

DRT AEROSPACE, LLC TERMS AND CONDITIONS OF PURCHASE

Effective Date: 10/27/2022

The following Terms and Conditions will govern all transactions with Purchaser (as defined below) unless expressly agreed in writing by the parties to the contrary.

1. DEFINITIONS: As used throughout this document and/or any other document(s) expressly incorporated herein by reference, “**Purchaser**” shall mean **DRT Aerospace**, an Ohio corporation, **and/or any of its subsidiaries**; “**Seller**” shall mean any party with whom Purchaser places an Order (as defined below); “**Goods**” shall mean the goods to be furnished by Seller to Purchaser under the Purchase Order (as defined below); and “**Purchase Order**” or “**Order**” shall mean the purchase order on the reverse side hereof or attached hereto together with the Terms and Conditions contained herein and any drawing(s) and specifications(s) or any other information or conditions attached hereto and/or incorporated by reference.

2. TRANSPORTATION; DELIVERY; RISK OF LOSS. Deliveries shall be made both in quantity and at times specified on the Purchase Order, strictly in accordance with the delivery schedule. **Time and quantity of delivery are of the essence of each Purchase Order. Seller shall advise Purchaser of Seller’s scheduled shipment date.**

- (a) Delivery Date. Seller shall not deliver any product or service prior to 7 business days of the requested delivery date on DRT’s PO to seller without written authorization from buyer. If DRT needs product earlier than the delivery date shown on the PO, DRT will issue a revised PO stating the new date the seller should deliver product by. Should the seller ship product and it arrives more than 7 business days before the PO date, DRT at its sole discretion retains the right to refuse and/or ship the product back to seller at seller’s cost.
- (b) Over Shipment. Purchaser shall not be required to make payment for Goods delivered to Purchaser that are in excess of the quantities specified in the Purchase Order.
- (c) Partial Shipment. In the event of shipment or receipt of less than the Goods ordered, Purchaser may, at its option either accept shipment and pay only for the Goods received pro rate based on the price of each item or reject the entire shipment.
- (d) Late or Defective Shipment. If Seller’s deliveries fail to meet Purchaser’s delivery schedule, Purchaser, without limiting its other remedies may (i) reject the Goods and cancel the Order, or (ii) direct Seller to use expedited routing and the difference between expedited routing and routing costs provided for in the Purchase Order shall be paid by Seller. Purchaser’s acceptance of a late or defective delivery shall not be deemed a waiver by Purchaser of its right to cancel the Order or to refuse to accept further deliveries.
- (e) Purchaser’s Option to Change Delivery Date. Purchaser may, upon reasonable notice to Seller, change the date of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price of the Goods covered in the Purchase Order. Notwithstanding any agreement concerning payment of freight expenses, delivery shall not have occurred, and the risk of loss shall not have shifted to Purchaser until the Goods have been delivered to Purchaser’s facility or any other location specified by Purchaser to Seller and such Goods have been accepted at that facility or location.
- (f) Export of Shipment or Technical Data. Seller must be compliant to International Traffic in Arms Regulations (*ITAR*) §122.1 as it concerns registration. The Seller must implement the appropriate controls to comply with ITAR Regulations (**22 CFR 120-130**) and Export Administration Regulations (EAR) (**15 CFR 730-774**) when handling / processing defense articles. Purchaser is permitted to audit for compliance and request documentation when deemed necessary. Purchaser will include if material must be handled in accordance to ITAR or EAR regulations on the purchase order.

3. CHANGES. Purchaser shall have the right to make changes within the general scope of this Purchase Order at any time hereafter. All of the terms and conditions set forth herein shall apply to any and all such changes. The Seller must flow down to its sub-tier suppliers all applicable requirements, including the Purchaser’s customers’ requirements. In the event that a change affects the delivery and/or amount to be paid by Purchaser, Seller shall so notify Purchaser within [three (3)] business days after receipt of notice of the proposed change from Purchaser. No price increase or extension of time for delivery shall be binding on Purchaser until a change order has been issued and signed by Purchaser. Nothing in this Section 3, including any disagreement with Purchaser as to any claimed adjustment, shall entitle Seller to stop or delay performance under this Purchase Order.

4. TERMS OF PAYMENT. All requests for payment shall be made by invoice only referencing the applicable Purchase Order number(s). If no price is set forth on the front of the applicable Purchase Order(s), the Goods shall be billed at the price last charged by Seller to Purchaser and in no event, shall any Purchase Order be filled at a price higher than that last charged. In the event that Purchaser makes full or partial payment to Seller prior to the delivery of all Goods by Seller, title to the Goods identified to the contract at the time of such payment or thereafter shall pass to Purchaser and Seller shall be deemed a bailee of any and all Goods remaining in its possession. Seller agrees to maintain insurance coverage in types and minimum amounts equal to at least the total value of the Purchase Order for all Goods that are or become identified to the contract.

5. PACKING. All Goods shall be crated, boxed, bundled or otherwise packaged in strict accordance with any instructions provided by Purchaser. In the absence of such instructions, Goods shall be packed in accordance with standard commercial practices. Charges for boxing, packing or and storage and all applicable federal, state and local taxes are included in the price stated on the Purchase Order. The cost of repairing any damage to Goods not packed to ensure proper protection to the same will be charged to Seller. Premium shipping expenses and/or other related expenses necessary to meet Purchaser's delivery schedules shall be Seller's sole responsibility.

6.SAFETY DATA SHEETS [Goods] The Supplier shall provide current Safety Data Sheets (SDS) for all hazardous materials and products delivered under this Purchase Order.

The Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is an EU regulation released in December 2006. REACH Compliance is designed to improve the protection of human health and the environment through better identification of the properties of chemical substances. DRT Aerospace, LLC. will not permit the supply of any chemicals that have been restricted by REACH. Any chemicals or by-products supplied that are restricted by REACH may be considered a federal offense and could lead to fines or imprisonment.

7. ASSIGNMENTS. Seller shall not assign any interest or right under this Purchase Order without Purchaser's express written consent and any attempted assignment or delegation without such consent shall be null and void. The Seller must use the designated suppliers required by the Purchaser's customers, including special process sources. The Seller shall ensure that all persons doing work under their control are aware of: (i) their contribution to product or service conformity, (ii) their contribution to product safety, and (iii) the importance of ethical behavior.

8. QUALITY. Conformance to this requirement is to highlight the importance of product conformity and service conformity as it relates to product safety for the end user. Therefore, all Goods supplied under this Purchase Order shall be new and free from defect in materials, design and workmanship, and such Goods shall conform to the standards of the industry and/or any specifications provided by Purchaser. This includes the processes, products, and services to be provided, including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions) It may also include, as applicable:

- competence, including any required qualification of persons;
- control and monitoring of the Seller's performance to be applied by the Purchaser;
- verification or validation activities that the Purchaser, or its customer, intends to perform at the external providers' premises;
- design and development control.

The product must not contain the following materials: Freon Solvents, Radioactive materials, Magnesium or Magnesium base alloys, Cadmium or Cadmium plating, Polyvinyl Chloride (PVC), Polychlorinated Biphenyl's (PCB), Hexavalent Chrome (Cr⁺⁶), or Mercury in the product or used in the manufacture or testing of the product. The use of Magnesium and Cadmium as alloying elements in metals, for example 5052 and 6061 aluminum, is not excluded by this certificate. Supplies furnished shall not contain functional mercury or be contaminated externally by metallic mercury or mercury compounds. Chemical and physical certifications must accompany material. Notify Purchaser immediately of any variance from specifications, terms, or delivery cited above and defer to Purchaser for disposition of any such variance or nonconformance. Material to be from single heat lot unless prior authorization given by Purchaser. Unless otherwise stated in this Purchase Order, all Goods shall be made of new material(s) and components, which shall be fully warranted by Seller in accordance with the provisions of Section 8 below.

9. COUNTERFEIT OR BROKERED MATERIALS / MINERALS. DRT Aerospace, LLC will not accept any product suspected to be counterfeit. Any suspected counterfeit material will be quarantined and will be reported to the applicable authorities. This includes:

- No substituting of materials / minerals
- No re-grading of materials / minerals
- No materials or hardware supplied without traceability to the original manufacture
- No minerals supplied in conflict with the US Dodd-Frank Wall Street Reform and Consumer Protection Act
- No brokered hardware or fasteners
- No re-marking of materials
- No falsification of documents including test and inspection reports

Product traceability - the seller must be capable of providing full traceability for the materiel being purchased, including names and addresses of prior sources (if any). Both buyer and seller should maintain records containing date and/or lot and/or heat codes (if applicable), and any serialization or unique item identifiers associated with the purchase order and invoice.

Tests and inspections - The seller will be notified of all tests and inspections that they will be required to perform to assure product authenticity, including development of accept/reject criteria and qualification of test/inspection personnel.

Guarantee of Materiel Source(s) - The seller shall ensure that only new and authentic materials are used in materiel delivered to DRT Aerospace, LLC. The Seller may only purchase directly from original manufacturers, manufacturer franchised distributors, or authorized aftermarket manufacturers. Use of materiel that was not provided by these sources is not authorized unless first approved in writing by DRT Aerospace, LLC. The seller must present compelling support for its request (e.g., original manufacturer documentation that authenticates traceability of the materiel to the original manufacturer) and include in its request all actions to ensure the materiel thus procured is authentic and conforming.

Acceptance of financial responsibility - The seller should be notified that they may be liable for remedial costs should any counterfeit materiel be provided. DRT is not under obligation to return suspect or confirmed counterfeit materiel and DRT may elect to scrap any known counterfeit materiel. The buyer may request proof of financial responsibility, such as a product liability/completed operations insurance certificate of insurance (e.g., ACORD Certificate of Liability Insurance) issued from the seller's insurance agent or broker. Limits of at least \$1,000,000 per occurrence and \$1,000,000 annual aggregate are common. DRT may also request similar evidence of professional liability and/or product recall insurance with similar limits from the seller if the cost is commercially feasible for the seller.

Length of obligation - The specific time period for seller responsibility of counterfeit or substandard is the life of the ultimate customer's program plus 25 years for military application and 10 years for commercial application.

Penalties Associated with Fraud - Any falsification or counterfeit part supplied may be considered a federal offense and could lead to fines or imprisonment. The seller shall include the following statement preprinted on each Certificate of Conformance initiated by the seller and provided to the buyer in conjunction with this purchase order:

Supplier, upon acceptance of this purchase order, agrees to comply with all requirements set forth in DFARS 252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER REPORTING (oct 2016) to the extent possible. The term "Contractor" shall mean Supplier except in subpart (i) (5). The term "Prime Contractor" shall mean Supplier except in subpart (m). In addition to requiring subcontractors to comply with the requirements of subpart (m) (2), Supplier shall also comply with those requirements.

NOTE: The recording of false, fictitious, or fraudulent statements or entries on this document may be punishable as a crime. Seller shall include all provisions of this contract clause, including this sentence, in all lower tier contracts under this order. Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to DRT Aerospace, LLC."

10. WARRANTY. Seller expressly warrants and guarantees that all Goods delivered hereunder shall be free from defects in design, materials or workmanship, in strict accordance with requirements of this Purchase Order, shall be of good and merchantable quality and fit for the particular purposes for which such Goods are intended. Seller will repair or replace Goods that are or become defective in any way promptly upon notification by Purchaser. All warranties shall survive any inspection delivery, acceptance or payment.

11. INSPECTION. Purchaser and its authorized designee(s) reserve the right but not the obligation to inspect and/or test the Goods to be furnished at any stage of manufacture before delivery. This may include, as specified, test specimens for design approval, inspection / verification, investigation or auditing. All Goods shall be subject to a final inspection and testing by Purchaser or its authorized designee(s) at Purchaser's plant or such other location as specified by Purchaser prior to acceptance by Purchaser. Purchaser's full or partial payment for the Goods shall not constitute acceptance by Purchaser. If any of the Goods, processes or services are found to be defective in any manner or otherwise not in conformity with the requirements of this Purchase Order, including any applicable drawings and/or specifications, Purchaser, in addition to such other rights and remedies that it may have at law or in equity, may, at its sole discretion, (i) reject and return to Seller such defective or non-conforming Goods at Seller's expense; (ii) require Seller to inspect the Goods and remove defective or non-conforming Goods; and/or

require Seller to replace defective or non-conforming Goods. If Seller fails to make the necessary inspection, removal and/or replacement in a time and manner reasonably satisfactory to Purchaser, Purchaser may, at its option, inspect and sort the Goods and Seller will pay any related expenses.

12. INDEMNIFICATION BY SELLER. Seller shall defend or settle, at its own expense, any and all claims made against Purchaser, its officers, directors, agents, or employees, and shall indemnify Purchaser, its officers, directors, agents, and employees and hold the same harmless from any and all loss, expense, damage liability, claims or demands, either at law or in equity, including any direct, indirect, special, incidental, consequential, punitive and exemplary damages, that are related in any way to Seller's representations, any breach or default by Seller of any term of this Purchase Order, including, but not limited to, claims based on Seller's breach or alleged breach of a warranty, claims for any infringement or alleged infringement of any patents, trademarks or copyrights or other intellectual property, claims for any violation of any applicable law, ordinance or regulation or government authorization or order. Seller's obligations to indemnify Purchaser under this Section 10 shall apply regardless of whether the claim arises in tort, negligence, contract, warranty, or strict liability or otherwise, except to the extent of any such liability arising out of the gross negligence of Purchaser. Purchaser shall have the right to engage separate counsel, at Seller's expense, to monitor and advise Purchaser about the status and progress of the defense.

13. DEFAULT. Seller shall be in default under this Purchase Order upon the occurrence of either of the following: (i) Seller fails to perform any of its obligations to Purchaser under this Purchase Order or any other agreement(s) with Seller; (ii) Seller shall become insolvent, cease doing business, or become the subject of any proceedings under any bankruptcy, insolvency or reorganization statute or law, or (iii) Seller engages in unethical practice(s) delivering the requirements of this Purchase Order. In the event of default, in addition to any other remedies provided Purchaser at law or in equity, Purchaser may elect to cancel this Purchase Order and any other agreements with Seller. Seller shall be liable to Purchaser for any direct, indirect, incidental, special or consequential damages, including, but not limited to, loss of profits, revenue or business, or attorneys' fees resulting from, or in any way related to Seller's default.

14. TERMINATION. Purchaser may terminate all or any part of this Purchase Order for convenience at any time by written notice to Seller. Notice shall be deemed to have been received by Seller three (3) days after being sent by Purchaser via certified mail, return receipt requested or upon actual receipt, whichever is earlier. Seller shall discontinue immediately upon notice all performance of work under this Purchase Order. In the event of such cancellation, Purchaser shall not be liable to Seller for loss of anticipatory profits, revenue or business, resulting from, or in any way related to Seller's cancellation.

15. GOVERNING LAW; JURISDICTION. Any controversy arising out of or related to this document or the contract arising from this document shall be construed and governed by the laws of the State of Ohio, regardless of principles of conflicts of law. Any action arising from or related to this contract for the sale of goods shall be instituted and litigated in any federal or state court located in Montgomery County or Montgomery County, Ohio. The parties hereby irrevocably consent to the jurisdiction of the courts of Montgomery County and Montgomery County, Ohio.

16. MISCELLANEOUS. No failure to enforce or waiver of any breach of any provision of this document shall constitute a waiver of any provision or shall constitute an amendment of this document. If any provision hereof shall be held to be unenforceable, such holding shall not affect the enforceability of any other provision of this document.

17. PURCHASE ORDER/COMPLETE AND ENTIRE AGREEMENT. This Purchase Order constitutes the sole, complete and entire agreement between Purchaser and Seller with respect to the Goods to be furnished to Purchaser by Seller and supersedes all prior representations or agreements, whether written or oral. **Acceptance of this Purchase Order is expressly limited to the terms and conditions contained herein and any information or documents expressly incorporated by reference.** Any provision printed or otherwise contained in any quotation or acknowledgement of this Purchase Order that are inconsistent, different or additional to the terms and conditions of this Purchase Order, or any alteration in this Purchase Order, shall have no force and effect, and Seller hereby agrees that any such provisions or alterations shall not constitute part of this Purchase Order unless expressly agreed to in writing by Purchaser. If Seller has previously made an offer with respect to the subject matter of this Purchase Order, this Purchase Order shall not operate as an acceptance of Seller's offer, but rather shall be deemed to be a counteroffer. If Purchaser's terms are not acceptable to Seller, Seller shall immediately notify Purchaser of its objections and Seller's failure to so object and its delivery of an acknowledgement or delivery of the Goods, whichever occurs first, shall constitute Seller's consent to the terms

hereof. In the event of conflict between the terms and conditions set forth herein and the terms of the Purchase Order, the latter shall control.

18. The nondiscrimination clauses contained in section 202, Executive Order 11248, as amended by Executive Order 1137, relating to equal employment opportunity for all persons without regard to race, color, religion, sex or national origin and the implementing rules and regulations prescribed by the Secretary of Labor at 41 CFR Chapter 60 and the Employment of the Handicapped Clauses set forth at 20 CFR 741.3 relating to employment of the handicapped are incorporated herein by reference.

19. The Seller is expected to implement a Quality Management System if they are not registered to one. Suppliers, contractors, and consultants agree to notify DRT of any changes in the product or service so that DRT may determine whether the changes may affect the quality of a finished product or service provided. This includes changes to processes, products, or services, including changes within the Seller's supply chain or their location of manufacture. The Seller shall obtain the Purchaser's approval for any changes.

20. DRT, its customer and regulatory agencies maintain the right of entry to any place necessary to determine and verify the quality of contracted work, records and material.

21. Suppliers to DRT Aerospace, LLC – Sidney, Meriden, Winsted, Rochester and Simpsonville are to retain processing records relative to the requirements of the Purchaser's purchase order for a minimum of (10) years unless otherwise specified by the Purchaser. All records shall be dispositioned in accordance with the Purchaser's requirements.

22. DRT Aerospace Red Card Compliance Escalation hotline provides a mechanism for escalating quality, safety, and / or ethical behavior issues that have not been resolved through normal channels. Individuals can contact DRT Aerospace using either phone or email communication to escalate an issue.

Voicemail Option:
(937) 938-9504

Email Option:
red.card@drtusa.com

The individual may elect to remain anonymous or leave contact information for follow-up by a representative of DRT Aerospace.