 18. GENERAL PROVISIONS

No provision of this purchase order may be waived, changed, terminated, modified, discharged, or rescinded, except by a writing signed by the party to be charged by any such waiver, change, termination, modification, discharge, or rescission. No waiver of any breach of any provision of this purchase order shall constitute a waiver of any similar or dissimilar prior or subsequent breach or shall constitute an amendment or modification of this purchase order, or any provision hereof unless expressly stated to the contrary in writing. If any provision of this purchase order shall be held to be unenforceable or inapplicable in any respect, such holding shall not affect the enforceability of any other provision of this purchase order under any other circumstances. The provisions of this purchase order shall bind and inure to the benefit of Buyer and Seller and their respective successors and assigns. Headings of paragraphs and subparagraphs have been inserted for convenient reference only and shall not in any way affect the meaning or interpretation of the text.

These General Terms & Conditions of Purchase comprise the guidelines and provisions of the Seller and Buyer with respect to this purchase order and supersedes and cancels all prior communications, understandings, and agreements between the Buyer and Seller.