

SUPPLIER TERMS AND CONDITIONS OF SALE**As of 04/13/2026****1) ACCEPTANCE:**

This purchase order represents Buyer's offer to purchase the goods or services ordered strictly in accordance with its stated terms and conditions. Seller's acceptance of this purchase order is expressly limited to the terms and conditions stated and no additional or different terms shall be binding on Buyer unless agreed to by Buyer in a writing signed by Buyer's authorized representative. Seller shall be deemed to have accepted this purchase order by signing and returning the acknowledgement copy, by failure to deliver a written objection to this offer within 5 days of receipt, or by delivering the goods or services ordered. If any term or condition of this purchase order is invalid, illegal, or unenforceable, the remaining terms and conditions of this purchase order shall remain in effect.

2) SHIPMENT AND DELIVERY:

All shipments and deliveries shall be strictly in accordance with the quantities, schedules and shipping instructions stated in this purchase order. Goods shall be shipped FOB Buyer's plant unless otherwise stated on the face of this purchase order. Title and risk of loss shall pass at the FOB point, subject to inspection and acceptance as described herein. Time is of the essence in performance of this purchase order. Seller shall not make advance, late, short or excess deliveries without Buyer's prior written approval. Buyer reserves the right to cancel this purchase order (or any part thereof) without liability if delivery is not made within the time specified, or, if no time is specified, within a reasonable time. Seller agrees to pay to Buyer any penalty or damages imposed upon or incurred by Buyer resulting from the failure of Seller to deliver the goods ordered in accordance with the quantities, schedules and shipping instructions stated in this purchase order.

3) SHORTAGES:

If, at any time during the term of this purchase order, Seller anticipates a shortfall in production of the goods and services to be provided, which shortfall is reasonably likely to result in Seller's inability to meet Buyer's requirements as set forth in this purchase order, the Seller shall (a) promptly notify Buyer in writing as to the reason for the shortfall, and state (and give reasons for) its expectations as to the duration of the shortfall, (b) take all commercially reasonable steps to avoid the shortfall and (c) allocate to Buyer all available goods or services of the type ordered to meet this purchase order. In addition, Seller shall promptly notify Buyer in writing when any shortfall is over and, unless directed otherwise in writing by Buyer, shall use best efforts to make up all unfulfilled portions of this purchase order as promptly as possible.

4) PAYMENT:

Invoices shall be emailed to or mailed to Buyer's Accounting Department when goods are shipped, or services completed. The purchase order number shall be shown on the

relevant invoice. The time for payment shall commence on the actual receipt of goods or services in complete accordance with the requirements of this purchase order. Payment terms are net 90 days unless otherwise stated on the face of the Buyer's purchase order. Any adjustment in Seller's invoice due to shortage, late delivery, rejection or other failure to comply with all the requirements of this purchase order may be made by Buyer before payment. Buyer may offset refunds or reductions from this purchase order against its obligations under other purchase orders with Seller, and vice versa. Seller agrees to refund any overpayments in cash immediately upon discovery.

5) INSPECTION AND ACCEPTANCE:

Buyer may inspect the goods, supplies and work in process at all times and places and may inspect Seller's books and records related to such, both during the term of this purchase order and thereafter. If inspection and test are made on Seller's premises, Seller shall, without additional charge, provide reasonable facilities and assistance for the safety and convenience of Buyer's representatives. Notwithstanding any previous inspection or acceptance, all goods and services delivered under this purchase order shall be subject to final inspection and acceptance by Buyer after receipt by Buyer at the agreed destination. Buyer reserves the right to inspect goods delivered under this purchase order on a sample-inspection basis. Rejection of sample shall be cause for rejection of entire lot. Neither inspection, failure to inspect or acceptance of any goods or services shall alter or affect any of the rights or remedies of Buyer or the obligations of Seller under this purchase order, including, without limitation, under Section 6 of these terms and conditions.

If Seller delivers defective goods or services, or goods or services that vary from any sample, specification, warranty or other requirement of this purchase order, Buyer may reject the goods or services and elect one of the following remedies at Seller's expense: (1) return the goods or services for full credit or refund, including freight charges, (b) require the Seller to correct, repair or replace the goods or services, (c) obtain replacement goods or services from another source or (d) retain the goods or services and reduce the purchase price for loss of value.

6) WARRANTIES:

Seller warrants that all goods and services delivered under this purchase order will: (a) conform to all applicable specifications, drawings, samples and other descriptions given, (b) be merchantable, (c) be fit for their intended purpose and (d) be free from defects in workmanship, materials and, to the extent that the design was furnished by Seller, design and (e) be free and clear of all liens and encumbrances when delivered by Seller. The foregoing warranties shall survive inspection, test, acceptance and payment, and shall run to Buyer, its successors, assigns and customers.

7) BUYER'S INTELLECTUAL PROPERTY AND TOOLING:

All inventions, ideas, concepts, trademarks, know-how, designs, specifications, drawings, documents, materials, tools, jigs, fixtures, methods, processes and other property, owned or paid for by Buyer, shall be the property of Buyer, subject to removal at any time without cost or expense to Buyer. All property of Buyer shall be identified and marked as such,

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used only for Buyer's purchase orders and covered by adequate liability, damage and fire insurance (including extended coverage) for its fair and reasonable value. Seller shall assume full liability for and maintain and repair all property of Buyer in its possession or control and shall, on request, return the same to Buyer in good condition, reasonable wear and tear excepted. Seller shall provide Buyer with inventories of all property of Buyer in its possession or control when requested by Buyer and certify to Buyer that all use thereof is expended on Buyer's purchase orders.

8) NO ASSIGNMENT OR SUBCONTRACTING:

Seller may not assign this purchase order, including any claims for monies due hereunder, without the prior written consent of Buyer. In addition, Seller shall not subcontract the performance of this purchase order without the prior written consent of Buyer. This purchase order shall be binding on Buyer and Seller and their respective successors and permitted assigns.

9) PRICING:

Seller warrants those prices for the goods and services ordered are not less favorable than those currently extended to any other customer or Seller for the same or like goods or services (whether in like or smaller quantities), and are otherwise in accordance with all applicable price laws and regulations. If Seller establishes or offers a lower price for the goods or services ordered (whether in like or smaller quantities) from the date of acceptance of this purchase order by Seller to the date goods or services are invoiced to Buyer, Seller agrees to reduce the prices stated in this purchase order correspondingly.

10) TERMINATION:

Buyer shall have the right to terminate this purchase order (without liability or cost to Buyer) if: (a) Seller breaches any provision of these terms and conditions or otherwise defaults on any requirement or obligation under this purchase order, (b) Seller becomes insolvent, or unable to meet its debts and obligations as they become due, (c) Seller files a voluntary petition in bankruptcy or an involuntary petition is filed and not dismissed within 30 days, (d) a receiver or trustee is appointed for Seller or its assets or (e) Seller executes an assignment for the benefit of its creditors.

Buyer reserves the right to terminate this purchase order in whole or in part at any time for the convenience of Buyer, by notifying Seller in writing. In the event of termination for the convenience of Buyer, Buyer will give Seller instructions with respect to delivery of goods (in process, purchased or committed) and Seller shall be compensated for any goods not accepted by Buyer based on Seller's actual direct out-of-pocket costs, less amounts realized by Seller from the later sale of such items not purchased by Buyer.

Termination by Buyer under this section shall not relieve Seller of any of Seller's obligations with respect to goods or services furnished prior to the effective date of termination.

11) PATENT INDEMNITY:

Seller shall indemnify Buyer, Buyer's customer and others subsequently acquiring title to the goods and services provided under this purchase order from any and all liabilities, losses, damages, judgments, costs and expenses (including, but not limited to, attorneys' fees) directly or indirectly arising from claims (whether or not successful) relating to actual or alleged infringement of any patent, copyright, trademark or other intellectual property rights of a third party by the purchase, use or sale of the goods or services provided under this purchase order, except where such infringement or alleged infringement arises by reason of (a) a detailed design furnished by Buyer or (b) the use or sale of the goods or services provided under this purchase order in combination with items not delivered by Seller where the infringement would not have occurred from the use or sale of such goods or services solely for the purpose for which they were designed or sold to Buyer.

12) INDEMNIFICATION:

Seller shall indemnify Buyer, its directors, officers, employees and agents from all liabilities, losses, damages, judgments, costs and expenses (including, but not limited to, attorneys' fees) directly or indirectly arising from claims (whether or not successful) relating to: (a) personal injury or death to any person or damage to any property based in whole or in part upon defective or nonconforming goods or services provided under this purchase order, (b) Seller's breach of any provision of these terms and conditions or other default under any requirement of obligation of this purchase order or (c) the recall or correction of any product or equipment in which the goods or services provided under this purchase order are incorporated.

13) INSURANCE:

Seller shall obtain and maintain, at its expense and throughout the term of this purchase order and for [4] years thereafter, the following minimum insurance coverage in form and amounts reasonably satisfactory to Buyer: (a) Commercial General Liability coverage of \$[2,000,000] per occurrence combined single limit of liability, and \$[3,000,000] general aggregate, which shall include, but not be limited to, contractual liability, premises liability, advertising liability and product liability, (b) Umbrella/Excess Liability of \$[5,000,000] per occurrence and in the aggregate and (c) Aviation Liability, including product and hangar keepers liability, of \$[25,000,000] per occurrence combined single limit of liability. All policies shall provide that the coverage there under shall not be terminable without at least 30 days' prior written day notice to Buyer. Seller shall promptly supply Buyer upon demand, evidence satisfactory to Buyer of the existence of all required insurance.

14) CONFIDENTIALITY:

Seller shall not make or authorize any news release, advertisement or other disclosure regarding the existence or substance of this purchase order without the prior written consent of Buyer. Seller shall keep confidential all information provided to Seller related to the performance of this purchase order, including, but not limited to statements of work, specifications, drawings, designs, processes and other technical or business information, and shall use such information only in the performance of Buyer's purchase orders. Upon completion, cancellation or termination of Buyer's purchase orders, Seller shall, at Seller's expense, return to Buyer or destroy all documents or other media containing or incorporating any of the information and, request, provide a certificate confirming the return or destruction of all such material. Seller shall include a provision comparable to this section in all permitted subcontracts relating to the goods or services ordered.

15) CHANGES TO BUYER:

Buyer may by written notice at any time before completion of this purchase order make changes in the general scope of this purchase order, including quantities, drawings and specification, delivery schedule and methods of shipment. If the change causes an increase or decrease in price or the time required for performance, an equitable adjustment shall be made in the price or delivery schedule or both. Any claim by Seller for adjustment under this section shall be submitted within 30 days of receipt by Seller of Buyer's notice of change. Buyer shall have the right to examine any of Seller's books and records for the purpose of verifying Seller's claim for adjustment. Nothing in the section shall excuse Seller from proceeding with this purchase order as changed, including failure of the parties to agree upon an adjustment to the price or delivery schedule or both.

16) TAXES:

All applicable federal, state and local taxes shall be listed separately on Seller's invoice, and such taxes shall not be payable if Buyer provides an appropriate exemption certificate. If not listed separately on Seller's invoice, Seller assumes responsibility for paying all applicable taxes, and shall indemnify Buyer against all liabilities, damages, fines, penalties, interest, costs and expenses (including, but not limited to, attorneys' fees) arising from the failure to pay such taxes in a timely manner.

17) REMEDIES AND WAIVER:

The remedies provided Buyer in these terms and conditions shall be cumulative and in addition to any other remedies provided herein, and conditions shall be effective unless in writing signed by Buyer's authorized representative. Neither failure nor any delay in exercising any right, power or privilege under these terms and conditions will operate as a waiver of such right, power or privilege. No single or partial exercise of any such right, power or privilege by Buyer will include any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. No waiver that may be given by Buyer will be applicable except in the specific instance for which it is given.

18) APPLICABLE LAW:

This purchase order shall be interpreted in accordance with the laws of the State of Illinois, without giving effect to its or any other jurisdiction's principles of conflicts of laws. The parties hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Rockford, IL, in any action or proceeding arising out of or relating to this purchase order.

19) COMPLIANCE WITH LAWS:

The parties shall comply with all Federal equal employment opportunity obligations under 41 CFR 60-1.4(a), 60-300.5 (a), 60-741.5(a) and federal labor law obligations under 29 CFR part 471, appendix A to subpart A.

This contractor and subcontractor shall abide by the requirements of 41 CFR 60–741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

This contractor and subcontractor shall abide by the requirements of 41 CFR 60–300.5(a). This regulation prohibits discrimination against qualified protected veterans and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.

20) FAR/DFAR REGULATIONS:

Alternative One –When a Government contract number appears on the face of this purchase order, all Defense Acquisition Regulations (DAR) Federal Acquisition Regulations (FAR), and Defense Federal Acquisition Regulations (DFAR) shall apply, including, but not limited to, those listed below. In the event of any conflict between the DAR/FAR and DFAR clauses and the remaining provisions of these terms and conditions, the DAR/FAR and DFAR clauses shall control. Without limitation, the following DAR/FAR and DFAR clauses shall apply: Patents and Data: Notice and Assistance Regarding Patent and Copyright Infringement (7-103.23), Filing of Patent Applications (7-104.06), Rights and Technical Data and Computer Software (7-104.09A), Examination of Records (7-104.15), Priorities Allocations and Allotments (7-104.18), Utilization of Labor Surplus Area (7-104.20A), Labor Surplus Area Subcontracting Program (7-104.20B), Quality Program (7-104.28), Subcontractor Cost of Pricing Data (7-104.42), Cost Accounting Standards (7-104.B3A), Administration of Cost Accounting Standards (7-104.93B), Stop Work Orders (7-105.03).

Alternative Two –If it is intended that Buyer use Seller's goods or services to perform a government contract, all Defense Acquisition Regulations (DAR) and Federal Acquisition Regulations (FAR) and Defense Federal Acquisition Regulations (DFAR) are hereby incorporated herein by reference or as may be provided in a separate document. In the

event of any conflict between the DAR/FAR and DFAR clauses and the remaining provisions of these terms and conditions, the DAR/FAR and DFAR clauses shall control.

21) STOPWORK:

Buyer may at any time by written stop work order require Seller to stop all or any part of the work under this purchase order for up to 90 days after the stop work order is received by Seller and for any extension of such period as the parties may agree. The stop work order shall specifically refer to this section. Upon receipt of the stop work order, Seller shall take all steps to comply with this section and all other reasonable steps to minimize costs incurred during the period covered by the stop work order allocable to this purchase order. Within the period covered by the stop work order, Buyer shall cancel the stop work order or terminate the work covered by this purchase order in accordance with these terms and conditions. If a stop work order causes an increase or decrease in price or the time required for performance, an equitable adjustment shall be made in the price or delivery schedule or both. Any claim by Seller for adjustment under this section shall be submitted within 30 days of the cancellation or expiration of the stop work order. Buyer shall have the right to examine any of Seller's books and records for the purpose of verifying Seller's claim for adjustment. Nothing in this section shall excuse Seller from proceeding with this purchase order on the cancellation or expiration of the stop work order, including failure by the parties to agree upon an adjustment to the price or delivery schedule or both.

22) PACKAGING:

All goods shall be prepared for shipment and packed using best commercial practices to prevent damage and deterioration during shipment and storage. This includes ESD and moisture protection packaging. Buyer may charge Seller or adjust the price of the goods downwards for any goods damaged or which deteriorate due to improper packing. No charge shall be made for preparation, packing, crating, cartage or storage unless specifically stated in this purchase order. Each shipping container must be marked to show this purchase order number Buyer's part number and quantity of goods contained therein. A packing list showing this purchase order number must be included with each shipment and the container in which the packing list is contained shall be clearly and appropriately marked.

23) USEFUL LIFE STORAGE:

Goods having characteristics susceptible to degradation with age or environmental conditions shall be clearly identified and marked with the dates on which the useful life was initiated and expires. In addition to normal marking requirements, the containers used for goods with a limited useful life shall identify all special storage and handling requirements, the dates on which useful life was initiated and expires (both for opened and unopened conditions).

24) QUALITY ASSURANCE:

Seller shall maintain a quality assurance program that is acceptable to Buyer for all goods and services delivered under this purchase order. Buyer shall have the right during the term of this purchase order, upon reasonable notice and during regular business hours,

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to visit Seller to observe production of the goods or performance of the services and inspect records and data directly related thereto for the purpose of confirming compliance with these terms and conditions and the quality assurance program. Seller agrees to implement any reasonable corrective action requested by Buyer resulting from such review. Additional quality assurance requirements may be invoked by clause numbers on the face of the purchase order.

The following are requirements for our Suppliers:

- a) The requirements and specifications for the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions) shall be complied with, and shall be available on Kaney, Inc. Purchase Order (PO);
- b) The Supplier shall maintain controls for the approval of their:
 1. products and services;
 2. methods, processes, and equipment;
 3. the release of products and services;
- c) The Supplier shall maintain organizational competence, including any required qualification of persons;
- d) The Supplier shall cooperate through all interactions with Kaney, Inc. ;
- e) Kaney, Inc. monitors Supplier performance for:
 - a. On-Time Delivery (OTD): Number of late deliveries, Goal: 0 late deliveries.
 - b. Quality: Number of rejected orders at incoming inspection, Goal: 0 rejected orders.
- f) Certain instances may require Kaney, Inc. and/or its customers to perform verification and/or validation activities at the Supplier's premises;
- g) The Supplier shall maintain control of design and development activities, as applicable;
- h) The Supplier shall maintain control of special requirements, critical items, or key characteristics, as applicable;
- i) The Supplier shall maintain control of tests, inspections, and verification activities (including production process verification), as applicable;
- j) The Supplier shall maintain control of the use of statistical techniques for product acceptance and related instructions for acceptance by the organization, as applicable;
- k) The Supplier shall:
 - implement a quality management system;
 - use customer-designated or approved Suppliers, including process sources (e.g., special processes), as applicable;
 - notify the organization of nonconforming processes, products, or services and obtain approval for their disposition;
 - prevent the use of counterfeit parts;
 - notify the organization of changes to processes, products, or services, including changes of their Suppliers or location of manufacture, and obtain the organization's approval;
 - flow down to Suppliers applicable requirements including customer requirements;
 - provide test specimens for design approval, inspection/verification, investigation, or auditing;

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- retain documented information, including retention periods and disposition requirements (shred);

Record Retention Requirements	
Retention Time Period (From Date of Manufacture)	Part Type
40 Years	Critical Safety Item(s), Flight Safety Item(s) and for major Rotor Item(s).
10 Years	All other parts.

- l) The Supplier shall provide the right of access by the organization, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;
- m) The Supplier shall ensure that persons are aware of:
- their contribution to product or service conformity;
 - their contribution to product safety;
 - the importance of ethical behavior.

25) RIGHTS OF BUYER'S CUSTOMERS AND REGULATORS TO PERFORM INSPECTION, SURVEILLANCE AND TESTING:

Buyer's rights to perform inspections, surveillance and tests and to review procedures, practices, processes and related documents related to quality assurance, quality control, flight safety and configuration control shall extend to the customers of Buyer that are departments, agencies or instrumentalities of the United States Government and to the United States Government Federal Aviation Administration and any successor agency or instrumentality of the United States Government. Buyer may also, at Buyer's option, by prior written notice from Buyer's Authorized Procurement Representative, extend such rights to other customers of Buyer and to agencies or instrumentalities of foreign governments' equivalent in purpose to the Federal Aviation Administration. Seller shall cooperate with any such United States Government-directed or Buyer-directed inspection, surveillance, test or review without additional charge to Buyer. Nothing in this contract shall be interpreted to limit United States Government access to Seller's facilities pursuant to law or regulation.

26) NO CHANGES BY SELLER:

Seller agrees not to make any changes that affect this purchase order without the prior written approval of Buyer's Authorized Representative.

27) NOTICE:

Any notice, demand or communication required or permitted to be given by any provision of these terms and conditions must be in writing, in the English language, and shall be deemed to have been sufficiently given or served for all purposes if (a) delivered personally; (b) deposited with a pre-paid messenger, express or air courier or similar courier or (c) transmitted by telecopy, facsimile, email or other communication equipment that transmits a facsimile of the notice to like equipment that receives and reproduces

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such notice. Notices shall be addressed to a party at the party's address, facsimile number or email address as set forth on the face of this purchase order. Notices shall be deemed to have received (i) upon receipt in the case of personal delivery; (ii) 2 days after being deposited in the case of messenger, express or air courier or similar courier; and (iii) the day of receipt as evidenced by a telecopy, facsimile, email or similar communication equipment confirmation statement in the case of transmitted by telecopy, facsimile, email or other like communication equipment.

28) LIMITATION OF LIABILITY:

In no event shall Buyer be liable for any incidental, special, indirect or consequential damages resulting from any reason whatsoever. This exclusion applies to all legal theories under which damages may be sought.

29) INVENTIONS:

All goods, and all other materials, information, work product, inventions, ideas, concepts, trademarks, know-how, designs, documents, works of authorship, text, characters, artwork, logos, computer programs, computer code, routines or subroutines, and other expressions or items, whether or not patentable or copyrightable and whether or not reduced to practice, accumulated, authored, made, conceived, developed or first reduced to practice by or on behalf of Seller in performing this purchase order (collectively, the "Results"), together with all patents, copyrights, trade secrets and other proprietary rights associated therewith, will be the exclusive property of Buyer and will be promptly disclosed and furnished to Buyer by Seller. To the full extent permitted by applicable law, such Results will be "works made-for-hire". To the extent any Results are not "works-made-for-hire", Seller hereby assigns to Buyer, without separate compensation, all right, title and interest in and to the Results together with all associated United States and foreign patents, copyrights, trade secrets and other proprietary rights, including, without limitation, the rights of registrations and renewal. At Buyer's expense, Seller shall execute all documents and take all actions necessary or convenient for Buyer to document, obtain, maintain or adding its rights to the Results. If Seller fails or refuses to execute any such instruments, Seller hereby appoints Buyer as Seller's attorney-in-fact (this appointment to be irrevocable and a power coupled with an interest) to act on Seller's behalf and to execute such documents. Buyer will have full control over all applications for patents or other legal prosecution relating to the Results.

30) COST SAVINGS:

In the event of manufacturing or other cost savings for any reasons (e.g., reduced component or raw materials costs or increased purchase by Buyer), Seller shall promptly notify Buyer of the cost savings, and the parties shall negotiate in good faith to determine a portion of the cost savings to pass on to Buyer.

31) ATTORNEYS' FEES:

If either Buyer or Seller retains legal counsel to enforce any of these terms and conditions, or to recover damages from the other, arising from the other's alleged breach of any of these terms and conditions or other default under any obligation or requirement of this

purchase order, or the other commences a suite against Buyer or Seller in connection with this purchase order that is not successful, then the other party shall pay the reasonable attorneys' fees together with costs of suit at both trial and appellate levels of either Buyer or Seller, as the case may be.

32) SELLER'S DATA:

Seller agrees that all data, including but not limited to tapes, photo prints and other graphic information, furnished with items or required to be furnished by this Order, together with any information furnished orally, shall be free from proprietary restriction. Data for which a restrictive use marking is authorized herein or by special agreement, may be duplicated and used by Buyer in the performance of its present and future contracts including preparation logistics and instructional information and delivery thereof as required by customer contract; provided that Seller's data subject to restrictive use marking as authorized herein, so long as the information is not legally available to Buyer from other sources, shall not be disclosed outside Buyer or its customers without Seller's permission. Seller further agrees to furnish additional data required by Buyer to support Buyer's requirements for logistics, maintenance, and operational data for Buyer's customer if ordered within three (3) years of final delivery for a reasonable price for preparation and delivery, including generation thereof, if required.

(1) To the extent that Seller establishes a claim to statutory copyright in any data first produced and furnished in the performance of this Order, Seller grants the Buyer a royalty-free, perpetual, nonexclusive, irrevocable, worldwide license to publish, distribute, translate, duplicate, exhibit, or perform any such data copyrighted by the Seller with the right to grant sublicenses. (2) Exclusive of computer software and related documentation, Seller agrees to grant a license for the benefit of Buyer of the same scope set forth in Provision 12(b)(1) to any technical data delivered under this Order that are copyrighted by Seller. (3) Exclusive of computer software and related documentation, Seller further agrees not to knowingly include any material copyrighted by others in technical data delivered under this Order without first obtaining, at no additional cost and for the benefit of Buyer, a license therein of the same scope as set forth in Provision 12(b)(1).

33) LICENSE FOR EQUIPMENT SPECIFIC SOFTWARE:

Software delivered hereunder, either embedded in equipment described herein or specifically designed for use in or with such equipment or articles shall remain the sole and exclusive property of the Seller. Seller grants the Buyer a royalty-free, perpetual, worldwide, irrevocable, nonexclusive license to use such software only in or with the equipment or articles. Upon such transfer of software and equipment or articles, Buyer may make and distribute one copy of the software to each requesting transferee for archival purposes only as authorized by Section 117 of the 1976 Copyright Act. The Buyer shall not transfer the license granted hereby or possession of the software except as part of or with the equipment or articles, such transfer being subject to the restrictions contained herein.

34) FORCE MAJEURE:

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Neither party shall be liable for damages for delay in delivery arising out of causes beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of any Government authority, fires, floods, epidemics, pandemics, quarantine restrictions, strikes, freight embargoes, or unusually severe weather. If the delay is caused by the delay of a subcontractor of Seller and if such delay arises out of causes beyond the reasonable control of both Seller and the subcontractor, and without the fault of negligence of either of them, Seller shall not be liable to Buyer in damages unless the articles or services to be furnished by the subcontractor were obtainable from other sources insufficient time to permit the Seller to meet the required delivery schedule. Seller will notify Buyer in writing within ten (10) days after the beginning of such delay.

35) BUYER'S PROPERTY:

(a) All property used by Seller in connection with this Order which is owned, furnished, charged to or paid for by Buyer shall be and remain the property of Buyer subject to removal and inspection by Buyer at any time without cost or expense to Buyer and Buyer shall have free access to Seller's premises for the purpose of inspecting or removing such property. All such property shall be identified and marked as Buyer's property, used only for this Order and adequately insured by Seller at its expense for Buyer's protection. Seller shall assume all liability for and maintain and repair such and return the same to Buyer in its original condition, reasonable wear and tear excepted, and when such property is no longer required hereunder. Seller shall furnish Buyer with a list thereof and shall comply with any Buyer disposition instructions applicable thereto. Buyer shall not be obligated to pay any invoices for tooling until the first article produced there from shall have been received and accepted.

(b) Materials, excluding Government Property, furnished by Buyer on other than a charge basis in connection with this Order shall be held by Seller as bailee thereof. Seller agrees to pay Buyer's replacement cost for all such material spoiled or otherwise not satisfactorily accounted for over and above two percent (2%) thereof allowable for scrap loss.

36) TITLE:

Except if title has heretofore passed to Buyer or Buyer's customers under provisions of this Order, title to the articles shall pass to Buyer upon delivery of the articles to the point designated in the Order named herein.

37) HAZARDOUS MATERIALS:

Seller shall notify Buyer of every article ordered hereunder which contains material hazardous or injurious to the health or physical safety of person even though said hazard or injury may only occur due to mishandling or misuse of the article. In addition, Seller shall identify the hazardous or injurious material and notify Buyer of the effects of such material on human beings and the physical manifestations that could result. For each article so identified, Seller shall supply Buyer warning labels or instructional material appropriate to warn persons coming in contact therewith of the hazard and its effects.

38) U.S. EXPORT CONTROL LAWS AND REGULATIONS:

The recipient of information and property under this Order acknowledges its obligations to control access to technical data and equipment under the U.S. Export Laws and Regulations and agrees to adhere to such Laws and Regulations and any license(s) issued there under with regard to any technical data or equipment received under this Order.

39) EXPORT LICENSE:

Seller shall be responsible for obtaining required export licenses or other approvals from the government of the country or origin. Should any government deny a license or approval necessary for the performance of this Order for reasons beyond the control of the Seller, this Order may be canceled in accordance with Clause 9(b).

40) EVIDENCE OF CITIZENSHIP OR IMMIGRANT STATUS:

Buyer may be required to obtain information concerning citizenship or immigrant status of subcontractor personnel entering the premises of Buyer. Seller agrees to furnish this information before commencement of work or at any time thereafter and before substituting or adding new personnel to work on Buyer's premises. Information submitted by Seller shall be certified by an authorized representative of Seller as being true and correct.

41) SPECIAL U.S. GOVERNMENT PROVISIONS:

If a purchase order indicates that it is placed under a U.S. Government prime contract for firm-fixed price orders for noncommercial materials and/or services, applicable special U.S. Government provisions will be provided under separate cover or media, and incorporated herein by reference.

42) CYBER SECURITY:

Beginning November 30, 2020, Contracting Officers must include the new DFARS 252.204-7019 provision and DFARS clause 252.204-7020 clause in all solicitations and contracts, with certain exceptions including solicitations or contracts solely for the acquisition of commercial-off-the-shelf (COTS) items. These will require the DoD supply chain to quantify their current cybersecurity compliance with NIST SP 800-171 requirements using the NIST SP 800-171 DoD Assessment Methodology. Pursuant to 252.204-7020, contractors such as Kaney Aerospace, Inc. may not award a subcontract or other contractual instrument that is subject to the implementation of NIST SP 800-171 security requirements, in accordance with DFARS 252.204-7012, unless the supplier has:

Completed at least a Basic Assessment in accordance with NIST SP 800-171 DoD Assessment Methodology (or in the alternative the Government performed Medium or High Assessment) within the last three years for all covered contractor information systems relevant to its offer that are not part of an information technology system operated on behalf of the Government; and

To the extent the supplier completed a Basic Assessment, it submitted its summary level scores, and other information required by paragraph (d) of DFARS 252.204-7020, either directly into the Supplier Performance Risk System (SPRS) or via encrypted email to webpstmh@navy.mil for posting to the SPRS.

43) HUMAN TRAFFICKING:

In accordance with Federal Acquisition Regulation (FAR) Parts 52.222-50 and 52.222-56 and Defense Federal Acquisition Regulation Supplement (DFARS) 252.222-7007 as referenced and incorporated into these Terms and Conditions of Purchase, by submitting its signed offer, or transmitting an electronic signature, Seller is certifying that for the portion (if any) of any resulting contract with Purchaser that is for supplies, other than commercially available off-the-shelf items, to be acquired outside the United States, or services to be performed outside the United States and has an estimated value that exceeds \$500,000, that Seller has implemented a Compliance Plan:

1. To prevent any prohibited activities identified in paragraph (b) of the clause at FAR 52.222-50, Combating Trafficking in Persons, and
2. To monitor, detect, and terminate any contracts with subcontractors of Seller engaging in prohibited activities identified at paragraph (b) of the clause at FAR 52.222-50, Combating Trafficking in Persons; and
3. After having conducted due diligence, to the best of the Seller's knowledge and belief, neither it nor any of its proposed agents, subcontractors, or their agents:
 - a. Is engaged in any such activities; or
 - b. If abuses relating to any of the prohibited activities identified in 52.222-50(b) is found, the Seller or any of its agents, subcontractors, or their agents will take the appropriate remedial and referral actions.