

# GENERAL TERMS AND CONDITIONS OF PURCHASE

## 1. ACCEPTANCE OF PURCHASE/REPAIR ORDER

Agreement by Seller to furnish the materials, and products (“goods”) or services, including the products resulting from services thereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute Seller’s unqualified acceptance of Issued Purchase/Repair Order(s) subject to these terms and conditions.

### (a) Purchases

All purchases must be delivered with all of the available documentation:

- (i) FAA 8130-3 and/or Military Equivalent
- (ii) OEM/PMA Certifications
- (iii) Trace Documentation
- (iv) Company Certificate of Conformance/Compliance (CFC/CoC)
- (v) MSDS Paperwork (when applicable)

### (b) Repairs

Any services performed beyond inspection/testing must first be approved by DowAero Logistics, LLC. DowAero Logistics, LLC. will not guarantee payment for any repairs made without written authorization from the Buyer.

Items returned to service must have work performed to meet requirements acceptable to the FAA administrator or the OEM/PMA’s specifications for installation and use in Type Certificated aircraft.

Military items being repaired must have work performed to meet the requirements in accordance with the appropriate technical data or in

accordance with the OEM/PMA's specifications and must be returned to service certified safe for flight.

Repaired parts must be returned with the following information:

- (i) FAA 8130-3 and/or Military Equivalent
- (ii) Complete Tear Down/Inspection Report
- (ii) Company Certificate of Conformance/Compliance (CFC/CoC)

All components must be verified for compliance with all A.D.'s and required S.B.'s. Unit must be returned with proper Certifications and Trace Documents as well as MSDS (if applicable).

CFC and/or tear down/inspection report must specify the following:

- (a) CMM/OMM/Spec/T.O. data used for repair.
- (b) Applicable A.D.'s or S.B.'s complied with.
- (c) Date.
- (d) Revision Number.
- (e) Method of compliance.
- (f) No alternate part numbers and/or substitutions shall be accepted unless prior written approval from Buyer is obtained and/or alternate part number is indicated on purchase order.
- (g) No Parts Manufacturer Approval (PMA) parts shall be accepted in use of repairs unless prior written approval from Buyer is obtained and/or authorization is indicated on repair order.
- (h) In the event that Issued Purchase/Repair Order(s) do not state price or delivery, Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing.

(i) As a Seller to Dow Aero Logistics, LLC and/or a provider of services, Seller must be willing to allow right of access by DowAero Logistics, LLC., customer(s) thereof, and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the issued Purchase/Repair Order, and to all applicable records. If Seller is unwilling to allow this oversight, Seller must notify DowAero Logistics, LLC. immediately. DowAero Logistics, LLC. will be unable to approve and/or re-approve Seller as a supplier and/or service provider if Seller is unwilling to allow these inspections.

(j) Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions herein contained shall be void and of no effect unless specifically agreed to by Buyer in writing.

(k) Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by Buyer's purchasing representative.

(l) These terms and conditions, together with any referenced exhibits, attachments or other documents, constitute the entire agreement between the Parties with respect to the subject matter of issued Purchase/Repair Order(s); and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

## **2. SHIPPING INSTRUCTIONS**

Seller shall follow exact shipping instructions provided by Buyer. If specified shipping instructions are not followed, DowAero Logistics, LLC. reserves the right to reject any incurred shipping charges.

(a) Seller shall be responsible for ensuring the proper packaging of goods hereunder. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in issued Purchase/Repair Order(s).

(b) Seller shall at all times comply with Buyer's written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or airbill, as appropriate. Seller shall submit all required shipping papers to Buyer prior to final payment. For goods purchased F.O.B. origin, Seller shall

not insure and not declare a value except when transportation rates are based on "released value," in which instance Seller shall annotate on the bill of lading the lowest released value provided in applicable tariffs.

(c) Purchase/Repair Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, airbills, and invoices.

### **3. DELIVERY; NOTICE OF DELAY**

(a) Time is of the essence and failure to deliver in accordance with the delivery schedule under issued Purchase/Repair Order(s), if unexcused, shall be considered a material breach of issued Purchase/Repair Order(s). No acts of Buyer, including without limitation modifications of Issued Purchase/Repair Order(s) or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller's risk and expense shipments made in excess of Issued Purchase/Repair Order(s) or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.

(b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of Issued Purchase/Repair Order(s). Such notice shall include a proposed revised schedule but such notice and proposal or Buyer's receipt or acceptance thereof shall not constitute a waiver to Buyer's rights and remedies hereunder.

### **4. TERMINATION FOR CONVENIENCE**

(a) Buyer may, by written notice, terminate Issued Purchase/Repair Order(s) for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase/Repair Order.

(b) In the event of termination for convenience by Buyer, Seller shall be reimbursed for actual, reasonable, substantiated and allocable costs, plus a reasonable profit for work performed to date of termination. Any termination settlement proposal shall be submitted to Buyer promptly, but no later than ninety (90) days from the effective date of the termination. In

no event shall the amount of any settlement be in excess of the Purchase/Repair Order value. Buyer may take immediate possession of all goods, complete or incomplete, and all products resulting from services upon written notice of termination to Seller.

## **5. TERMINATION FOR DEFAULT**

(a) Buyer may, by notice in writing, terminate Issued Purchase/Repair Order(s) in whole or in part at any time for:

(i) breach of any one or more of its terms,

(ii) failure to deliver goods or services within the time specified by Issued Purchase/Repair Order(s) or any written extension,

(iii) failure to make progress so as to endanger performance of Issued Purchase/Repair Order(s), or

(iv) failure to provide adequate assurance of future performance. Buyer may also terminate Purchase/Repair Order(s) in whole or in part in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase/Repair Order.

(b) In the event of Seller's default hereunder, Buyer may exercise any or all rights and remedies accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity. In addition, in the event Buyer terminates for default all or any part of Issued Purchase/Repair Order(s), Seller shall be liable for Buyer's re-procurement costs.

(c) If Issued Purchase/Repair Order(s) are terminated for default, Buyer may require Seller to transfer title to, and deliver to Buyer, as directed by Buyer, any

(1) completed supplies, and

(2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as “manufacturing materials” in this Section) that Seller has specifically produced or acquired for the terminated portion of Issued Purchase/Repair Order(s). Upon direction of Buyer, Seller shall also protect and preserve property in its possession in which Buyer has an interest.

## **6. FORCE MAJEURE**

Except for a default of Seller’s subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that performance of Purchase/Repair Order(s) is hindered, delayed or adversely affected by causes of the type described above (“Force Majeure”), then the Party whose performance is so affected shall so notify the other Party’s authorized representative in writing and, at Buyer’s option, Issued Purchase/Repair Order(s) shall be completed with such adjustments to delivery schedule as are reasonably required by the existence of Force Majeure or Purchase/Repair Order(s) may be terminated for convenience pursuant to Section 4.

## **7. DISPUTES AND GOVERNING LAW**

(a) Any controversy or claim that may arise out of or in connection with Issued Purchase/Repair Order(s) that after good faith negotiations cannot be resolved to both Parties’ satisfaction may be resolved by submitting the claim to a court of competent jurisdiction.

(b) Pending resolution or settlement of any dispute arising under Issued Purchase/Repair Order(s), Seller will proceed diligently as directed by Buyer with the performance of Issued Purchase/Repair Order(s). Irrespective of the place of performance, Issued Purchase/Repair Order(s) shall be governed and construed in accordance with the laws of the State Oklahoma, without regard to its conflicts of law’s provisions, except that any provision in Issued Purchase/Repair Order(s) that is:

(i) incorporated in full text or by reference from the Federal Acquisition Regulation (FAR) or;

(ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or;

(iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the United States Government. The provisions of the "United Nations Convention on Contracts for International Sale of Goods" shall not apply to Issued Purchase/Repair Order(s), including any amendments or changes to Issued Purchase/Repair Order(s).

## **8. REMEDIES**

(a) Except as otherwise provided herein, the rights and remedies of both Parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either Party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights and shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.

(b) Buyer shall be entitled at all times to set off any amount owing at any time from Seller or any of its affiliated companies to Buyer, against any amount payable at any time by Buyer or any of its affiliated companies to Seller.

## **9. PROPRIETARY RIGHTS**

(a) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in Issued Purchase/Repair Order(s) and subject to Paragraph 9(d) below, all specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a non-proprietary basis and may be used and/or disclosed by Buyer without restriction.

(b) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in Issued Purchase/Repair Order(s) and subject to Paragraph 9(d) below, all specifications, information, data, drawings, software and other items which are

(i) supplied to Seller by Buyer or

(ii) obtained or developed by Seller in the performance of Issued Purchase/Repair Order(s) or paid for by Buyer shall be proprietary to Buyer, shall be used only for purposes of providing goods or services to Buyer pursuant to Issued Purchase/Repair Order(s), and shall not be disclosed to any third party without Buyer's express written consent. All such items supplied by Buyer or obtained by Seller in performance of Issued Purchase/Repair Order(s) or paid for by Buyer shall be promptly provided to Buyer on request or upon completion of Issued Purchase/Repair Order(s).

(c) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in Issued Purchase/Repair Order(s) and subject to Paragraph 9(d) below, any invention or intellectual property first made or conceived by Seller in the performance of Issued Purchase/Repair Order(s) or which is derived from or based on the use of information supplied by Buyer shall be considered to be the property of Buyer; and Seller shall execute such documents necessary to perfect Buyer's title thereto. Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in Issued Purchase/Repair Order(s) and subject to Paragraph 9(d) below, any work performed pursuant to Issued Purchase/Repair Order(s) which includes any copyright interest shall be considered a "work made for hire". Subject to Paragraph 9(d) below, to the extent any of such works do not qualify as a "work made for hire", Seller hereby assigns to Buyer all its intellectual property rights, including its copyright rights, in such works effective immediately upon creation of such works, including when they are first fixed in a tangible medium.

(d) Applicable U.S. Government Procurement Regulations incorporated into Purchase/Repair Order(s) shall, when applicable, take precedence over any



conflicting provision of this Section 9 to the extent that such Regulations so require. The incorporation by reference of such U.S. Government Regulations dealing with subcontractors rights in Technical Data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the Parties.

#### **10. BUYER'S PROPERTY**

(a) All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or paid for by Buyer shall be and remain the property of Buyer; and if Seller fails to return such property upon Buyer's demand, Buyer shall have the right, upon reasonable notice, to enter Seller's premises and remove any such property at any time without being liable for trespass or damages of any sort.

(b) All such items shall be used only in the performance of work under Issued Purchase/Repair Order(s) unless Buyer consents otherwise in writing.

(c) Goods made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Seller to any other person or concern without Buyer's prior written consent.

(d) Seller shall have the obligation to maintain any and all property furnished by Buyer to Seller and all property to which Buyer acquires an interest by Issued Purchase/Repair Order(s) and shall be responsible for all loss or damage to said property except for normal wear and tear.

(e) Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss or damage.

(f) Seller shall clearly mark, maintain in inventory, and keep segregated or identifiable all of Buyer's property.

#### **11. RELEASE OF INFORMATION**

Seller shall not publish, distribute, or use any information developed under or about the existence of Issued Purchase/Repair Order(s), or use the DowAero Logistics, LLC. name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for goods or service endorsement without prior written approval of Buyer.

## **12. ORDER OF PRECEDENCE**

(a) In the event of any inconsistency or conflict between or among the provisions of Issued Purchase/Repair Order(s), such inconsistency or conflict shall, subject to Section 9(d) above, be resolved by the following descending order of preference:

1. Order-specific provisions provided in full text on the Purchase/Repair Order as additions to the pre-printed terms;
2. Documents incorporated by reference on the Purchase/Repair Order which apply to the Purchase/Repair Order as a whole and not to a specific line item therein;
3. These General Terms and Conditions of Purchase and Supplements thereto;
4. Statement of Work; and
5. Specifications attached hereto or incorporated by reference (see Paragraph 12(b) below).

(b) Buyer's specifications, including but not limited to DowAero Logistics, LLC. Quality Notes, shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Seller. In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or

other requirements of Issued Purchase/Repair Order(s), Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

### **13. WARRANTY**

(a) Seller warrants the goods delivered pursuant to Issued Purchase/Repair Order(s), unless specifically stated otherwise in issued Purchase/Repair Order(s), shall

(i) be new, overhauled, or serviceable;

(ii) be and only contain materials obtained directly from the Original Equipment Manufacturer (OEM) Parts Manufacturer Approval (PMA) or an authorized OEM/PMA reseller or distributor (as stated above in section 1; PMA materials require prior written authorization from the Buyer);

(iii) not be or contain Counterfeit Items;

(iv) be free from defects in workmanship, materials, and design and be in accordance with all the requirements of Issued Purchase/Repair Order(s). Seller further warrants that the performance of work and services shall conform with the requirements of Issued Purchase/Repair Order(s) and to high professional standards. These warranties shall survive inspection, test, final acceptance and payment of goods and services.

(b) For purposes of this Section 13 Warranty, a Counterfeit Item is defined to include, but is not limited to,

(i) an item that is an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer (OEM) or Parts Manufacturer Approval (PMA) item;

(ii) an item that does not contain the proper external or internal materials or components required by the OEM/PMA or that is not constructed in accordance with OEM/PMA design;

(iii) an item or component thereof that is used, refurbished or reclaimed but Seller represents as being a new item;

(iv) an item that has not successfully passed all OEM/PMA required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements; or

(v) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM/PMA item is a genuine OEM/PMA item when it is not.

(c) Seller warrants that any hardware, software and firmware goods delivered under Issued Purchase/Repair Order(s):

(i) shall not contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to:

(a) damage, destroy or alter any software or hardware;

(b) reveal, damage, destroy, or alter any data;

(c) disable any computer program automatically; or

(d) permit unauthorized access to any software or hardware;

(ii) shall not contain any third party software (including software that may be considered free software or open source software) that:

(a) may require any software to be published, accessed or otherwise made available without the consent of Buyer, or

(b) may require distribution, copying or modification of any software free of charge; and

(iii) shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party.

(d) This warranty entitlement shall inure to the benefit of both Buyer and Buyer's customers. As used in Issued Purchase/Repair Order(s), Buyer's customer(s) shall include its direct and indirect customers such as direct

sale end-users, higher-tier subcontractors, prime contractors and the ultimate user under relevant prime contract(s).

(e) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties. Remedies shall be at Buyer's election, including the prompt repair, replacement or reimbursement of the purchase price of nonconforming goods and, in the case of services either the prompt correction of the defective services at no cost or reimbursement of the amounts paid for such services. Return to Seller of defective or nonconforming goods and redelivery to Buyer of repaired or replaced goods shall be at Seller's expense. Goods or services required to be corrected, repaired or replaced shall be subject to this Section and the Inspection Section of Issued Purchase/Repair Order(s) in the same manner and to the same extent as goods or services originally delivered under Issued Purchase/Repair Order(s), but only as to the repaired or replaced goods or parts thereof or the corrected service thereof. Seller shall promptly comply with Buyer's direction to

(i) repair, rework or replace the goods,

(ii) furnish any material or parts and installation required to successfully correct the defect or nonconformance or

(iii) successfully correct the defective or nonconforming service.

#### **14. INSPECTION**

(a) All goods and services shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods or Buyer may accept any goods and upon discovery of nonconformance, may reject or keep and rework any such goods not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or re-inspection by Buyer shall be at Seller's expense. Buyer's acceptance of goods or services shall not be deemed to diminish Buyer's rights or be final or binding on Buyer if latent defects, fraud, or misrepresentation on the part of Seller exists.

(b) If inspection and test are made on the premises of Seller or Seller's lower-tier subcontractors, Seller shall furnish without additional charge all reasonable facilities, information and assistance necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Section are supplementary to and not in lieu of the provisions of Paragraph 14 (a) above.

(c) Neither Buyer's inspection nor any Buyer failure to inspect shall relieve Seller of any responsibility to perform according to the terms of Issued Purchase/Repair Order(s).

## **15. CHANGES**

(a) Buyer shall have the right by written notice to suspend or stop work or to make changes from time to time in the services to be rendered or the goods to be furnished by Seller hereunder or the delivery schedule. If such suspension, stoppage or changes cause an increase or decrease in the cost of performance of Issued Purchase/Repair Order(s) or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase/Repair Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this Paragraph 15(a) must be asserted in writing within twenty (20) days from the date of receipt by Seller of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse Seller from proceeding with Issued Purchase/Repair Order(s) as changed pending resolution of the claim.

(b) Information, advice, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's purchasing representative and which states it constitutes an amendment or change to Issued Purchase/Repair Order(s).

## **16. INFRINGEMENT**

Seller warrants that all goods and services (for purposes of this Section 16 hereinafter "items"), provided by Seller pursuant to Issued Purchase/Repair Order(s), which are not of Buyer's design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and save Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys' fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby, agrees to defend, at Seller's expense, if requested to do so by Buyer. Seller may replace or modify infringing items with comparable items acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Seller's obligations under Issued Purchase/Repair Order(s) including those contained in Section 13 and in this Section 16 shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

#### **17. TAXES**

Unless Issued Purchase/Repair Order(s) specifies otherwise, the price of Issued Purchase/Repair Order(s) excludes, and Seller is liable for and shall pay, all taxes, impositions, charges, customs duties or tariffs and exactions imposed on or measured by Issued Purchase/Repair Order(s) except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption. To the extent that Buyer is required to do so under applicable law or tax regulations, Buyer may deduct from any payments due to Seller pursuant to Issued Purchase/Repair Order(s) such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Seller with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

(a) Oklahoma Tax Commission Rule

### **710:65-13-63. Exemption for aircraft repair, modification and replacement parts**

Beginning July 1, 2005, sales tax does not apply to sales of aircraft engine repairs, modification, and replacement parts, sales of aircraft frame repairs and modification, aircraft interior modification, and paint, or sales of services employed in the repair, modification and replacement of parts of aircraft engines, aircraft frame and interior repair and modification, and paint. [See: 68 O.S. § 1357(28)]

[**Source:** Added at 23 Ok Reg 2847, eff 6-25-06; Amended at 25 Ok Reg 2070, eff 7-1-08]

### **18. ASSIGNMENTS, SUBCONTRACTING, AND ORGANIZATIONAL CHANGES**

(a) Seller may not assign any rights, delegate any of its obligations due or to become due under Issued Purchase/Repair Order(s), or subcontract all or substantially all of its obligations under Issued Purchase/Repair Order(s), without the prior written consent of Buyer. Any purported assignment, delegation, or subcontracting by Seller without such consent shall be void. Buyer may assign Issued Purchase/Repair Order(s) to

- (i) any affiliated company,
- (ii) any successor in interest, or
- (iii) Buyer's customer.

(b) Seller shall promptly notify Buyer in writing of any organizational changes made by Seller, including name or ownership changes, mergers or acquisitions.

### **19. COMPLIANCE WITH LAW**

(a) Seller warrants that the goods to be furnished and the services to be rendered under Issued Purchase/Repair Order(s) shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations, including but not limited to the Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA") and all laws and regulations of Seller's place of performance, and in compliance



with applicable international prohibitions on child labor. Seller certifies that with respect to the production of the goods and/or the performance of the services covered by Issued Purchase/Repair Order(s), it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable.

(b) Seller warrants that all goods delivered under Issued Purchase/Repair Order(s) are in conformance with the latest OSHA requirements.

(c) Seller warrants that in the performance of Issued Purchase/Repair Order(s), it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of Issued Purchase/Repair Order(s).

(d) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

(e) For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated therein. In all clauses listed therein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under the issued Purchase/Repair Order(s). In DFARS the term "Offeror" shall mean Seller. Seller shall include the terms of this Section in all issued Purchase/Repair Order(s) or subcontracts awarded under issued Purchase/Repair Order(s). The DFARS clauses set forth are applicable only to Purchase/Repair Order(s) issued under DoD contracts.

(f) Seller shall obtain and maintain all registrations, licenses and permits required to perform the work hereunder.

## **20. RESPONSIBILITY AND INSURANCE**

Seller shall comply with all the rules and regulations established by Buyer for access to and activities in and around premises controlled by Buyer or Buyer's customer. Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of Issued Purchase/Repair Order(s). Seller shall also maintain, and cause its subcontractors to maintain, such General Liability, Property Damage, Employer's Liability, and Workers' Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in Issued Purchase/Repair Order(s) or, if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes. Seller shall provide Buyer with certificates evidencing required insurance upon Buyer's request.

## **21. INDEMNITY AGAINST CLAIMS**

(a) Seller shall keep its work and all goods supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of Issued Purchase/Repair Order(s) by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.

(b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees and agents harmless from and against

(i) all claims (including claims under Workers' Compensation or Occupational Disease laws or other equivalent laws in Seller's country) and resulting costs, expenses (including attorney fees and costs) and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods supplied, or the services performed by Seller pursuant to Issued Purchase/Repair Order(s), including, without

limitation, latent defects in such goods and/or services, except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and

(ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.

## **22. INTERNATIONAL TRANSACTIONS**

(a) Payment will be in United States dollars unless otherwise agreed to by specific reference in Issued Purchase/Repair Order(s).

(b) Seller agrees that Buyer, its subsidiaries, affiliates or its designees may exclusively use the value of the Purchase/Repair Order to satisfy any international offset obligations that Buyer may have with Seller's country, subject to the offset qualifying laws, rules and regulations of that country.

## **23. EXPORT/IMPORT CONTROLS**

(a) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services Seller hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR").

(b) Seller shall control the disclosure of and access to technical data, information and other items received under Issued Purchase/Repair Order(s) in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Seller agrees that no technical data, information or other items provided by Buyer in connection with Issued Purchase/Repair Order(s) shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR controlled technical data or items. It shall be the sole responsibility of Seller to determine whether the information provided by Buyer is technical data as outlined in the ITAR (22 CFR 120-130) prior to any release to a third party abiding by the terms outlined herein.

Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.

(c) Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended or revoked.

(d) Should Seller's goods or services originate from a foreign location, those goods may also be subject to the export control laws and regulations of the country in which the articles or services originate. Seller agrees to abide by all applicable export control laws and regulations of that originating country. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller, its officers, employees, agents, suppliers or subcontractors at any tier. Buyer shall be responsible for complying with any laws or regulations governing the importation of the articles into the United States of America.

(e) Buyer may be required to obtain information concerning citizenship or export status of Seller's personnel. Seller agrees to provide such information as necessary and certifies the information to be true and correct.

#### **24. SEVERABILITY**

If any provision of Issued Purchase/Repair Order(s) or application thereof is found invalid, illegal or unenforceable by law, the remainder of Issued Purchase/Repair Order(s) will remain valid, enforceable and in full force and effect, and the Parties will negotiate in good faith to substitute a provision of like economic intent and effect.

#### **25. STANDARDS OF BUSINESS ETHICS AND CONDUCT**

By the acceptance of Issued Purchase/Repair Order(s), Seller represents that it has not participated in any conduct in connection with Issued Purchase/Repair Order(s) that violates the Standards of Business Ethics and Conduct of DowAero Logistics, LLC. or alternatively, equivalent Business Ethics and Conduct Standards of Seller. If, at any time, Buyer determines that Seller is in violation of

the applicable Standards of Business Ethics and Conduct, Buyer may cancel Issued Purchase/Repair Order(s) upon written notice to Seller and Buyer shall have no further obligation to Seller.

## **26. PRIORITY RATING**

If so identified, Issued Purchase/Repair Order(s) is a "rated order" certified for national defense use, and Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

## **27. SURVIVABILITY**

Seller's obligations that by their very nature must survive expiration, termination or completion of Issued Purchase/Repair Order(s), including but not limited to obligations under the Termination for Convenience, Termination for Default, Proprietary Rights, Release of Information, Warranty, Infringement, Compliance with Law, Responsibility and Insurance, Indemnity Against Claims, Export/Import Controls, and Electronic Transmissions provisions of Issued Purchase/Repair Order(s), shall survive expiration, termination or completion of Issued Purchase/Repair Order(s).

## **28. ELECTRONIC TRANSMISSIONS**

(a) The Parties agree that if Issued Purchase/Repair Order(s) is transmitted electronically, neither Party shall contest its validity, or any acknowledgment thereof, on the basis that Issued Purchase/Repair Order(s) or acknowledgment contains an electronic signature.

(b) Seller shall, at Buyer's request and Seller's expense, send and receive business transactions by electronic means using Web-based technologies. Such Web-based technologies for electronic transmissions may include, but not be limited to:

(i) email;

(ii) the Internet directly between Buyer and Seller.