

GENERAL TERMS AND CONDITIONS

(Excerpted from QM-102)

FORMATION OF CONTRACT

This Agreement constitutes the terms and conditions that govern all Purchase Orders issued by MSP Aviation (the Buyer) to Supplier (the Supplier) for products (the Product). Any different or additional terms of Supplier contained in any document whatsoever are hereby objected to and rejected by Buyer. Supplier's performance under this Agreement and/or Purchase Order shall constitute acceptance of this Agreement.

ACCEPTANCE

Any Purchase Order provided herein is an offer by Buyer which must be accepted by Supplier without change or modification to become binding. No acknowledgement is an acceptance if it contains any terms or conditions different from, or in addition to, the provisions of the Purchase Order. In the event the Purchase Order operates as an acceptance of Supplier's offer, such acceptance is conditioned upon Supplier's assent to any terms or conditions contained therein that differ from, or are in addition to, the terms and conditions of the Supplier's offer. No modifications of the foregoing terms and conditions shall be effective unless agreed to in writing. If a Purchase Order is issued pursuant to a separately signed master agreement between MSP Aviation and Supplier, the terms of such master agreement shall apply to the extent such terms and conditions are more advantageous to Buyer than the terms and conditions contained herein. A request for quote, promise of purchase, or other verbal or written inquiry regarding product should be constructed by Supplier as a forecasting tool only and not a request by Buyer for product or shipment. MSP Aviation will not be held responsible for any Product produced or shipped by Supplier in response to such requests, promises or inquiries.

COMPLETION AND SUBMISSION OF THE FOLLOWING FORMS

QA117	Supplier Quality Survey
QA204	Conflict Minerals (Use of Industry Standard Forms is acceptable)
NDA	Non-Disclosure Agreement

DELIVERY

Time is of the essence in the performance of this Agreement and all deliveries are to be made in quantities and at times specified. Delivery shall occur at the place and in the manner indicated on the face of the Purchase Order.

a) Early Delivery

MSP Aviation may either retain Product received in advance of requested delivery schedule or return them to the Supplier at Supplier's risk and expense. If retained, payment and discount shall be based on the scheduled delivery dates.

b) Late Delivery

In the event Supplier fails to deliver as and when specified, MSP Aviation

reserves the right to cancel the Purchase Order, or any part thereof, without prejudice to any of its other rights and remedies. Supplier agrees that MSP Aviation may return part or all of any shipment so made, and if the Purchase Order calls for partial shipment, the balance may be canceled or suspended. Buyer further reserves the right to charge Supplier any expedited routing charges or any loss or expense sustained because of said failure to deliver as and when specified.

QUALITY SYSTEM & FLOW DOWN

Supplier shall maintain a documented Quality System that is compliant to ISO9001:2015 at a minimum. MSP Aviation reserves the right to perform an on-site audit of the Suppliers' Quality Management System.

- Supplier is responsible for ensuring all inspection, tests, and calibrations necessary to substantiate that the products, materials, or services furnished under the purchase order/contract conform to all requirements.
- Supplier shall maintain controls over nonconforming products/materials including the identification and segregation of defective products/materials.
- Supplier shall have an effective corrective action system to identify and eliminate defects.
- Upon completion of their purchase order, the Supplier shall retain all manufacturing, inspection, and test records (including nonconformance and corrective action reports) on file for a minimum of eleven (11) years unless otherwise specified in the purchase order. **(FAA driven requirement)**
- Supplier shall flow down requirements of this purchase order to sub-tier suppliers, including the awareness requirements of AS9100 D section 7.3 (Pasted Below).

Awareness

The organization shall ensure that persons doing work under the organization's control are aware of:

- a. the quality policy;*
- b. relevant quality objectives;*
- c. their contribution to the effectiveness of the quality management system, including the benefits of improved performance;*
- d. the implications of not conforming with the quality management system requirements;*
- e. relevant quality management system documented information and changes thereto;*
- f. their contribution to product or service conformity;*
- g. their contribution to product safety;*
- h. the importance of ethical behavior.*

MRB AUTHORITY

The supplier **does not** have MRB authority to accept or repair non-conforming product. Non conformances on final deliverable product to the purchase order, drawing, specifications or applicable documents must be submitted to MSP Aviation for approval prior to shipment. Supplier may request clarification, waiver or deviate from drawing or

specifications using MSP Aviation SIR (Supplier Information Request), form number SIF-PRO-015*.

*The SIR form can be used for the following:

- Clarification of the purchase order associated Q-Notes, terms, and conditions, referenced drawings or models, specifications, and Gerber files.
- Request for deviation to drawing, model and/or specification.
- To request a permanent change to drawing and/or specification requirements.
- Request for part substitution.

Supplier shall complete the SIR and submit to MSP Aviation's Purchasing Department for review and approval. A copy of the approved SIR must accompany the shipment to MSP Aviation. Obtain this form through the MSP Aviation Buyer.

FOD PREVENTION

Supplier shall develop and maintain a Foreign Object Damage/Debris (FOD) Prevention Program compliant with NAS 412.

HANDLING, PRESERVATION, PACKAGING, AND SHIPPING

Unless specific packaging instructions are referenced on the purchase order, the Supplier shall ensure that Products supplied are protected from damage during production, inspection, packing and shipping operations. All shipments shall be prepared in a manner that follows good commercial practice, acceptable to common shipping carriers at the lowest rate, and adequate to ensure safe arrival. Products found to be damaged upon receipt are subject to rejection and will be returned to Supplier. Static generating materials (such as Styrofoam and plastic) shall not be used as primary packaging in direct contact with the parts/materials where ESD is a concern. The Purchase Order number and part number must appear on all invoices, packages, packing slips, or correspondence pertaining to the Purchase Order. All shipments shall be accompanied by an itemized packing list.

SHIPPING DOCUMENTS

Shipments to include:

- Pack slip.
- Supplier Name.
- MSP Aviation Part number.
- MSP Aviation Revision Level
- MSP Aviation contract number (PO#).
- Line/release number (when applicable).
- Quantity delivered.
- Certificate of Conformance and Certificate of Analysis and/or Certificate of Conformance of the raw material
- A signed C of C by the Suppliers head of quality or company officer (or their authorized delegate) attesting that all products and/or services delivered are in compliance with all contract requirements shall be furnished with each shipment to MSP Aviation, All C of C's must be in the English language and may be in electronic format with electronic signatures. All signatures or signature blocks must clearly show title of the signatory. The C of C shall include:

- Supplier Name.
- MSP Aviation Part number and Supplier Part Number.
- drawing/specification revision.
- MSP Aviation contract number.
- line/release number (when applicable).
- Quantity delivered.
- Packing list/shipper number (when applicable).

When additional certifications/test reports are required for special processing, raw material, etc. the requirements will be specified on the contract.

LABELING

Boxes must be labeled and contain the following information:

- MSP Aviation Part Number
- MSP Aviation PO Number
- MSP Aviation Revision level
- MSP Aviation Line # and Release Number
- Quantity

CHANGES TO PURCHASE ORDERS

MSP Aviation may make any changes to open Purchase Orders at any time. If any such change causes an increase or decrease in the cost of or the time required for completion of a Purchase Order, an equitable adjustment shall be made in the Purchase Order price, the delivery schedule, or both, and the Purchase Order shall be modified in writing accordingly. If Supplier changes any of its Products or processes to manufacture Products delivered pursuant to a Purchase Order, Supplier shall notify Buyer six (6) months before the change or as early as possible.

PURCHASE ORDER CANCELLATIONS

If the Buyer cancels a Purchase Order or any portion thereof, Supplier shall employ reasonable efforts to mitigate any costs to Buyer.

BUYER TOOLING

Government, Customer or MSP AVIATION owned property ("Tooling") is:

- Tooling, test equipment and material supplied by MSP Aviation for use in the performance of a Purchase Order.
- Tooling, test equipment and material made by the Supplier and paid for by MSP Aviation in the performance of a Purchase Order.

Any Tooling separately furnished to Supplier by MSP Aviation is the sole property of the Buyer. Supplier shall use the Tooling exclusively for the manufacture or assembly of MSP Aviation products. Supplier agrees to store, protect, maintain, and ensure the Tooling at its cost in accordance with best commercial practices but with no less care than Supplier uses in the storage of its own property of similar value.

a) Control of Tooling, Test Equipment and Material

The supplier shall have a system, which includes written procedures for control of all tooling, test equipment and material. Procedures shall be in accordance with the controls specified within this Terms and Conditions.

b) Receiving and Identification

Each individual piece of test equipment and tooling acquired shall be marked in a permanent manner with the appropriate identification number and ownership as provided by the Buyer. If not otherwise specified, all equipment that is used to determine acceptance of material will be subject to, as a minimum, an initial inspection and calibration, and a re-inspection and re-calibration every six (6) months thereafter.

c) Records

The supplier shall maintain a record of all Government/customer and MSP Aviation owned property. The list shall include:

- Description and gage/tool name
- Identification number (applicable to equipment, tooling, test equipment, gages, etc.)
- Part Number (applicable to material)
- MSP Aviation Purchase Order number, contract, or equivalent code
- Part numbers used to manufacture
- Unit of measure (material)
- Quantity (if other than 1)
- Unit price

When the property is transferred to another supplier or returned to MSP Aviation, supplier is required to maintain the records of the move for 5 years.

d) Physical Inventory

Supplier is required to perform a physical inventory of all the Government/customer or MSP Aviation owned property upon request from Buyer. A copy of the Supplier's inventory reconciliation must be submitted to the Buyer, unless otherwise specified.

e) Maintenance

Maintain the calibration on all the gages as shown in ISO10012-1 or ANSIZ540. Maintain, protect, and preserve tooling and test equipment.

f) Disposition

Retain all Government/customer or MSP Aviation owned property until disposition directions are received from the Buyer. Supplier is required to report immediately to the Buyer any loss, theft, or destruction of, or damage to, the Government/customer or MSP Aviation owned property while in its possession.

g) Furnished Property Provided on an "As Is" Basis

All Government/customer or MSP Aviation owned property is provided on an "as is" basis. Buyer and the Government/customer make no warranty whatsoever with respect to the property authorized for use "as is". The supplier may repair any Government/Customer or MSP Aviation property made available on an "as is" basis. Such property may be modified only with written permission

of Buyer. Any repair or modification of such property furnished “as is” shall not affect the title of the Government/customer or MSP Aviation.

CALIBRATION

Calibration system must be compliant to ISO 17025, ANSI Z540-1, or ANSI Z540.3.

SAMPLING PLAN

Sampling Plans are IAW ANSI/Z1.4 or better unless otherwise approved by Supplier Quality Engineer.

GENERAL VISION REQUIREMENTS

Suppliers to have the following vision requirements:

- All inspectors performing to this procedure shall successfully pass an annual eye exam by a medically qualified / trained person in accordance with ASQR-01 and the table below:
- Intervals shall not exceed one year.
- Individuals shall be tested in at least one eye, either corrected or uncorrected.
- Color Perception testing is required one time only. Individuals shall be capable of adequately distinguishing and differentiating colors used in the method for which certification is required, the process being performed or inspection activity. Documentation shall be retained 11 years.
- NDT Requirements
Near-Vision Eye Examination requirements for persons performing Nital / Temper Etch shall be Jaeger type 2 – 20/30 or equivalent. For Inspectors certified to the requirements of NAS410 (NDT) or Mil-STD-867 (Nital / Temper Etch), and for personnel performing visual inspection of welds, Supplier may administer their own eye examinations per the standard.

Records shall be retained for each individual.

Individual Performing	Shall be compliant with minimum vision requirements of
Visual Inspection (i.e., calibration, non-weld, in-process, layout, dimensional)	Near Vision requirements of <ul style="list-style-type: none">• Snellen 14/18, (20/30, or• Jaeger 2
Visual Inspections on Welds	American Welding Society Standard (AWS) D17.1
Vision Inspections on Color	FM-100 Hue Test

FIRST ARTICLE INSPECTION (FAI)

The Supplier shall perform and document First Article Inspection in accordance with SAE AS9102 (latest revision in affect at time of Purchase Order placement). The Supplier shall perform FAI the first time the Supplier produces an item for MSP Aviation or if it has been greater than 24 months since the last production of that item or there is a

change to the drawing for that item. All drawing notes and dimensions shall be verified. Inspection and measurement results shall be recorded, including actual measurements with location identified. The FAI test report, sample and material certifications for all raw materials and finishes (see Q4) shall be included with the shipment. The Supplier shall attach a removable tag to the part identifying it as the "First Article Sample".

Note: Tag or Identify part that the FAIR was performed on.

Notes:

- This requirement is not applicable to Commercial Off the Shelf parts.
- (Applicable to Machined/Fabricated Parts): If the First Article requirements have been met then the applicable "Additional Requirements for Machined/Fabricated Parts" of Q37 are imposed for each shipment.
- Make sure all the notes and requirements in the Title Block are captured.

NOTIFICATION REQUIREMENT

Supplier is required to notify MSP Aviation when any of the following occur:

- Changes to QMS Certification.
- Changes to FAA certifications.
- Notice of escapes (Non-conforming Product).
- GIDEP Alerts.
- Company Changes i.e., Change in Quality Leadership, change in Managerial Leadership (Senior leadership).
- Cage Code Changes.
- Etc.

CHANGE NOTIFICATION

No Changes to Process, Material, or location without notification. Based on the change, MSP Aviation will request a validation plan. MSP Aviation to respond within 7 days of notification.

Corrections to documents can be accomplished by the following methods:

- Reprint the document.
- Cross out the incorrect data with a single line, initial (Sign or stamp) and date.
- "White Out" and Correction Tape are not acceptable.

CONTROL AND RELEASE OF MSP AVIATION FURNISHED DOCUMENT

Documents furnished by MSP Aviation to the Supplier are furnished solely for the purpose of doing business with MSP Aviation. Proprietary documents may be furnished to the Supplier in hard copy, electronic or other media. The Supplier is responsible for controlling and maintaining such documents to preclude improper use, loss, damage, alteration and/or deterioration. Unless authorized by the MSP Aviation Buyer in writing, the Supplier may not transmit or furnish any MSP Aviation furnished documents, or copies of such documents, to anyone outside the Supplier's business organization except to a sub-tier source used by the Supplier for performance of work on the MSP Aviation contract. The Supplier shall return to MSP Aviation, or purge electronic copies of, all proprietary documents.

BUSINESS CONTINUITY PLAN

Supplier shall ensure their Company has robust Business Continuity Plan (BCP) in place that includes disaster recovery and preparedness. The BCP shall detail what the Company would do if key People, Processes or Technology were to become unavailable. This BCP shall be applicable, including but not limited to, natural disasters, labor disputes, lockouts, evictions, power or systems failures, hazardous spills, fire, floods, explosions, sabotage, riots, war, or other civil disturbances, and voluntary or involuntary compliance with any laws, regulations, or requirements of any government authorities. The Supplier's BCP should also include planned actions to mitigate any disruptions in supply from critical sub-tiers.

CONTROL OF SUB-TIER SUPPLIERS

The Supplier, as the recipient of the contract, is responsible for meeting all requirements, including work performed by the Supplier's sub-tier Suppliers (also known as Sub-Suppliers or subcontract Suppliers). When the Supplier uses sub-tier sources to perform work on products and/or services scheduled for delivery to MSP Aviation, the Supplier shall include (flow-down) on contracts, to its sub-tier sources, all of the applicable technical and quality requirements contained in the MSP Aviation contract, including quality system requirements, regulatory requirements, and the requirement to document and control 'key characteristics' and/or 'key processes,' and to furnish certifications and test reports as required. MSP Aviation and its customers reserve the right of-entry to sub-tier facilities, subject to proprietary considerations.

STATISTICAL PROCESS CONTROL

Where applicable, the Supplier is required to apply effective statistical process controls. Suppliers should consult the Statistical Process Control (SPC) manual published by AIAG for guidance, methods, examples, and related reference information.

PREVENTATIVE MAINTENANCE

The Supplier should identify key process equipment and provide resources for machine/equipment maintenance activities and develop an effective planned total preventive maintenance system.

SOURCE INSPECTION

Supplier's products or services may be subject to source inspection by MSP Aviation, representatives of MSP Aviation or applicable government or regulatory agencies. Source inspection requirement will be included on the contract and may apply to any and all operations performed by the Supplier or the Supplier's sub-tier sources, including prior to delivery of products to MSP Aviation. The Supplier shall provide the necessary access, equipment and resources required to effectively accomplish the source inspection.

WARRANTIES

Supplier warrants to Buyer that each Product shall be: (a) free from defects in design, workmanship, materials, and manufacture; (b) comply with all requirements of this Agreement, including specifications; (c) of merchantable quality; (d) fit for intended purposes; (e) free from all defects of title; and (f) in compliance with all applicable laws (the "Product Warranty"). The Product Warranty shall inure to the benefit of the MSP AVIATION, its customers, end users and successors. Supplier agrees to offer non-

warranty repairs that are within its capabilities and will provide timely estimates for each non-warranty repair when requested by the Buyer. If any Product is recalled by Supplier, whether voluntary or as required by law, Supplier shall bear all costs and expenses of such recall, including without limitation, the costs associated with notifying customers, shipping, and fulfilling obligations to third parties arising from the recall.

CRISIS MANAGEMENT

a) Notification

The Supplier must use best efforts to notify MSP Aviation within 24hrs if they experience an incident, including but not limited to those listed in above, that may impact their ability to make their scheduled shipments to MSP AVIATION.

b) Sub-Tiers

Supplier must notify MSP Aviation within 24 hours of receiving notification that any of their critical sub-tier suppliers or processors have experienced an incident, including but not limited to those listed above, that may impact their ability to provide materials or components to the Supplier that are required in the manufacture or assembly of end product.

c) Disaster Recovery

In the event of a supply interruption, MSP Aviation may engage the Supplier to collaborate on recovery. Supplier is expected to fully support any such engagement until the delivery schedule to MSP Aviation is recovered.

PAYMENTS

All invoices shall include the Purchase Order number, part number and shipment date. Payment of an invoice does not constitute acceptance of the product by MSP Aviation and is subject to adjustment for errors, shortages, rejects or any other failure of Supplier to strictly meet all the requirements of the Purchase Order. Supplier shall send all invoices to:

MSP Aviation Inc
239 W Grimes Lane
Bloomington, Indiana 47403
Attn: Accounts Payable

The Supplier assumes responsibility for the confirmation of receipt for any invoices sent electronically. Invoices may be sent electronically to jgoode3@msp-aviation.com.

INDEMNIFICATION

Supplier shall indemnify, defend and hold harmless MSP Aviation and its affiliates, agents, representatives, customers, assigns and successors from and against any damages, liabilities, costs and expenses (including reasonable attorneys' fees) arising from Supplier's breach of this Agreement, failure to comply with any applicable law, and any third party claim of injury or damage to a person or property as a result of the use of the Product or a claim that any Product infringes on any copyright or patent, misappropriates a trade secret, or otherwise violates an intellectual property right of a third party.

INTELLECTUAL PROPERTY

All technology embodied in and related to the Product, including but not limited to design, specifications and intellectual property embodied therein, all improvements,

developments, derivatives, and modification thereto remain the exclusive property of MSP Aviation. Notwithstanding the foregoing, proprietary technology developed solely by the Supplier and used in manufacture of Products, including all intellectual property embodied therein, shall remain the exclusive property of the Supplier.

CONFIDENTIAL INFORMATION

Both parties shall keep confidential and not disclose to any third party or use for its own benefit or for the benefit of any third party, any information that should reasonably be treated as confidential or proprietary. The Supplier shall limit access to Confidential Information to its employees and agents who need to know such information for carrying out the activities contemplated by this Agreement. The identity of Buyer's customers shall be treated by Supplier as Confidential Information. The foregoing obligations remain in effect after termination or expiration of this Agreement.

INSURANCE

Supplier shall maintain and carry commercial general liability insurance, which includes but is not limited to employer's liability, workman's compensation, general liability, public liability, property damage liability, product liability, completed operations liability and contractual liability in the amount of \$200,000.

GOVERNING LAW

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the State of Indiana.

LABOR

Supplier shall comply with all applicable federal labor standards.

RAW MATERIAL CONTROL

For MSP Aviation, in those cases where the Supplier elects to use more than one lot of raw material, the Supplier shall ensure, document, and furnish positive traceability of each individual product to the raw material certification/test report that represents the raw material from which each of the products was manufactured. Traceability shall be provided by identifying the raw material heat, lot, batch or melt number from the certification/test report on the product and/or on packaging (when used), or the products segregated and identified.

COUNTERFEIT PREVENTION PROGRAM

All suppliers shall plan and take appropriate action to prevent the migration of counterfeit parts and assemblies into products being delivered under this order. All Suppliers must meet the same Certificate of Conformance requirements as those required from an OEM or Franchised Distributor. If the certificate requirement cannot be met, the inspection and test requirements defined below must be met. All suppliers shall provide their own certification that warrants parts to be "original" (that is not used, refurbished, or reworked). If supplier cannot provide this certification, the parts may not be procured.

Electrical Component Suppliers are responsible to validate any Mil-Spec Electronic Component delivered against an MSP Aviation purchase order to have a date code that

falls within the time frame listed in the QML and the Manufacturers Designating Symbol. The supplier shall assure the date code and the manufacturers' location is within all time constraints of the QML.

INSPECTION AND TEST REQUIREMENTS:

If any source of supply cannot provide a Certificate of Conformance certifying the component is the part number being procured on the MSP Aviation Purchase Order AND establishing traceability to the Original Equipment Manufacturer, the component may only be procured if the following inspection and test requirements are met. All inspection and testing performed to satisfy the conditions of this Q-Note shall be performed by an MSP Aviation approved test laboratory. The test laboratory may be an independent, 3rd party lab or an in- house lab that is affiliated with an approved Independent Distributor. Test results will not be accepted from non- approved Test Laboratories. The supplier (Broker or Independent Distributor) is responsible for ensuring the required testing listed on purchase order is performed and that test results for the product supplied to MSP Aviation are compliant.

Documentation Requirements:

Documentation requirements shall be in accordance with this Document and/or as directed by MSP Aviation purchase order.

INSPECTION

All products delivered and services performed under this Agreement are subject to inspection, surveillance and testing at all times and places, including the place of manufacture. All inspections and tests required by the drawing and procurement specifications must be performed prior to shipment to MSP Aviation. Buyer has the right to inspect/test Products and to reject all Products which, in MSP Aviation sole judgment, are defective or in noncompliance with specifications or drawings referenced in the Purchase Order. Supplier and Supplier's subcontractors shall provide and maintain an inspection system acceptable to Buyer. Goods rejected may be returned to Supplier at Supplier's expense. In addition to recovery of damages, MSP Aviation reserves the right to require replacement of such goods.

OBSOLESCENCE

Supplier shall provide notice to MSP Aviation in the event of discontinuance of any Products.

SHELF-LIFE COMPOUNDS APPLIED TO PRODUCTS

Supplier shall maintain a documented system for identification and control of limited shelf-life compounds (e.g., adhesives and paints) so that compounds that have expired shelf life are not used on product shipped to MSP Aviation.

DIGITAL PRODUCT DEFINITION (DPD)

When design requirements are in a DPD format and traditional 2D drawing information is not available for all applicable design requirements, DPD design characteristics required for product realization shall be extracted, verified, and included in the FAIR. The organization shall:

1. Establish a process to extract the applicable DPD design characteristics.

2. Extract the DPD design characteristics required for product realization.
3. Ensure the production, inspection, and operations requiring verification have been completed as planned to achieve DPD design characteristics.

ORDER OF PRECEDENCE

The Terms and Conditions Clause establishes the order of precedence. MSP Aviation drawings and specifications will take precedence over the requirements of this document unless otherwise stated on the Purchase Order.