

Summit Aerospace, Inc.

(for the purpose of this document represents Summit Aerospace, Avionics International, and Summit Aerospace (Accessories Division.))

Purchase Order Terms and Conditions

Orders

Purchase orders are not valid unless signed by the Summit's buyer. Summit will not recognize claims based on verbal orders.

Acceptance -Agreement

Supplier's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of this purchase order. Any acceptance of this purchase order is limited to acceptance of the express terms contained on the face and back hereof. Any proposal for additional or different terms or any attempt by SUPPLIER to vary in any degree any of the terms of this offer in SUPPLIER's acceptance is hereby objected to and rejected, but such proposals shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price, or delivery schedule of the goods, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by SUPPLIER without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by the SUPPLIER, such acceptance is limited to the express terms contained on the face hereof. Additional or different terms or any attempt by the SUPPLIER to vary in any degree any of the terms of this purchase order shall be deemed material and are objected to and rejected, but this purchase order shall not operate as a rejection of the SUPPLIER's offer unless it contains variances in the terms of the description, quantity, price, or delivery schedule of the goods.

Shipment

If delivery is not made by the date indicated in this Order, Summit may, in addition to its other rights, cancel this Order, without any liability whatsoever. If in order to comply with Summit's required delivery date it becomes necessary for the SUPPLIER to ship by a more expensive way than specified in this purchase order, any increased transportation costs resulting there from shall be paid for by the SUPPLIER unless the necessity for such rerouting or expedited handling has been caused by Summit.

Force Majeure

Summit may delay delivery or acceptance by causes beyond its control. SUPPLIER shall hold such goods at the direction of the Summit and shall deliver them when the cause affecting the delay has been removed.

Summit shall be responsible only for the SUPPLIER's direct additional costs in holding the goods or delaying the performance of this agreement at Summit's request. Causes beyond Summit's control shall include government action or failure of the government to act where such action is required, strike or other labor trouble, fire, or unusually severe weather.

Changes

Summit shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. The SUPPLIER agrees to accept any such changes subject to this paragraph. Summit shall notify the SUPPLIER in writing of any non-conforming products for approval and proper disposition including any changes in product and or process, changes of suppliers and changes of location. In addition to supply chain flow-down as applicable.

Price and Payment

The SUPPLIER warrants that the prices for the articles sold to Summit hereunder are not less favorable than those currently extended to any other customer for the same or similar articles in similar quantities. In the event the SUPPLIER reduces its price for such article during the term of this order, the SUPPLIER agrees to reduce the prices hereof correspondingly. The price stated in the Order includes all charges for packaging, boxing, crating, and special handling, and freight, F.O.B. destination. No modification or adjustment of the stated price may be made without the signed written agreement of Summit. If the price is not stated on this Order, the price shall be the lower of: the later price last quoted or paid, or the prevailing market price.

Set-off

All claims for money due or to become due from Summit shall be subject to deduction or set-off by Summit by reason of any counterclaim arising out of this or any other transaction with SUPPLIER.

Delivery and Risk of Loss

Delivery shall be F.O.B. destination unless otherwise specified on the face of this order. Each invoice shall show shipping charges as a separate item and shall contain the original or a copy of the bill indicating that payment by Supplier for shipping has been made, notwithstanding any agreement by Summit to pay freight or other transportation charges. Delivery is not complete until the goods have been actually received and accepted. The risk of loss or damage prior to completion of the delivery shall be upon the Supplier, and any such loss or damage to goods or materials ordered hereunder shall not release Supplier from any obligation hereunder.

Summit reserves the right to refuse C.O.D. shipments.

Warranty

The SUPPLIER expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be in good condition, and will be free from defects in material or workmanship. The SUPPLIER warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods or services,

and that any goods will be adequately contained, packaged, marked, and labeled. The SUPPLIER warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If the SUPPLIER knows or has reason to know the particular purpose for which Summit intends to use the goods or services, the SUPPLIER warrants that such goods or services will be fit for such particular purpose. The SUPPLIER warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance or use of the goods or services furnished hereunder shall not affect the SUPPLIER's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. The SUPPLIER agrees to replace or correct defects of any goods or services not conforming to the foregoing warranty promptly, without expense to Summit, when notified of such nonconformity by Summit, provided Summit elects to provide the SUPPLIER with the opportunity to do so or as stated in the warranty policy. In the event of failure of SUPPLIER to correct defects in or replace nonconforming goods or services promptly, Summit, after reasonable notice to the SUPPLIER, may make such corrections or replace such goods and services and charge the SUPPLIER for the cost incurred by Summit in doing so.

Indemnification

The SUPPLIER shall defend, indemnify and hold harmless Summit against all damages, claims or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of the SUPPLIER, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of SUPPLIER.

Inspection/Testing

Payment for the goods delivered hereunder shall not constitute acceptance thereof. Summit shall have the right to inspect such goods and to reject any or all of said goods which are in Summit's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned. In the event Summit receives goods whose defects or nonconformities are not apparent on examination, Summit reserves the right to require replacement, as well as payment of damages based on the SUPPLIER's agreement and evaluation of such defect. Nothing contained in this purchase order shall relieve in any way the SUPPLIER from the obligation of testing, inspection and quality control. Summit reserves the right at its discretion to inspect, test, and verify (including maintenance process verification), use of statistical techniques for product acceptance and related instructions for acceptance as applicable of any product or part during receiving inspection. Inspect for foreign object damage/debris/material and ensure no F.O.D. barriers remain embedded (Ex. Protective plugs) Ref. Q4R Lockheed Martin requirement. Any non-conformance issues with the repair/purchase order requirements shall be reported to Summit within 24 hours of defect noted, this includes any product malfunction, defects, and unairworthy conditions.

Identification

All invoices, packing lists, packages, shipping notices, instruction manuals, and other written documents affecting this Order shall contain the applicable order number. Packing lists shall be enclosed in each and every box or package shipped pursuant to this Order, indicating the content of such boxes or packages.

Waiver

Summit's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Summit's waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

Entire Agreement

This purchase order and any documents referred to on the face hereof, constitute the entire agreement between the parties.

Bankruptcy

In the event of any proceeding, voluntary or involuntary, in bankruptcy or insolvency by or against the Supplier, including any proceeding under the United States bankruptcy laws, or in the event of the appointment, with or without Supplier's consent, of a receiver of an assignee for the benefit of creditors, Summit shall be entitled to cancel any unfilled part of this Order without any liability whatsoever.

Taxes

Refere to resale certificate process.

Antitrust Assignment Clause

The Supplier and Summit acknowledge that overcharges by manufactures are in fact borne by Summit and not the Supplier. The Supplier therefore, agrees to assign to Summit any and all claims which it may have for overcharges, as to goods and materials purchased with any contract between Summit and Supplier, arising out of antitrust or similar actions, except as to overcharges which commence after the price is established under any contract between Summit and Supplier and which are not passed on to the Summit under an escalation clause.

Equal Opportunity

Supplier agrees to comply with all laws prohibiting discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex, age or because of a physical or mental handicap, including Title VII of the Civil Rights Act of 1964 as amended, Executive Orders 10925, 11141 and 11246 as amended. Sections 402 and 503, the regulations at 41 C.F.R. Parts 60-1 through 60 - 60, 60-250 and 60-741, and ASPR 12-802 as modified by ASPR -12-803m which are part of hereof by reference.

DEI Non-Discrimination and Program Access Clause (FAR 52.222-90):

The Contractor affirms and agrees that it shall not engage in discrimination on the basis of diversity, equity, or inclusion (DEI) with respect to any individual's participation in, or access to, contractorsponsored programs, including but not limited to training, mentoring, Leadership, development, educational opportunities, or professional associations.

The Contractor shall maintain policies and procedures to prevent, identify, and promptly address any instances of DEI discrimination and shall provide reporting mechanisms to ensure transparency and accountability. Failure to comply with these obligations may result in contractual remedies, including corrective actions, penalties, or termination, as permitted under the Federal Acquisition Regulation and this contract. The Contractor shall also incorporate provisions consistent with this clause into applicable subcontracts to ensure DEI compliance throughout the supply chain.

Compliance

The SUPPLIER warrants that all goods and services sold hereunder shall have been produced, sold, delivered and furnished in strict compliance with all applicable laws and regulations, including EEO and Affirmative Action, to which they are subject. The SUPPLIER shall execute and deliver such documents as may be required to effect or to evidence compliance. All laws and regulations required in agreements of this character are hereby incorporated by this reference, as applicable, including provisions of 38 U.S. Code 4212, Executive Orders 11246, 11375, 11758, 11701, 12086, 13201 (including 29 CFR Part 470), as amended, and any subsequent executive orders relating to equal opportunity for employment on government contracts.

Termination for Convenience of Summit

Summit reserves the right to terminate this order or any part hereof for its sole convenience. In the event of such termination, the SUPPLIER shall immediately stop all work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such work. The SUPPLIER shall be paid a reasonable termination charge, consisting of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination, plus actual direct costs resulting from termination upon receipt of written approval from Summit. The SUPPLIER shall not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by SUPPLIER's suppliers or subcontractors which the SUPPLIER could reasonably have avoided.

Termination for Cause

Summit may also terminate this order or any part hereof for cause in the event of any default by the Supplier or if the Supplier fails to comply with any of the terms and conditions of this offer. Late deliveries, deliveries of products which are defective or which do not conform to this order, and failure to provide Summit, upon request, of reasonable assurances of future performance shall all be causes allowing Summit to terminate this order for cause. In the event of termination for cause, Summit shall not be liable to the SUPPLIER for any amount, and the SUPPLIER shall be liable to Summit for any and all damages sustained by reason of the default which gave rise to the termination.

Proprietary Information -Confidentiality -Advertising

The SUPPLIER shall consider all information furnished by Summit to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless the SUPPLIER obtains written permission from Summit to do so. This paragraph shall extend to drawings, specifications, or other documents prepared by the SUPPLIER for Summit. The SUPPLIER shall not advertise or publish the fact that Summit has contracted to purchase goods from the SUPPLIER, nor shall any information relating to the order be disclosed without Summit's written permission. Unless otherwise agreed in writing, no commercial, financial or technical information shall be disclosed in any manner or at any time by the SUPPLIER which Summit has deemed secret or confidential and the SUPPLIER shall have no rights against Summit with respect thereto, except such rights as may exist under patent laws.

Patents

The SUPPLIER agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Summit or its agents, customers, or other Suppliers for alleged patent infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of goods, or services furnished hereunder, and the SUPPLIER further agrees to indemnify Summit, its agents and customers against any and all expenses, losses, royalties, profits, and damages, including court costs and attorneys' fees resulting from any such suit or proceeding, including any settlement. Summit may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the costs of such representation shall be paid by SUPPLIER.

Insurance

In the event that the SUPPLIER's objections hereunder require or contemplate performance of services by SUPPLIER's employees, or persons under contract to SUPPLIER, to be done on Summit's property, or property of Summit's customers, the SUPPLIER agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the Summit. The SUPPLIER shall maintain all necessary insurance coverage's, including public liability and Workers' Compensation insurance. The SUPPLIER shall indemnify and save harmless and defend Summit from any and all claims or liabilities arising out of the work covered by this paragraph.

Assignments and Subcontracting

No part of this order may be assigned or subcontracted without prior written approval of Summit. Summit Aerospace reserves the right to outsource maintenance functions to approve contractors in compliance with government regulations. The government has the right to inspect and test all subcontractor maintenance work in accordance with regulatory requirements such as FAR Part 145.217, FAR Part 52.246, Appendix QX or similar contract requirement. Subcontractors shall contact Summit Aerospace prior to scheduling such inspections and reasonably facilitate and assist Summit Aerospace and government inspections.

Limitation on Purchaser's Liability -Statute of Limitations

In no event shall Summit be liable for anticipated profits or for incidental or consequential damages. Summit's liability on any claim of any kind for any loss or damage arising out of or in Summit section with or resulting from this agreement or from the performance or breach

thereof shall in no case exceed the price allocable to the goods or services or unit thereof, which gives rise to the claim. Summit shall not be liable for penalties of any description.

Any action resulting from any breach on the part of Summit as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

Termination

In the event of a breach by Supplier of any of the provisions of this contract, Summit reserves the right to cancel and terminate this contract, upon giving oral or written notice to the Supplier. Supplier shall be liable for damages suffered by Summit resulting from Supplier's breach of this contract.

Severability

If any provision hereof shall be found to be inoperable or in violation of any law or regulation, only that provision shall be stricken from this order and the remainder of the order shall not be affected.

Right of Access

Summit and its customers, and FAA (or any applicable authority) while its repair is in effect, shall be allowed to have access to approved supplier's facility during normal business hours for the purpose of inspecting and observing the performance of work on the article(s) covered by the repair order (Ref. 14CFR 145.223) including any requirements for personnel qualification as applicable and review of the SUPPLIER's quality management system requirements.

Quality Record(s) Retention

The SUPPLIER's retention period for records shall be commensurate with the criticalness of the end item but normally for a minimum of 2 years for commercial and 7 years for military application unless otherwise stated in writing by Summit in a separate formal written document.

Counterfeit Component Policy

SUPPLIER agrees and shall ensure that counterfeit goods are not delivered to Summit. SUPPLIER'S counterfeit prevention procedures shall meet the requirements of SAE AS5553 and IDEA-STD-1010. SUPPLIER shall immediately notify Summit with the pertinent facts if SUPPLIER becomes aware or suspects that it has furnished counterfeit goods. If suspect/counterfeit goods are furnished under this order or are found in any of the goods delivered hereunder, such items will be impounded by Summit. SUPPLIER shall be required to disclose the source of the suspect/counterfeit goods to Summit. Upon request of Summit, SUPPLIER shall immediately provide documentation that authenticates traceability of the affected goods to the applicable OEM/OCM. SUPPLIER shall promptly replace such suspect/counterfeit goods with goods acceptable to Summit. SUPPLIER shall be liable for all costs, including but not limited to Summit's internal and external costs relating to the removal and replacement of said goods and subsequent testing of said goods. Summit reserves all contractual rights and remedies to address grievances and detrimental impacts caused by suspect/counterfeit goods. All occurrences of suspect counterfeit and/or counterfeit goods will be reported to the FAA, ERAI and/or GIDEP by Summit.