

Nabtesco Aerospace, Inc.

STANDARD TERMS AND CONDITIONS

**READ CAREFULLY: EACH AND EVERY TERM PRINTED HEREUPON IS PART OF AND INCORPORATED INTO
THE PURCHASE ORDER**

Effective Date: November 1, 2025

1. PAYMENT:

Payment will be made in accordance with the terms set forth on the Purchase Order upon receipt by Buyer of conforming goods accompanied by invoices rendered in duplicate, together with bill of lading or copy of freight bill for each shipment. Buyer shall not be liable for any charges for cartage, boxing, packaging, tariffs, etc., unless such charges are specifically set forth on the Purchase Order. Any cash discount period will be computed from the date of receipt and acceptance of the goods and appropriate documents. Any sums payable to Supplier and its controlled subsidiaries shall be subject to set off for any present and future indebtedness to Buyer.

2. TITLE AND RISK OF LOSS:

Title and risk of loss to a Product shall pass to Buyer when such Product passes Inspection by Buyer. Any loss, impairment, or any other damage to the Product that occurred before such Product passes the Inspection shall be borne by Seller, except where Buyer is liable for such damage. Any damage to the Product that occurred after such Product passes the Inspection shall be borne by Buyer, except where Seller is liable for such damage.

3. INSPECTION AND REJECTION:

(a) Seller shall perform Inspection of Products prior to delivery and attach its certification and/or functional test report for each Product on every shipment to Buyer (b) Buyer shall make reasonable efforts to conduct an inspection (the "Inspection") within thirty (30) days after delivery to determine whether to accept or reject Products, unless otherwise specified in the Order. Buyer's failure to inspect or to accept or reject the Products shall not relieve Seller of responsibility for nonconforming Products. The Inspection does not relieve Seller of responsibility for defects or other failures to meet the Order requirements discovered before acceptance. Buyer's acceptance also does not relieve Seller of responsibility for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in this Order. In the event of rejection of the Products, Buyer, in addition to any other rights and remedies provided by law, or under other provisions of this Order, shall have the right to require Seller:

(i) at no increase in Order price, to correct or replace the defective or nonconforming Products at the original point of delivery

or at the Seller's plant at the election of Buyer, and in accordance with a reasonable delivery schedule as may be agreed upon between Buyer and Seller; provided, that Buyer may require a reduction in Order price if Seller fails to meet such revised delivery schedule; or

(ii) to return such Product to Seller, within a reasonable time after receipt by the Seller of notice of defects or nonconformance, to repay such portion of the purchase price that relates to the rejected Product. When such Product is returned to Seller, Seller shall bear the transportation cost from the original point of delivery to the Seller's plant and return to the original point if that point is not the Seller's plant.

If Seller fails to perform or act as required in (i) or (ii) and does not cure such failure within a period of ten (10) Days after receipt of notice from Buyer specifying such failure, Buyer shall have the right to replace or correct such Product and charge to Seller the cost incurred by Buyer thereby.

4. RIGHT OF ENTRY:

Buyer, Buyer's customer and/or Government Agencies (FAA, JCAB, etc.) reserve the right to perform inspections of Supplier's facilities, as well as Supplier's sub-tiers facility, for quality control and process control purposes.

5. BANKRUPTCY:

In the event of any bankruptcy, receivership or insolvency proceedings, voluntary or involuntary, are instituted by or against Supplier, Buyer may, at its option, cancel this Purchase Order to the extent permitted by law or court order.

6. ASSUMPTION OF RISK:

Supplier specifically and expressly assumes the risk of any foreseen or unforeseen events or causes occurring subsequent to the date of this Purchase Order, which while not rendering performance impossible, would substantially change the cost to Supplier or Supplier's suppliers of performing this Purchase Order so as to make such performance onerous, unprofitable or otherwise commercially impractical.

7. FORCE MAJEURE:

If either party is prevented or delayed from performing its obligations under the Individual Contract in whole or in part by the occurrence of natural disasters, risks of serious diseases or infections, wars, riots, domestic warfare, coup d'état, terrorism, changes in laws and regulations, judicial agencies or administrative agencies, labor disputes, or any other event or circumstance beyond the reasonable control of the impacted party, the occurrence of which cannot be avoided by the exercise of reasonable care (each, a "Force Majeure"), such party shall not be liable for any delay or impossibility of performance of such obligations under this Agreement when and to the extent such delay or impossibility is caused by or results from the occurrence and/or continuance of a Force Majeure. The occurrence of any event of Force Majeure as provided herein shall, to the extent performance is not made wholly impossible, reduce either party's obligation hereunder proportionately;

provided, however, that in no event shall the time specified for performance hereunder be extended as a result of any occurrence of an event of Force Majeure.

8. WARRANTIES:

(a) Seller warrants that, for a period of sixty (60) months from delivery, all Products under the Individual Contract will (i) conform to all plans, specifications, samples and requirements (including the Specifications) of the Individual Contract, (ii) be free from defects in materials and workmanship, even if the design has been approved by Buyer, and (iii) be free from all liens and encumbrances, (iv) to the extent Products are not manufactured pursuant to detailed designs and specifications furnished by Buyer, and (v) be free from design and specification defects, the Products are produced in compliance with all applicable foreign, Federal, state and local statutes, regulations, rules and ordinances and that they are properly packaged and labeled in accordance with any such statutes, regulations, rules and ordinances. All warranties under the Individual Contract will survive the Inspection, acceptance and payment for the Products, will run to Buyer and its successors, assigns, and the direct or indirect customers and will begin after Buyer's acceptance of the Products.

(b) Buyer may, at its option, either: (i) return the Products for credit or refund, or (ii) require prompt correction or replacement of the defective or non-conforming Products. The return to Seller of defective or nonconforming Products and redelivery to Buyer of corrected or replaced Products will be at Seller's expense.

(c) Regardless of whether the parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Buyer's direction to: (i) repair, rework, re-perform, or replace the Products, or (ii) furnish any materials, parts, and instructions required for Buyer to successfully correct the defect or nonconformance or have it corrected at Seller's expense. If Buyer later determines that Seller did not breach this warranty, future payments will be adjusted for actual costs incurred by Seller.

(d) Buyer's rights under this Section shall be in addition to and shall not be deemed to diminish its rights under the Individual Contract or under any applicable law, including without limitation rights relating to non-conforming Products performed by Seller, regardless of when such non-conformity is discovered.

9. INFORMATION AND INSTRUCTIONS:

Supplier agrees to furnish to Buyer all warnings, information, documents, labels, placards, containers and other materials which may be required by common law, statutes, ordinances, rules or regulations of any public authority relating to the use packaging, receiving, storing, handling, shipping or transporting of the goods, together with detailed written instructions as to their use and disposition of the goods and their containers.

10. PRODUCT LIABILITY:

- (a) In case of any claim by a third party in relation to a defect of the Products, Seller shall, upon request of Buyer, at its own costs and expenses, immediately carry out the root-cause analysis of such defect.
- (b) Seller shall defend, indemnify and hold harmless Buyer including Buyer's Personnel and Customers against and from any and all claims, losses, damages, obligations, liabilities, costs and expenses (including, without limitation, attorneys' fees) arising out of, in relation to or in connection with any suit or any claim from a third party for damages of death, human bodily injury or other property resulting from any defect of the Products.
- (c) Notwithstanding the foregoing, however, Seller shall not be liable to Buyer for any suit or any claim for any defect of the Products if such defect is evidently found to be solely attributed to the instructions given by Buyer or any unauthorized modifications or changes made by Buyer, and so far as Seller is not negligent for such defect.

11. INDEMNIFICATION:

- (a) Seller is and shall to the extent of its fault, negligence or intentional misconduct be liable for and hereby agrees to indemnify and hold harmless Buyer, its subsidiaries and/or each of their directors, officers, agents and employees from and against all claims, losses, liabilities, damages, penalties, costs and expenses (including attorney's fees) in any way connected with the death of or injury to any person or the loss of, or damage to, property (and the loss of use thereof), including, but not limited to, the claims of a Customer based on any failure or fault of Seller howsoever arising out of or having their origin in any acts or omissions of Seller in connection with the performance of the Individual Contract.
- (b) With respect to the Product supplied or sold by Seller, Seller shall indemnify and hold harmless Buyer, their agents, successors and assigns, from all costs, losses, damages, and liabilities, including costs and expenses such as legal fees, which may be incurred as a consequence of any third party alleging that Buyer's or a customer's use, sale or offer of the Product and/or Seller's manufacture, use, sale or offer of the Products violates, infringes or misappropriates such third party's Intellectual Property Rights, Seller shall, at its own expense, have the entire right and duty to defend and settle all claims, suits, and actions against Buyer, their agents, successors and assigns in which such infringement is alleged (and Buyer may participate in the defense and settlement at its own expense), provided Seller is duly notified not later than thirty (30) calendar days after the receipt by Buyer of notice of the institution of any such claim. Should any Product be held to infringe any Intellectual Property Rights of a third party, or should Buyer be prevented from using the same, Seller shall at its option and expense:
 - (i) procure for Buyer the right to use or sell the product free of any liability for Intellectual Property Rights infringement; or
 - (ii) replace the product with a non-infringing substitute otherwise complying with all of the requirements of the Individual Contract.

12. INFRINGEMENT:

Supplier shall indemnify, hold harmless and defend Buyer, its subsidiaries and related companies, and the officers, employees, workmen, agents, servants and invitees of Buyer, its subsidiaries and related companies from and against all losses, damages,

demands, claims, suits and other liabilities, including attorney's fees and other expenses of litigation, based upon a claim that the goods sold hereunder constitute an infringement of any existing patent, trademark, copyright or contractual or proprietary rights.

13. COMPLIANCE WITH LAWS:

Supplier shall comply with any and all applicable foreign, Federal, state and local laws, rules, regulations, ordinances and orders, including without limitation Federal Hazardous Substances Act, the Hazardous Materials Transportation Act, Toxic Substances Act, the Federal Food, Drug and Cosmetic Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the Civil Rights Act of 1964 and relevant portions of Executive Order 11246. Supplier agrees to indemnify and hold Buyer harmless from any loss, cost or expense (including Attorney's fees) for any and all claims for or arising out of violations of this provision of the Purchase Order.

14. MODIFICATION OF WAIVER:

This instrument constitutes the entire understanding between the parties. No gate pass, sales acknowledgement form, shipping papers or other written document shall be construed as altering or overriding the terms and conditions herein. No amendment, alteration, modification or waiver of this Purchase Order subsequent to the date herein shall be valid or enforceable unless in writing and signed by the party sought to be charges, and no prior or current course of dealing between the parties, any usage of trade or custom of the industry or printed form of the Supplier such as a billing invoice, bill of lading or packing list shall modify or supplement the terms and conditions of this Purchase Order. The Order is not assignable without the prior written consent of Buyer.

15. APPLICABLE LAW And CHOICE OF FORUM:

This Purchase Order and the rights, duties, obligations and remedies of the Buyer and Seller hereunder, shall be governed by and construed in accordance with the laws of the State of Washington, not including Washington State law governing conflicts or choice of law. All disputes arising out of or in any way related to this Purchase Order and/or the goods subject to it shall be resolved in arbitration, which shall take place in King County, Washington, as further described in the provision of this Purchase Order entitled "Arbitration."

16. WAIVER:

The failure of Buyer to exercise any right granted hereunder shall not impair nor be deemed a waiver of Buyer's privilege of exercising such right at any subsequent time(s).

17. SHIPPING INSTRUCTIONS:

All shipments are to be made freight prepaid regardless of what F.O.B. point may be specified on the reverse side hereof. Shipping charges, when applicable should be added to Supplier's invoice. Time is of the essence. Supplier's failure to meet delivery date (s) shall constitute a material breach of the Purchase Order agreement. Method of shipment is to be as shown

below unless otherwise indicated on the Purchase Order.

1 lb. To 70 lbs. FED EX Collect

For areas not served by FedEx please use UPS

Above 70 lbs. MOTOR FREIGHT

18. ADDITIONAL INSTRUCTIONS:

(1) Forward notices on date of shipment to both "Invoice" and "Ship To" addresses indicated on the Purchase Order. (2) The complete Purchase Order number and Buyer's code or property number if indicated herein, including prefix and suffix, must be shown on all invoices, bills of lading or shipping memoranda. (3) Complete name and plate data must be shown on invoice for any capital equipment for which a code or property number is indicated herein.

19. ARBITRATION:

Any controversy between Buyer and Supplier including any claim, suit or demand made by Buyer and Supplier against one another, or made by any other person or entity purporting to act on behalf of, by or through them, arising out of or in any way related to this Purchase Order, including but not limited to the validity and interpretation of this Purchase Order, the conduct or performance of the Purchase Order by parties hereto, or breach hereof, shall be subject to binding arbitration.

Such arbitration shall take place in King County, Washington. Arbitration shall commence upon the written demand of either party. Unless the Buyer and Seller later agree to a different procedure, each party shall designate an arbitrator within fourteen (14) days following the date of the written arbitration demand. Each arbitrator shall be a practicing attorney with no fewer than ten (10) years of experience, or a current or former magistrate or judge in a court of general or appellate jurisdiction. The designated arbitrators shall select a third, neutral arbitrator, who shall meet the same minimum qualifications as the designated arbitrators, within fourteen (14) days thereafter. In the event the designated arbitrators cannot decide upon a third, neutral arbitrator, the matter shall be referred to the United States District Court for the Western District of Washington at Seattle, which shall select the third arbitrator from a list of possible arbitrators submitted by each party.

All matters related to the administration of the arbitration, including discovery, motions and hearings on all matters, shall be within the discretion of the arbitrators. However, the arbitrators may refer to and rely upon the Commercial Arbitration Rules of the Center for Public Resources Institute for Dispute Resolution.

Each party shall pay the fees of the arbitrator it designates. The fees of the third, neutral arbitrator shall be shared equally among the parties. The party that prevails or substantially prevails in the arbitration shall be entitled to an award of reasonable attorneys' fees and other costs reasonable and necessary to preparation and presentation of its case.

The interpretation and application of this arbitration provision shall be subject to the Federal Arbitration Act, and judgment

on the arbitration award shall be entered pursuant to that Act in the United States District Court for the Western District of Washington at Seattle.

20. ACCEPTANCE OF ORDER:

- (a) An Individual Contract shall be made in the event of acceptance of this Order by Seller. Any Order which Seller does not accept nor reject in whole or in part within five (5) calendar days after receiving the Order shall be deemed to have been accepted by Seller in full. Seller's acknowledgment, acceptance of payment, or commencement of performance, shall constitute Seller's unqualified acceptance of the Order.
- (b) Any amendments or modifications proposed by Seller with the confirmation of the Order shall be effective only in case Buyer explicitly accepts them in writing.
- (c) Unless expressly accepted in writing by Buyer, additional or differing terms or conditions proposed by Seller or included in Seller's acknowledgment are objected to by Buyer, shall be deemed a material alteration to the offer, and shall have no effect.

21. ORDER OF PRECEDENCE

In the event of any conflict or inconsistency between the provisions of this agreement and the Seller's Terms and Conditions on but not limited to lasting order acknowledgement from Seller, the provisions of this agreement shall prevail. However, the terms of any specific individual contract between the Buyer and Seller shall take precedence over this agreement in the event of any conflict or inconsistency.

22. QUANTITY AND DELIVERY REQUIREMENTS:

- (a) Deliveries shall be strictly in accordance with the quantities, the schedule and other requirements in the applicable Individual Contract. If a Product is delivered in advance of the date scheduled for delivery per Individual Contract without Buyer's prior written authorization, Buyer shall have the right to:
 - (i) reject the Products and return them to Seller at Seller's expense,
 - (ii) accept early delivery of Products and defer payment until after the scheduled delivery date, or
 - (iii) accept early delivery of Product(s) and place such Products in storage until the scheduled delivery date.
- (b) Seller shall notify Buyer immediately of any circumstances that may cause a delay in delivery, stating the estimated period of delay, reasons therefore and actions to be taken to minimize delay. If requested by Buyer, Seller shall use additional effort to avoid or minimize delay. All additional costs resulting from such effort shall be borne by Seller with the exception of such costs attributable to delays caused directly by Buyer.

23. CHANGES AND EQUITABLE ADJUSTMENT:

- (a) Buyer may make changes in the delivery schedule and quantities. Buyer provides Seller with written notice to be approved by Seller of such changes. Upon receipt of written notice of the change.
- (b) Buyer may, in writing, direct changes within the general scope of the Order in any of the following respects: (i) technical requirements and descriptions, specifications, statement of work, drawings or designs; (ii) shipment or packing methods; (iii) place of delivery, inspection or acceptance; (iv) reasonable adjustments in quantities or delivery schedules, or both; (v) time and place of performance. If any such change increases significantly or decreases the cost or time required to perform the Individual Contract, Buyer and Seller shall negotiate an equitable adjustment in the price or schedule, or both, to reflect such an increase or decrease, and any affected Order shall be modified in writing accordingly. Any claim for equitable adjustment must be received by Buyer no later than sixty (60) days after Seller's receipt of the Buyer's written change order or within such further time as Buyer and Seller may agree to in writing, or such claim shall be deemed waived. A claim for equitable adjustment must include a detailed cost and schedule breakdown comparing original requirements, schedule and costs to the changed requirements, schedule and costs.
- (c) Seller shall promptly comply with such all-change orders directed by Buyer and shall not delay any work while awaiting a response or a price adjustment agreement to be reached.

24. EVENTS OF DEFAULT AND REMEDIES:

- (a) Any one or more of the following events shall constitute an event of default ("Event of Default") for the purposes of the Individual Contract:
 - (i) Any failure of Seller to deliver or to provide any Products or services when and as required by the Individual Contract, provided such Individual Contract has been acknowledged by Seller and delivery dates confirmed except in the event of Excusable Delay;
 - (ii) Any failure of Seller to perform or to comply with any other obligation set forth in the Individual Contract, if such failure continues and is not remedied for a period of thirty (30) days or more following Seller's receipt of notice from Buyer specifying such failure;
 - (iii) Seller's sale, purchase or manufacture of any airplane part or Product without the required approval of the FAA or other appropriate airworthiness authority;
- (b) If any Event of Default occurs, Buyer may, at its option, pursue the following remedy, as well as any other remedies provided elsewhere in the Individual Contract or under applicable law:
 - (i) Termination: Buyer may, by giving written notice to Seller, immediately terminate the Individual Contract. Buyer shall not be required after such notice to accept the tender by Seller of any Products or services with respect to which Buyer has elected to terminate the Individual Contract.

25. INSURANCE:

Throughout the term of the Individual Contract, Seller shall maintain in full force and effect, and at its own expense, Product Liability Insurance, in an amount not less than \$3 million (U.S.) Seller shall provide certificates of insurance to Buyer to evidence that it has obtained the insurance coverage required herein.

26. PROPRIETARY INFORMATION AND CONFIDENTIALITY:

Buyer and Seller agree that all information communicated to each other in connection with the Individual Contract will be received in confidence and will not be disclosed, transferred, used or otherwise made available by the recipient to any third party without the prior written consent of the party from whom the information was obtained. Each party agrees to exercise reasonable care to ensure against the inadvertent disclosure of information received in confidence, that is, care that is equal to the care it uses to protect its own confidential and proprietary information from disclosure to outside parties, or to prevent the unauthorized use of such information. Notwithstanding the above, Buyer may disclose such information to Nabtesco Corporation (Buyer's parent company) provided that Buyer imposes the same level of confidentiality obligations as set forth by the Individual Contract on Nabtesco Corporation. This section is not intended to prevent the disclosure of information which (i) is publicly available or which becomes publicly available through no act or omission of the recipient; (ii) is disclosed to the recipient by a third party which did not acquire the information under an obligation of confidentiality; (iii) was already in the possession of the recipient at the time of the disclosure; (iv) is disclosed as required by the court order, or as otherwise required by law; or, (v) is disclosed as required by the terms of Buyer's agreements with the Customer.

27. TERMINATION

(a) Buyer may, at any time by written notice to Seller terminate all or any part of the Individual Contract for Buyer's convenience, in which event Seller agrees to stop work immediately as to the terminated portion of the Individual Contract, to notify subcontractor(s) to stop work, and protect and preserve property in its possession in which Buyer has an interest. Buyer may require Seller to transfer title and deliver to Buyer, in the manner and to the extent directed by Buyer, any completed Products and any manufacturing materials that Seller has produced or acquired for the performance of the Individual Contract, including, without limitation, the assignment to Buyer of Seller's subcontracts. If the Individual Contract is terminated, in whole or in part, for Buyer's convenience, Seller shall be paid an amount, to be mutually agreed upon. Buyer shall have no obligation to make any of the aforementioned payments to Seller, either for completed Products or in connection with terminated work in process, unless Seller shall establish to Buyer's satisfaction that such completed Products or the work in process, including materials, are unusable in connection with Seller's other business. In no event shall the termination charges and all previous payments made under the Individual Contract exceed the total Individual Contract value shown on the face of the Individual Contract.

(b) Seller shall submit to Buyer all claims resulting from such termination within thirty (30) Days after Seller's receipt of Buyer's notice of termination. Buyer shall have, upon reasonable advanced notice, the right to inspect Seller's records, facilities, work, and materials relating to performance of the Individual Contract for purposes of evaluating Seller's claim.