

**BLR AEROSPACE, LLC****PURCHASE ORDER – STANDARD TERMS AND CONDITIONS OF SALE****1. APPLICABILITY**

These Terms and Conditions of Sale ("Terms") constitute the entire agreement between BLR Aerospace, LLC ("BLR") and the buyer ("Buyer") for the purchased products (the "Products") described in any applicable purchase order accepted by BLR (each, an "Order"). BLR and Buyer may be individually referred to herein as a "Party" or collectively as the "Parties." Any different, conflicting or additional terms contained in an Order, Order acknowledgment, sales agreement or other document shall be void, unless expressly agreed to and accepted by BLR. BLR shall not be deemed to have waived any provision of these Terms by failing to object to provisions that may appear on, be incorporated by reference in, or attached to an Order. BLR hereby reserves the right to accept each Order, and each acceptance shall be conditional upon the acceptance by Buyer of these Terms. Any revised and follow-on orders accepted by BLR shall be deemed to be an Order and subject to these Terms. BLR's acknowledgement of receipt of the revised or follow-on orders shall not constitute acceptance.

**2. QUOTES**

Quotes issued by BLR are good-faith statements of intent to hold firm the offering quoted, not to be considered as offers to sell. All quotes, whether written or oral, are subject to these Terms, or other conditions, if any, agreed upon between BLR and Buyer in writing. Unless otherwise stated, all quotes are based upon BLR use of standard materials and equipment and are only for the quantities stated. Written quotes automatically expire thirty (30) calendar days from the date issued, unless stated otherwise in the quotes or sooner withdrawn by BLR.

**3. PRICES**

BLR reserves the right to correct any pricing mistakes that deviate from the pricing set forth in any quote. Subject to any changes requested by Buyer, the quoted price will be in effect for sixty (60) calendar days from the date of such quote, and thereafter at the price in effect at the time of shipment. All quotations are made, and each Order is accepted, subject to approval by BLR's credit department. Prices do not include applicable taxes, including but not limited to excise, sales or use taxes. Any taxes (other than taxes due on BLR's net income) that are payable on transactions hereunder shall be the sole responsibility of Buyer. BLR reserves the right to invoice Buyer for any such taxes that are or may become payable by BLR.

**4. TERMS OF PAYMENT**

All payments due to BLR for the Products or services under this Agreement are due in advance of BLR's performance, unless otherwise expressly agreed to on the Order. BLR may agree to extend credit to Buyer. Any extension of credit to Buyer is contingent upon the approval of the Buyer's credit application and financial standing by BLR or its assignee. The Buyer agrees to submit all necessary financial documentation as reasonably requested by BLR for the purpose of this credit review. BLR reserves the right to approve, deny, or modify credit terms at its sole discretion at any time during the term of this Agreement. If credit is approved, payments shall be made within thirty (30) calendar days of the invoice date. Notwithstanding the foregoing, the invoice date shall not be prior to the date the invoiced Products are shipped to the Buyer in accordance with **Section 6.4** herein. All payments due hereunder shall be tendered in United States currency. In all events, time shall be of the essence with regard to Buyer's payment obligations to BLR hereunder. Any amount not paid by Buyer when due under these Terms shall accrue interest at the lower of one and one-half percent (1.5%) per month or the highest legal rate allowed under applicable law. The right of BLR to receive such interest payments shall be in addition to any other rights or remedies of BLR hereunder with respect to such nonpayment, including suspension or termination of any or all outstanding purchase orders provided by Buyer.

## 5. CERTIFICATION

All Products supplied for aircraft shall be accompanied by the proper "Certification of Airworthiness" as specified by the Federal Aviation Administration ("FAA") as of the date of delivery. Buyer shall be responsible for notifying BLR of any deficiencies or variations from FAA requirements identified.

## 6. DELIVERY AND ACCEPTANCE

- 6.1. Acceptance. BLR will not be bound by any Order for the Products placed by Buyer until such Order has been accepted by BLR. Upon BLR's acceptance of an Order by way of written Order confirmation, such Order shall constitute a binding agreement of BLR to sell and ship, and of Buyer to purchase and tender payment for, the Products specified. Such Order confirmation shall specify an estimated shipping date for the ordered Products.
- 6.2. Inconsistent Terms in an Order. In the event any terms or conditions contained in an Order made by Buyer are inconsistent with, or in addition to, the language of these Terms, such inconsistent or additional terms or conditions in the Order shall be null and void and shall not be binding on BLR.
- 6.3. Shipment of Product. BLR shall ship to Buyer the Products or components thereof set forth in an accepted Order, and in accordance with **Section 4**, to Buyer within a reasonable time after BLR's acceptance of such Order; provided, however, that the parties understand and agree that (a) lead times will vary according to manufacturing and other conditions, (b) any and all shipping dates shall be approximate and non-binding, and (c) any and all shipping dates shall be computed from the date that an Order is accepted by BLR. Buyer specifically acknowledges that the Products contain components manufactured by third parties and that lead times may be negatively impacted by situations outside the control of BLR, including but not limited to inability to obtain, or late shipments of, third-party components.
- 6.4. Terms of Shipment. Products sold herein are sold Ex-Works (Incoterms 2020) BLR's place of business or BLR's subcontractor's place of business, unless the Parties mutually agree otherwise. Buyer assumes all responsibility for payment of freight, and all costs associated therewith BLR's obligation to ship the Products shall be fully and completely discharged, and ownership, legal title, and all risk of loss or damage shall immediately pass to Buyer at the time that the Products are made available to be loaded onto the carrier at BLR's place of business or BLR's subcontractor's place of business.

## 7. INSTALLATION

Buyer shall install the Product(s) utilizing appropriate industry standards, and such installation shall be made in strict conformance with any installation guidelines provided by BLR. In furtherance and not in limitation of the indemnification obligations of Buyer otherwise set forth in these Terms, Buyer shall indemnify and hold harmless BLR and its officers, directors, agents, employees, shareholders, legal representatives, successors and assigns, and each of them, from and against any and all third-party claims, actions and suits, whether groundless or otherwise, and from and against any and all liabilities, judgments, losses, damages, costs, charges, attorneys' fees, and other expenses of every nature, kind and character incurred or suffered by reason of any and all claims in connection with the manner of performance by Buyer of any service, installation, maintenance, or repairs of Products or other products manufactured by BLR.

## 8. LIMITED PRODUCT WARRANTY

- 8.1. Warranties. BLR hereby makes the following limited warranties ("BLR Warranties"):

The Product shall be manufactured in a workmanlike manner in accordance with applicable industry standards and meet the requirements set forth in the specifications for such Product. The Product has a ninety (90) day warranty from the shipping date. If a Product does not meet the specifications for such Product and thereby fails the foregoing limited warranty, BLR will, in its sole discretion and upon verification of the failure: (i) repair the Product, or (ii) replace the Product. If BLR elects to repair or replace the Product, this will not result in a new warranty or

new warranty terms or in an extension of the time periods applicable to the original limited warranty.

The foregoing limited warranty shall be void to the extent it is reasonably determined by BLR, without limitation, that the claimed failure was a result of improper use, installation, handling, storage, or maintenance of the Product.

8.2. Exclusive Warranties. **THE BLR WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**

8.3. Component Materials. BLR HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS AND IMPLIED, WITH RESPECT TO THE COMPONENT MATERIALS, ANY ADDITIONAL MANUFACTURING PROVIDED BY VENDORS AND ANY INSTALLATION PROVIDED BY INSTALLER. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT ITS SOLE SOURCE OF REMEDY FOR ANY FLAW OR DEFECT IN THE ADDITIONAL MANUFACTURING IS AND SHALL BE THROUGH SEPARATE THIRD-PARTY ACTION WITH OR AGAINST, OR PURSUANT TO WARRANTIES SUPPLIED BY, THE MANUFACTURER OF THE COMPONENT MATERIALS OR APPLICABLE VENDORS.

8.4. Acknowledgement. BUYER ACKNOWLEDGES THAT THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES AVAILABLE TO BUYER AT LAW OR IN EQUITY.

## **9. INDEMNIFICATION**

The Buyer shall defend, indemnify and hold harmless BLR, its directors, officers, employees, shareholders and agents and all of their respective successors and permitted assigns (the "Indemnified Parties"), from and against any and all third-party suits, claims, actions, liabilities, losses, damages, costs and expenses (including, but not limited to, interest, penalties, reasonable attorneys' fees and other expenses of litigation) and causes of action of whatsoever kind which may be incurred by, asserted against, or recoverable from any Indemnified Party arising out of or relating to any breach by Buyer of these Terms or the gross negligence or willful misconduct of Buyer. BLR shall have the right at its discretion and sole cost to be represented by its own counsel and to participate in the defense of any action in which an Indemnified Party is named as a party defendant, and BLR's prior written approval will be required for any settlement that reasonably can be expected to require a material affirmative obligation of or result in any ongoing material liability to an Indemnified Party.

## **10. INTELLECTUAL PROPERTY**

BLR warrants that the Products and any documentation delivered under these Terms will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country and are free and clear of all liens, licenses, claims, and encumbrances. If an injunction is obtained against Buyer's use of the Products or documentation deliverables provided in the performance of any Order as a result of infringement or misappropriation of the intellectual property of any third party, BLR shall either procure for Buyer the right to continue using the Product or documentation, or re-perform or modify the Product or documentation so it becomes non-infringing.

## **11. CANCELLATION**

An Order is not subject to cancellation unless Buyer obtains specific written approval from BLR in advance of shipment of the Product(s). If the Order is cancelled, Buyer shall pay BLR reasonable cancellation charges, as invoiced by BLR, including but not limited to: (i) Product at the contract rate, (ii) work in process, material, components, and labor, (iii) overhead expenses incurred or allocated by BLR in performing or preparing to perform against the Order, and (iv) at the sole discretion of BLR, BLR's anticipated profit and a twenty percent (20%) restocking fee.

## **12. INDEPENDENT CONTRACTOR RELATIONSHIP**

Buyer agrees that, with respect to all matters relating to these Terms, Buyer shall be deemed to be an independent contractor and shall bear all of its own expenses in connection with these Terms. Buyer

acknowledges that it is not a partner, joint venturer, franchisee, or agent of BLR. Buyer shall have no authority, whether express or implied, to assume or create any obligation on behalf of BLR nor shall Buyer issue or cause to be issued any quotations or draft any letters or documents under the name of BLR.

### **13. CONFIDENTIAL, PROPRIETARY, AND TRADE SECRET INFORMATION AND MATERIALS**

The Parties shall each keep confidential and protect from unauthorized use and disclosure all confidential, proprietary, or trade secret information of a Party or third party disclosed by a Party ("Proprietary Information and Materials"), except as authorized by the other Party in writing. Proprietary Information and Materials excludes information that is, as evidenced by competent records provided by the receiving Party, known to the receiving party or lawfully in the public domain, in the same form as disclosed hereunder, disclosed to the receiving Party without restriction by a third party having the right to disclose it, or developed by the receiving Party independently without use of or reference to the disclosing Party's Proprietary Information and Materials. The Parties shall use Proprietary Information and Materials disclosed by the other Party only to perform and for the purpose of these Terms and shall not disclose such Proprietary Information and Materials to any third party except as expressly set forth herein. Buyer shall not, without BLR's prior written consent, use the Proprietary Information and Materials disclosed by BLR in any manner not authorized under these Terms, including using such Proprietary Information and Materials to train, develop, or improve any machine learning or artificial intelligence system. Upon BLR's reasonable request, Buyer shall return to BLR or destroy all of BLR's Proprietary Information and Materials and all materials derived therefrom, unless BLR specifically directs otherwise in writing.

### **14. EXPORT CONTROL**

The Parties shall comply with all export and import laws, regulations, decrees, orders, and policies of the United States Government and the Government of any country in which the Parties conduct business pursuant to these Term, including the Export Administration Regulations ("EAR") of the U.S. Department of Commerce, the International Traffic in Arms Regulations ("ITAR") of the U.S. Department of State, the U.S. Customs & Border Protection Regulations, the Harmonized Tariff Schedule, and the antiboycott and embargo regulations and guidelines as set forth in the EAR and in the U.S. Department of the Treasury, Office of Foreign Assets Control (collectively, "Trade Control Laws"). Buyer shall timely inform BLR of any actual or alleged violations of any applicable Trade Control Laws, including any suits, actions, proceedings, notices, citations, inquiries, or other communications from any government agency concerning any actual or alleged violations, in Buyer's performance under these Terms and shall comply with all reasonable requests from BLR for information regarding any such violations.

### **15. FORCE MAJEURE**

Neither of the Parties shall be liable for any failure or omission in the performance of any provision of these Terms or active Order if the failure is caused by or shall arise directly or indirectly, from force majeure events, including but not limited to acts of God, acts or omissions of the other party, government orders, legislation, or regulations, acts of terrorism, embargoes, fire, storm, floods, strikes, labor trouble, wars, pandemics, riots, failure of carriers or suppliers to transport or furnish materials, or other contingencies beyond the reasonable control of the Parties. An affected Party shall use all diligent efforts to timely notify the other Party in writing of such force majeure event. If a force majeure event prevents a Party from carrying out its obligations under these Terms or active Order for a continuous period of more than thirty (30) days, the Parties may mutually agree to terminate an Order for all uncompleted work.

### **16. LIMITATION OF LIABILITY**

IN NO EVENT SHALL BLR BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS, OPPORTUNITIES OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO NONCONFORMANCE OR DEFECT IN GOODS OR SERVICES OR ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO CASE SHALL BLR'S LIABILITY UNDER THESE TERMS EXCEED THE PURCHASE PRICE OF THE PRODUCTS OR

SERVICES IN THE TWELVE (12) MONTHS PERIOD PRIOR TO THE CLAIM WHICH DIRECTLY GAVE RISE TO SUCH A CLAIM.

**17. ENTIRE AGREEMENT; AMENDMENT**

These Terms, together with the applicable Order, contain the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous written or oral negotiations and agreements between them regarding the subject matter hereof. These Terms may be amended only by a writing signed by duly authorized representatives of both Parties.

**18. SEVERABILITY**

If any provision of these Terms is determined to be invalid or unenforceable by a court of competent jurisdiction, (a) such provision shall be deemed to be severable from the remainder of these Terms and shall not cause the invalidity or unenforceability of the remainder of these Terms in such jurisdiction and (b) the entire Agreement shall remain enforceable in every other jurisdiction.

**19. NO IMPLIED WAIVERS**

The failure of either Party at any time to require performance by the other Party of any provision hereof shall not affect in any way the right to require such performance at any later time nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of such provision.

**20. ATTORNEY'S FEES**

If any legal proceeding is brought for the enforcement of these Terms, or because of an alleged breach, default or misrepresentation in connection with any provision of these Terms or other dispute concerning these Terms, the successful or prevailing Party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that proceeding.

**21. PUBLICITY**

Neither Party shall publicize any business relationship between the Parties, without the other Party's written authorization. Neither Party shall use the names, trademarks, or trade names of the other Party without its prior written authorization.

**22. GOVERNING LAW**

These Terms shall in all respects (including, but not limited to, all matters of interpretation, validity, performance, and the consequences of breach) be construed, governed, and enforced in accordance with the internal laws (excluding all conflicts of laws rules) of the State of Washington, as from time to time amended and in effect, and any applicable federal laws of the United States of America, as from time to time amended and in effect. Each Party hereby consents to the exclusive jurisdiction of the state courts of the State of Washington, and the United States District Court for such district, in all matters arising out of these Terms. Each Party consents to service of process by certified mail, return receipt requested at the U.S. Address. Any suits, actions, or other legal proceedings arising hereunder shall be brought only in the Federal or State courts located in the State of Washington. Each of the Parties hereby consents to the personal jurisdiction of each such court in any suit, action or proceeding and waives any objection which it may have to the personal jurisdiction or venue of such suit, action or proceeding in such court.

**23. DISPUTE RESOLUTION**

If a dispute cannot be settled within a reasonable time, the Parties shall submit the matter to an arbitrator. Each Party shall bear its own costs and attorneys' fees and shall be responsible for one-half of the arbitrator's fees and costs. Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by a final and binding arbitration administered by the American Arbitration Association in accordance with Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in the federal and state courts located in Washington. In the event any action or proceeding, including arbitration or mediation, is brought by any Party in which these Terms are a subject, the Parties agree that such action will be brought in the U.S. District Court or the Washington state courts located in Seattle, Washington, and the Parties hereby waive any objection to these courts as an inconvenient forum.