



Controlled Document

Purchase Order Terms & Conditions

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Owner: Director of Supply Chain

Approved By:

- Adrian Allen-Potter, Director of Supply Chain
- Billye Jo Gann, Legal Counsel / Director, Contracts
- Frank Jones, Director of Quality
- Michael Frazier, Chief Revenue Officer
- Franklin Boyd, Chief Operating Office
- Stacy Johnson, Chief Financial Officer

Revision History

Rev	Date	Description	Approved By
1	03/31/2026	Initial Release	Director of Supply Chain; Legal Counsel; Director of Quality
2	05/28/2026	Update	Director of Supply Chain; Legal Counsel; Director of Quality

1. Purpose

Define standard purchasing terms to ensure compliance with aerospace, regulatory, and customer requirements.

2. Scope

Applies to all external providers supplying materials, components, or services.

3. Terms & Conditions

3.1 Acceptance of PO

Acceptance of this Purchase Order (PO), including issuance, acknowledgment, or performance, constitutes agreement to all terms and conditions herein. Supplier shall confirm the PO within five (5) business days of receipt. Failure to do so shall not delay performance, and the PO may be deemed accepted.

3.2 Quality Management System

Supplier shall maintain a Quality Management System (QMS) compliant with ISO 9001, AS9100, or an equivalent standard, unless otherwise approved by Buyer.

3.3 Traceability

Supplier shall maintain full traceability of all materials and components to the original manufacturer, including applicable heat, lot, batch, and serial numbers.

3.4 Certification Requirements

Each shipment shall include, as applicable:

- Certificate of Conformance (CoC)
 - Mill Test Report (MTR)
 - Test/inspection reports
 - FAA Form 8130-3 or equivalent airworthiness certifications
 - Any other applicable certifications
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3.5 Counterfeit Parts Prevention

Supplier shall comply with DFARS 252.246-7007 and shall:

- Procure materials only from authorized or approved sources
 - Immediately notify Buyer of any suspected or confirmed counterfeit parts
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3.6 Flow-Down Requirements

Supplier shall flow down all applicable requirements of this PO, including regulatory and customer requirements, to all sub-tier suppliers.

3.7 Inspection & Testing

Buyer reserves the right to perform inspection and testing in accordance with applicable requirements, including FAR 52.246-2.

3.8 Right of Access

Buyer, its customers, and applicable regulatory authorities shall have the right of access to Supplier's facilities, records, and applicable documentation for the purpose of inspection, verification, and audit.

3.9 Change Notification

Supplier shall provide prior written notice to Buyer of any proposed changes affecting the product, materials, manufacturing process, or manufacturing location. Supplier shall not implement such changes without Buyer's prior written approval.

3.10 Nonconforming Product

Supplier shall not ship nonconforming product without prior written approval from Buyer. All nonconformances must be properly documented and submitted for disposition.

3.11 Record Retention

Supplier shall retain all quality and manufacturing records for a minimum of ten (10) years, unless otherwise specified by contract or regulatory requirements.

3.12 Packaging & Labeling

Supplier shall provide proper packaging and identification in compliance with 49 CFR 172.300 and all applicable Department of Defense (DoD) regulations.

All packages, containers, and shipping documentation must be clearly and legibly marked with the Buyer's purchase order number. Supplier shall also comply with all labeling requirements, including barcodes, lot or batch numbers, and serial numbers, as required for traceability.

Failure to comply may result in rejection of shipment, return at Supplier's expense, and/or delays in payment.

Supplier shall comply with all applicable hazardous materials, explosives, and dangerous goods transportation regulations, including but not limited to U.S. Department of Transportation (DOT), International Air Transport Association (IATA), and International Maritime Dangerous Goods (IMDG) requirements, as applicable.

Supplier shall ensure that all personnel involved in packaging, handling, and shipping are properly trained and certified in accordance with applicable regulations.

3.13 Delivery

Supplier shall meet all delivery commitments and promptly notify Buyer of any anticipated delays. Supplier shall take all reasonable steps to mitigate the impact of such delays.

In the event Supplier fails to meet the agreed delivery date, Buyer may:

1. Procure substitute goods from alternate sources and charge Supplier for any excess costs; and/or
2. Assess liquidated damages in the amount of **1% of the total Purchase Order value per week of delay**, not to exceed a maximum of **10% of the total Purchase Order value**.

The parties agree that these liquidated damages represent a reasonable pre-estimate of the damages Buyer would incur as a result of delayed delivery and are **not intended as a penalty**.

Supplier shall also be liable for all reasonable and documented costs incurred by Buyer due to nonconforming goods, including but not limited to rework, replacement, expedited freight, and procurement of substitute goods.

3.14 Special Processes

Special processes (e.g., heat treating, plating, NDT) shall be performed only by qualified and approved sources, including those accredited by NADCAP where applicable.

3.15 FOD Prevention

Supplier shall maintain an effective FOD prevention program to prevent contamination or damage to products.

3.16 Shelf-Life Materials

Supplier shall ensure that all shelf-life materials are clearly identified with manufacture date, expiration date, and applicable lot or batch information.

Unless otherwise specified, materials shall have a minimum of seventy-five percent (75%) of their total shelf life remaining at the time of delivery. Materials not meeting these requirements may be rejected or returned at Supplier's expense.

3.17 Regulatory Compliance

Supplier shall comply with all applicable regulatory requirements, including:

- Federal Acquisition Regulation (FAR)
- Defense Federal Acquisition Regulation Supplement (DFARS)
- Export control regulations (ITAR/EAR)
- Controlled Unclassified Information (CUI) requirements

Supplier certifies, on a per-order basis, that its performance under this Purchase Order complies with all applicable export control laws and regulations, including but not limited to ITAR and EAR, and that it has obtained all required licenses, approvals, and registrations necessary to fulfill this Purchase Order.

3.18 Confidentiality

Supplier shall protect all Buyer proprietary and confidential information and shall not disclose such information without prior written consent.

3.19 Corrective Action

Supplier shall acknowledge receipt of Corrective Action Requests (CARs) within five (5) business days and provide a timely and complete response, including root cause and corrective action.

3.20 Supplier Performance

Supplier performance shall be monitored based on quality, delivery, and responsiveness. Failure to meet performance expectations may result in corrective action requests, probation, or disqualification as an approved supplier.

3.21 Limited Liability

Supplier's liability for any claims, losses, or damages arising from or related to this Purchase Order, including nonconforming goods or delayed deliveries, shall be limited to the total value of the Purchase Order, except where prohibited by applicable law.

Liquidated damages assessed under Section 3.13 shall be considered the agreed remedy for delayed deliveries. Neither party shall be liable for indirect, incidental, or consequential damages, including lost profits or lost revenue. This limitation of liability does not apply to claims arising from intentional misconduct, gross negligence, or fraud.

Supplier acknowledges that Goods supplied under this Purchase Order may be inherently hazardous and assumes all risks associated with the handling, storage, transport, and use of such Goods, except to the extent caused by Buyer's sole negligence or willful misconduct.

3.22 Cyber Security / Data Protection

Supplier shall implement and maintain appropriate technical and organizational measures to protect Buyer's proprietary, confidential, or controlled information in accordance with applicable cybersecurity and export control regulations.

3.23 Governing Law

The Agreement and any Order shall be interpreted in accordance with the plain English meaning of its terms and in accordance with the common law of United States federal government contracts and the construction thereof shall be governed by the Laws in force in the State of New York, USA without regard to conflicts of law principles, except that the United Nations Convention on Contracts for the International Sale of Goods dated April 11, 1980, as amended to date, will not apply. Buyer may, but is not obligated to, bring any action or claim relating to or arising out of an Order in the appropriate court in Texas, and Supplier hereby irrevocably consents to personal jurisdiction and venue in any such court, hereby appointing the pertinent Secretary of State or other applicable government authority as agent for receiving service of process. If Supplier or any of its property is entitled to immunity from legal action on the grounds of sovereignty or otherwise, Supplier hereby waives and agrees not to plead such immunity in any legal action arising out of the Agreement and/or Order. To the extent permitted by applicable Law, the Parties waive any right they may have to a trial by jury.

Any action or claim by Supplier with respect hereto shall also be brought in Connecticut, if Buyer so elects. Accordingly, Supplier shall give written notice to Buyer of any such intended action or claim, including the intended venue thereof, and shall not commence such action or claim outside of such jurisdiction if Buyer, within 30 days from receipt thereof, makes its election as aforesaid. If Buyer and Supplier mutually agree to participate in alternative dispute resolution, Supplier agrees that all alternative dispute resolution proceedings shall take place in Connecticut.

3.24 Dispute Resolution

Except as provided below, prior to a Party initiating a formal legal proceeding relating to a dispute under the Order, such Party must provide the other with a written request for dispute resolution. Each Party shall, within 5 calendar days after such written request is received, designate a representative who will be responsible for negotiating, in good faith, a resolution of the dispute. Should the representatives

fail to reach agreement within 30 calendar days of receipt of the request, executives of each Party shall attempt to resolve the issue within 60 calendar days of receipt of such written request.

Either Party may (i) resort to a formal legal proceeding for equitable relief at any time and (ii) institute litigation in order to avoid the expiration of any applicable limitations period or to preserve a superior position with respect to other creditors.

The dispute resolution procedures set forth herein do not supersede, delay, or otherwise affect any rights of termination that are expressly set forth herein.

3.25 Insurance Requirements

Without limiting Supplier's liability and duty to hold harmless and indemnify hereunder, Supplier agrees to secure, maintain, and require its subcontractors to maintain, the following insurance coverages and limits:

Workers' Compensation Insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the Laws of the U.S., non-U.S. country, state, or other governmental subdivision in which the work or any portion of the work is performed and Employer's Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence; and

Commercial General Liability Insurance and Umbrella Liability Insurance, including Premises Liability and Contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$5,000,000 for any one occurrence.

In addition to the insurance requirements set forth above, Supplier also agrees to secure, maintain, and require its subcontractors to maintain, the additional insurance coverages and limits relevant to Supplier's performance of the Order.

All such insurance shall be issued by companies authorized or permitted to do business under the Laws of the state or jurisdiction in which all or part of the Services are to be performed and must have an AM Best financial rating of A- or better or an equivalent rating as produced by another rating agency acceptable to Buyer.

The insurance policies described herein, and in an Order shall be in a form satisfactory to Buyer and shall contain a provision prohibiting cancellation or material change except upon at least 30 days' (7 days in the case of War Risks Insurance) prior notice to Buyer. All such insurance policies or self-insurance will be primary in the event of a loss arising out of Supplier's performance and shall provide that where there is more than one insured the policy will operate, except for the limits of liability, as if there were a separate policy covering each insured and shall operate without right of contribution from any other insurance carried by Buyer. Certificates evidencing such insurance and endorsements naming Albers and Buyer as an additional insured under the Commercial General Liability and Umbrella Liability insurance or, in the case of All Risk Property Insurance, naming Albers and Buyer as a loss payee, shall be filed with Buyer upon execution of an Agreement or any Order and before commencement of any work hereunder, and within 30 days after any renewals or changes to such policies are issued. To the extent permitted by Law, Supplier and its insurer(s) agree that subrogation rights against Albers and Buyer are hereby waived under the Commercial General Liability, Umbrella Liability, Auto Liability and Workers Compensation insurance; such waiver shall be reflected on the insurance policies. Supplier shall, if requested by Buyer, advise Buyer of the amount of available policy limits and the amounts of any self-insured retention. The certificate of insurance shall identify the contract number or work to be performed and shall acknowledge that such coverage applies to liabilities incurred by Supplier, its employees, invitees or agents under an Agreement or any Order and that such insurance shall not be invalidated by any act or neglect of Supplier such as a breach or violation of the policies.

Any self-insurance, self-retained layer, deductibles, and exclusions in coverage in the insurance policies described above or in the applicable Additional Insurance Coverage Requirements, will be assumed by, for the account of, and at the sole risk of Supplier.

3.26 Termination for Convenience

Buyer may, at any time, terminate all or part of an Agreement or any Order for its convenience upon written notice to Supplier.

Upon termination, in accordance with Buyer's written direction, Supplier will immediately: (i) cease work and place no further subcontracts or orders for materials, services, or facilities, except as necessary to complete the continued portion of the

Order; (ii) prepare and submit to Buyer an itemization of all completed and partially completed Goods and Services; (iii) if requested by Buyer, deliver to Buyer any and all Goods and Services completed up to the date of termination at the pre-termination Order price; and (iv) if requested by Buyer, deliver any work-in-process.

Buyer shall not be liable to Supplier for an Order terminated prior to the commencement of Lead Time.

In the event Buyer terminates an Agreement or Order for its convenience after performance has commenced, Buyer will compensate Supplier only for the actual and reasonable work-in-process costs incurred by Supplier on Goods and Services required to be delivered within the Lead Time period, calculated from Buyer's issuance of the notice of termination. If the Order does not specify Lead Time, Lead Time shall be the reasonable average time required to manufacture and deliver the Goods and/or perform the Services. Supplier shall use reasonable efforts to mitigate its own and Buyer's liability under this Section. To receive compensation, Supplier must submit its termination claim, as directed by Buyer, within 90 days from the effective date of the termination.

Buyer shall not be liable to Supplier for costs or damages other than as described above, and in no event for lost or anticipated profits, or unabsorbed indirect costs or overhead, or for any sum in excess of the price allocated to the portion of the Order terminated.

Notwithstanding anything to the contrary in these Terms and Conditions, an Agreement, or an Order, Buyer shall not be liable to Supplier for any costs or damages whatsoever for a termination for convenience with respect to a particular program of any of Buyer's Customers, if the termination is due to the cancellation, in whole or in part, of such program by Buyer's immediate customer(s) or Buyer's ultimate customer(s) or the bankruptcy or insolvency of such customer(s).

3.27 Termination for Default

Buyer may, by written notice, terminate the Agreement or any Order, or any portion thereof, for default without any liability or obligation whatsoever to Supplier for the portion terminated, in the following circumstances: (i) Supplier fails to perform any obligation hereunder (other than a delivery obligation) and fails to cure such obligation within 10 days (or as otherwise mutually agreed) (the "Cure Period"); (ii) Supplier fails to perform any delivery obligation hereunder; (iii) when Buyer has reasonable grounds for insecurity, and Supplier fails to provide adequate assurances of performance in

writing within 10 days following Buyer's demand or, (iv) should Supplier (a) become insolvent, (b) become unable to pay its debts as they mature, (c) make a general assignment for the benefit of creditors, or (d) have a receiver appointed for the whole or any substantial part of its assets or become in any way the subject of a bankruptcy petition (each in Subsection (iv), a "Supplier Insolvency"). Notwithstanding the foregoing, if a cure is not possible within such Cure Period, Supplier shall submit to Buyer, within a period of 10 days after receipt of notice from Buyer specifying such failure, a detailed plan to cure such failure (including related time period) acceptable to Buyer in its sole discretion, provided, however, that if such a cure plan is approved by Buyer, Supplier's subsequent failure to comply with such cure plan shall be deemed a default hereunder, and Buyer may terminate immediately without additional cure periods.

Buyer shall have no liability in relation to those Goods and Services terminated for Supplier's default. Supplier shall be liable to Buyer for any and all expenses, costs, and damages including increased re-procurement costs, requalification costs, and other non-recurring costs, except in the circumstance of any failure or delay constituting a "Force Majeure Event" as set forth in the Section herein entitled "Force Majeure".

If the Agreement or any Order is entirely or partially terminated under this Section other than pursuant to a Supplier Insolvency, in addition to any other rights Buyer may have:

Supplier shall grant and promises to grant to Buyer a worldwide, perpetual, non-exclusive, fully paid, irrevocable license, with the right to grant sublicenses, to Supplier's information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, to the extent necessary to enable Buyer to make, have made, use, sell, and license the Goods and/or perform, or have performed, the Services; and

Buyer may require Supplier, at no charge to Buyer, to (i) deliver to Buyer all information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, utilized by Supplier in performing the Order; (ii) deliver the tooling and test equipment necessary to make or have made the Goods and perform the Services, and (iii) provide technical and transition assistance.

In addition to and not in lieu of other rights to Intellectual Property otherwise set forth in the Order and these Terms and Conditions, Supplier hereby grants to Buyer a

worldwide, perpetual, non-exclusive, fully paid, irrevocable, license (“Additional License”), with the right to grant sublicenses, to Supplier's information, data, know-how, tooling, test equipment and other Intellectual Property, including without limitation proprietary and manufacturing information to enable Buyer to make, have made, use, sell and license the Goods and/or perform, or have performed, the Services, subject to Buyer’s agreement not to exercise such rights under this Additional License except in the event of a Supplier Insolvency, whether or not the Order is terminated. As part of such Additional License, Supplier shall upon Buyer's written request and at no charge to Buyer, promptly (i) deliver to Buyer all information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, utilized by Supplier in performing the Order, (ii) deliver the tooling and test equipment necessary to make or have made the Goods, provide the Services, and (iii) provide technical and transition assistance in order to ensure Buyer's continuing requirements for Goods and Services.

3.28 Compliance with Laws

Supplier warrants that it shall comply with all Laws applicable to the performance of the Order, except to the extent inconsistent with U.S. anti-boycott laws. Supplier agrees to cooperate with and support Buyer’s and Buyer’s Customers’ efforts to comply with all Laws, by providing supporting documentation, as applicable, and using the tools and systems provided by Buyer to ensure such compliance.

Supplier shall, at the earliest practicable time, notify Buyer in writing if Supplier is subject to any federal, state, or foreign government criminal proceeding alleging fraud or corrupt practices, once initiated by the filing of a formal charging document in a court of law; and further notify Buyer of any subsequent felony convictions or deferred prosecution agreement(s) related to the foregoing.

Supplier agrees to comply with Buyer’s environmental, health and safety standards, requirements, and restrictions, as applicable, during Supplier’s performance hereunder and when at Buyer’s jobsites, including, without limitation, notifying Buyer prior to commencement of work, and providing Buyer with any test reports or results related to Goods and Services, as applicable.

Supplier shall comply with Data Privacy Laws and shall be responsible for providing any notice required by Law to the data subjects whose personal data it provides to Buyer.

Supplier represents that it shall not furnish to Buyer any Goods or separately-identifiable items or components of Goods that (i) are an unauthorized copy or substitute of an original equipment manufacturer or original component manufacturer (collectively, "OEM") item; (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re-worked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OEM design but are represented as OEM authentic or as new; (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes; (vi) fail to meet the requirement of an "Approved Part" as defined in FAA Advisory Circular 21-29C and any updated version thereof; or (vii) are otherwise counterfeit or suspected counterfeit. Such counterfeit or suspected counterfeit Goods shall be deemed non-conforming, and Supplier shall disclose the source of the counterfeit or suspect counterfeit Goods to Buyer and cooperate with Buyer with respect to any investigations or remedial actions undertaken by Buyer.

Supplier shall provide to Buyer, upon Buyer's reasonable request, the identity of its subcontractors and the location of manufacture of the Goods or any subcomponents of the Goods, or provision of Services, as applicable, to confirm compliance with applicable Law and the Order.

3.29 Global Trade Compliance

Compliance with GT Laws. Supplier agrees that no Technical Data, Goods, or Services controlled under any GT Laws and provided by Buyer in connection with the Order, shall be provided to any U.S. or non-U.S. person or entity, unless the transfer is expressly permitted by a U.S. or non-U.S. government license or other authorization, or where no such authorization is required, in accordance with applicable GT Laws.

- **Restricted Party Screening.** Supplier shall not engage any Supplier Personnel who is ineligible to perform hereunder because of any embargo, sanction, debarment, or designation as a Specially Designated National or a restricted party, as maintained by the U.S. Government or any applicable non-U.S. government or union of states.
- **GT Authorizations.** If, pursuant to applicable GT Laws, the performance of any Order requires either Party to obtain government-approved export or other GT

authorization, the Parties shall mutually exercise reasonable efforts to support the preparation, submission, and management of such authorization. Upon request, the Parties shall exchange copies, redacted as appropriate, of all government GT authorizations related to the Order, and all provisions, conditions, and limitations relating to the authorization. Each Party shall ensure all required GT authorizations remain valid for the duration of the Order, and, as applicable, shall be individually responsible for compliance with all government GT authorizations, including without limitation ensuring that all export and import related documentation is properly completed and timely filed.

- Export and Import Classification; Registration. Where known, or where Supplier is the design authority for the Technical Data, Goods, or Services that are subject to the Order, Supplier shall provide Buyer with (i) the applicable Harmonized Tariff Schedule Number and U.S. export jurisdiction and classification, (ii) any analogous classification under any other applicable GT Law, and (iii) timely notification in writing of any changes to any such classifications. If, under any Order, Supplier will engage in any manufacturing or exporting of items on the U.S. Munitions List or engage in the provision of defense services (as defined in 22 C.F.R. § 120.32), Supplier shall maintain registration with the U.S. Department of State, Directorate of Defense Trade Controls (“DDTC”) as may be required by Part 122 of the International Traffic in Arms Regulations (“ITAR”). Upon request, Supplier shall provide Buyer annually with evidence of its DDTC registration.
- Certifications. If the Order forms the whole or a part of a sale by Buyer of defense articles or defense services being sold in support of a Foreign Military Sale or commercially to or for the use of the armed forces of a foreign country or international organization, Supplier shall upon acceptance of the Order, or within 10 days of being requested by Buyer to do so, provide information, in the format specified by Buyer, in furtherance of the requirements stipulated in Part 130 of the ITAR, 22 CFR §§130.9 and 130.10.
- Brokering. Supplier acknowledges that it shall not engage in “brokering activity” as that term is defined in 22 C.F.R. § 129.2 in connection with any Order.
- Technical Data Transfer. Supplier shall not export, re-export, transfer, disclose, or otherwise provide physical or electronic access to Technical Data to any person or destination not authorized to receive Technical Data under existing

GT Laws or government export authorization (including third-party information technology service providers), or where such access is otherwise inconsistent with applicable GT Laws or policy (e.g., European Union policy against re-exports to or for use in Russia or Belarus). Supplier shall not modify or divert Technical Data to any military application or other end-use prohibited by applicable GT Laws. Supplier shall develop and implement information technology security procedures to ensure that Technical Data is accessible only by authorized persons.

- Destruction of Technical Data, Controlled Goods & Controlled Buyer Items. Upon completion of performance, and expiration of recordkeeping obligations under the Order, all Technical Data, controlled Goods, and controlled Buyer Items, shall be destroyed or returned to Buyer, as instructed by Buyer. Destruction of the foregoing items in physical and electronic form must render such items useless beyond repair, rehabilitation, restoration, and recognition of unique characteristics or identifiers. Supplier shall provide a written certification of the method of destruction and its completion to Buyer.
- Technology Control Plan. When the terms of an Agreement or Order require access to or possession of Technical Data controlled under the ITAR or at an Anti-Terrorism level or higher under the Export Administration Regulations (“EAR”), or the equivalent level of controls under applicable non-U.S. GT Laws, Supplier shall create and follow a Technology Control Plan (“TCP”) that, at a minimum, incorporates the following elements: (i) facility security; (ii) GT compliance training program; (iii) information technology security; (iv) record keeping requirements; (v) restricted party screening as defined above in this Section; (vi) Supplier Personnel oversight, and (vii) visitor management. Supplier shall make a signed copy of the TCP available to Buyer within 30 days of request.
- Country of Origin. “Country of Origin” shall mean the country where a Good is wholly obtained or produced entirely, or, when two or more countries are involved in the production of a Good, the country where the last substantial transformation of the Good was performed. Supplier shall identify the Country of Origin of all Goods, inclusive of those not originally produced by the Supplier, (i) on the commercial or pro forma invoice accompanying the shipment, and (ii) as Buyer may direct, on any other documentation used to identify Goods (e.g., Supplier proposals and certifications), in each case, in electronic or scan-readable format.

- Country of Origin Marking. Supplier shall mark all Goods with the name of the Country of Origin in accordance with the Laws of the destination country. Where the Good is exempt from the Country of Origin marking requirements of the destination country or no such markings are otherwise required, Supplier shall mark the container of such Good with the name of the Country of Origin of the Good.
- Preferential Treatment and Certifications. Upon Buyer's request, Supplier shall provide, or assist in obtaining from its subcontractors, certificates of origin, declarations, and affidavits necessary to support Buyer's claims for duty-free or preferential duty treatment under international agreements, multi-lateral or bilateral free trade agreements, or other preferential tariff programs (e.g., Agreement on Trade in Civil Aircraft, Military Duty-Free, Free Trade Agreements, Goods Returned, Generalized System of Preferences, etc.) ("Preferential Treatment").

3.30 Advanced Security Filing and Supply Chain Security Programs

Supplier agrees to comply with or assist Buyer or Buyer's designated agent to comply with advanced manifest regulations based on the jurisdiction of the shipping and receiving destinations.

Supplier and any of its subcontractors who either ship Goods directly or package Goods for shipment shall participate in or comply with all requirements of SAFE Framework security programs of the destination country (e.g., CTPAT, Authorized Economic Operator, or similar programs). Supplier must also make all shipments under the Order with transportation companies that are certified and validated through CTPAT or the trade security program in the country of shipment.

- Duty Drawback. Supplier agrees to assign to Buyer all of Supplier's U.S. Customs duty drawback rights, and any such rights obtained from subcontractors, related to the Goods in order for Buyer to seek duty drawback. Supplier agrees to (i) inform Buyer of the existence of such duty drawback rights of which Supplier becomes aware; (ii) furnish upon request the documentation that Buyer reasonably requires to pursue any such duty drawback rights; and (iii) provide such assistance to Buyer as requested in connection with the recovery of such import duties.

- Customs Documentation. Supplier shall provide Buyer with complete and accurate customs documentation, including without limitation, documentation required for customs clearance, Harmonized Tariff Schedule classification, valuation, origin, applicable export authorization, Preferential Treatment, duty drawback, and other terms, as required.
- Customs Clearance. If the Order is issued in the U.S. for goods shipped directly to the U.S. from the country where Supplier is located, Buyer may elect to serve as importer of record. Supplier agrees in all other cases to serve as importer of record and to be responsible for Customs clearance and for payment of all duties, taxes, and fees for Goods entering the U.S. or other relevant country. If Supplier acts as importer of record, the price may include, if separately stated on Supplier's invoice, duties, taxes, and fees resulting from that importation, unless Buyer has furnished a valid exemption certificate or other evidence of exemption. For any Order that includes customs clearance services, such services shall be quoted and charged at a fixed sum and performed by Supplier as the importer of record in accordance with any Program Specific Terms incorporated into the Order. In no event shall an Order that includes customs clearance services allow or provide for contingent or success fees.
- Government Trade Remedies. Supplier shall inform Buyer of any applicable governmental trade remedy action relating to the Order, and shall provide Buyer any documentation necessary to establish, where applicable, that imported Goods are outside the scope of the trade remedy.
- Required Notices. Supplier shall promptly notify Buyer if Supplier becomes aware of any failure by Supplier or its subcontractors to comply with this Section and shall cooperate fully with Buyer in any investigation of such failure to comply. Supplier shall also promptly notify Buyer of any changes to Supplier's name, address, or DDTC registration status.

3.31 End-Use and End-User Restrictions

Supplier represents and warrants that all Goods and Services provided under this Purchase Order shall be used solely for lawful purposes and in compliance with all applicable export control, sanctions, and anti-diversion laws and regulations.

Supplier shall not sell, transfer, re-export, or otherwise dispose of any Goods, directly or indirectly, to:

- (i) any prohibited or restricted end user;
- (ii) any sanctioned country or territory; or
- (iii) any party identified on applicable government restricted party lists,

without prior written authorization from Buyer and any required government approvals.

Upon request, Supplier shall provide end-use and end-user certifications in a form acceptable to Buyer.

Supplier shall immediately notify Buyer if it becomes aware of any unauthorized use, transfer, or diversion of Goods supplied under this Purchase Order.

3.32 Incident Reporting

Supplier shall immediately notify Buyer, in writing, of any incident involving Goods supplied under this Purchase Order, including but not limited to:

- Loss or theft
- Accidental discharge or detonation
- Safety-related failure or malfunction
- Unauthorized access or diversion

Supplier shall cooperate fully with Buyer and any applicable regulatory authorities in the investigation and resolution of such incidents.

3.33 Compliance Suspension

Buyer may immediately suspend performance of this Purchase Order, in whole or in part, without liability, if Buyer determines that continued performance may result in a violation of applicable laws, regulations, or government directives.

Supplier shall promptly comply with any such suspension and take all reasonable steps to mitigate costs.

3.34 Intellectual Property Rights

“Background Intellectual Property” shall mean all Intellectual Property other than Foreground Intellectual Property.

“Foreground Intellectual Property” shall mean all Intellectual Property and tangible work product conceived, created, acquired, or first reduced to practice in connection with the Order.

Each Party retains its existing rights in Background Intellectual Property.

Buyer shall own all Foreground Intellectual Property. Supplier shall disclose to Buyer all Foreground Intellectual Property. If not expressly required to be delivered in the Order, Supplier shall deliver to Buyer all Foreground Intellectual Property upon written request from Buyer. Supplier hereby irrevocably assigns and promises to assign to Buyer all right, title and interest to all Foreground Intellectual Property. Supplier agrees to do all things reasonably necessary to enable Buyer to secure and perfect Buyer's Foreground Intellectual Property rights, including, without limitation, executing specific assignments of title in Foreground Intellectual Property by Supplier to Buyer and cooperating with Buyer at Buyer's expense to defend and enforce Buyer's rights in any such Foreground Intellectual Property. All Foreground Intellectual Property shall be considered Buyer's Proprietary Information (defined hereinafter). Supplier agrees that, for any works of authorship created by Supplier or any employees or any others used by Supplier in the course of the Order, those works that come under one of the categories of “Works Made for Hire” in 17 U.S.C. §101 shall be considered “Works Made for Hire.” For any works of authorship that do not come under such categories, Supplier, warranting that it has the right to do so, hereby assigns and promises to assign all right, title, and interest to any copyright in such works to Buyer and will execute, or cause to be executed at Buyer's expense, any documents required to establish Buyer's ownership of such copyright.

Supplier represents and warrants that Supplier has sufficient rights in all Goods, Services, and Intellectual Property and other items that Supplier uses or transfers to Buyer in connection with the Order to allow Supplier to lawfully comply with the Order.

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