SUPPLIER TERMS AND CONDITIONS

Purchase Order Terms | Hardware, Materials, and Services

Effective Date: June 25, 2026

These Supplier Terms and Conditions apply to all purchase orders ("Purchase Order" or "PO") issued by Primary Aimline LLC ("Company," "Buyer") to any supplier, subcontractor, or service provider ("Supplier"). By accepting a Purchase Order — whether by written acknowledgment, commencement of work, or delivery of goods or services — Supplier agrees to be bound by these Supplier Terms and Conditions.

In the event of conflict between Supplier's terms and conditions and these Terms, these Terms govern unless expressly superseded in a written amendment signed by authorized representatives of both parties.

Part II (Government Flow-Down) applies only to Purchase Orders identifying a U.S. Government prime contract number. The applicable prime contract number will be identified on the Purchase Order.

PART I - UNIVERSAL SUPPLIER TERMS (ALL PURCHASE ORDERS)

1 Order of Precedence

In the event of conflict between documents governing a Purchase Order, the following order of precedence applies:

1. Purchase Order ("PO")
2. Statement of Work and Attachments ("SOW")
3. These Supplier Terms and Conditions ("Terms")
4. Referenced Specifications and Drawings ("Specifications")

Notwithstanding the above, applicable U.S. Government contract clauses required by law or regulation shall govern to the extent they conflict with any provision of these Terms.

2 Purchase Orders and Acceptance

No work shall begin and no commitment is made by the Company until a written Purchase Order is issued. Verbal authorizations are not binding on the Company.

Supplier shall provide written acknowledgment of receipt and acceptance of each Purchase Order within ten (10) business days. Notwithstanding the foregoing, commencement of work, shipment of goods, or performance of services constitutes Supplier's acceptance of the PO and these Terms. Failure to reject a PO in writing within that period constitutes acceptance. The Company reserves the right to cancel any unacknowledged PO without liability.

Any terms and conditions included in Supplier's acknowledgment, quotation, proposal, invoice, packing slip, website or other documentation that add to, conflict with, or differ from these Terms are expressly rejected and shall be of no force or effect, regardless of when such terms are provided. In the event of a conflict, the PO, SOW, Terms, and Specifications, shall, in accordance with the Order of Precedence set forth above, control

3 Price, Invoicing, and Payment

3.1 Pricing

The price stated on the PO is firm and fixed unless a price adjustment is agreed to in a written PO amendment. Supplier shall not invoice amounts in excess of the PO price without prior written authorization. The Company is not liable for unauthorized overruns.

The provided on the PO shall include all costs, including packaging, labeling, freight (unless otherwise specified), duties, taxes (excluding those separately itemized as required), and surcharges. Supplier shall not impose additional charges without prior written approval.

3.2 Invoicing

Invoices shall reference the Company's PO number, line-item descriptions, quantities, unit prices, and applicable tax information. Invoices missing required PO reference information may be returned for correction without triggering payment terms.

The Company reserves the right to withhold payment on invoices associated with open quality, delivery, or compliance issues.

The Company reserves the right to audit Supplier's invoices and supporting documentation. Duplicate or erroneous invoices may be rejected.

3.3 Payment Terms

Unless otherwise stated on the Purchase Order, payment terms are net forty-five (45) days from receipt of a correct and undisputed invoice. The Company may withhold disputed amounts without penalty. The Company may offset amounts owed to Supplier against any amounts owed by Supplier to the Company, including credits, returns, or damages.

3.4 Taxes

Supplier is responsible for all taxes on its own income and operations. The Company will not pay taxes for which it holds a valid exemption. Supplier shall separately itemize any applicable taxes on invoices.

4 Delivery

4.1 Delivery Schedule

Delivery dates stated on the PO are required delivery dates, not estimates. Time is of the essence. For purposes of these Terms, delivery date means the date of confirmed receipt at the Company's designated facility for goods, and the date of submission or electronic transmission for deliverables such as reports and documentation. Supplier shall promptly notify the Company in writing of any anticipated delay, including the cause and revised delivery date. Advance notice does not waive the Company's rights for late delivery.

Supplier shall take all reasonable steps at its own expense to mitigate delays, including expedited production and shipping where necessary. If Supplier fails to meet delivery requirements, the Company may procure substitute goods or services from an alternate source ("Cover Goods") at Supplier's expense.

4.2 Delivery Terms

Unless otherwise stated on the Purchase Order, delivery terms are DDP (Delivered Duty Paid) to the Company's designated delivery address. Supplier bears all risk of loss until delivery is confirmed at the Company's facility. Partial shipments require prior written approval.

Any expedited shipping required to meet delivery commitments shall be at Supplier's expense unless delay is caused solely by the Company.

Supplier shall be responsible for filing and pursuing all carrier claims for goods damaged or lost in transit under DDP delivery terms. Supplier shall notify the Company of any claim filed and provide status updates upon request.

4.3 Packing and Marking

All shipments shall be properly packed to prevent damage in transit and marked with the Company's PO number, part number, revision level, quantity, and lot and/or serial number as applicable. Supplier shall include a packing list with each shipment. Electrostatic discharge (ESD) sensitive items shall be appropriately packaged and identified.

4.4 Excess and Early Delivery

The Company is not obligated to accept delivery of quantities in excess of those ordered or deliveries made significantly in advance of the required date. The Company may return excess quantities or early deliveries at Supplier's expense.

5 Inspection, Acceptance and Rejection

5.1 Right of Inspection

The Company reserves the right to inspect all products and services at Supplier's facility, at point of delivery, or during performance. Upon the Company's provision of written notice to Supplier requesting inspection, within ten (10) business days of receipt of such request, Supplier shall provide reasonable access, facilities, and cooperation for source inspection upon request. Source inspection does not constitute acceptance and does not relieve Supplier of responsibility for conformance.

5.2 Acceptance

Acceptance occurs upon written confirmation by the Company following inspection, or after thirty (30) calendar days from delivery if no rejection is issued, whichever occurs first. Payment prior to or failure to inspect prior to the expiration of the inspection period does not constitute acceptance. Within the applicable warranty period as provided below, the Company shall retain a right to revoke acceptance for latent defects not reasonably discoverable during inspection.

5.3 Rejection and Return

The Company may reject any nonconforming product or service. Rejected items will be returned at Supplier's expense. Supplier shall provide written corrective action within ten (10) business days of rejection notice. The Company may, at its election: (a) require Supplier to repair or replace at no charge; (b) correct the deficiency itself and charge Supplier for costs incurred; or (c) accept the nonconformance with an equitable price reduction.

Rejection of part of a shipment does not constitute acceptance of the remainder of that shipment. Supplier shall bear all costs of removal, return, replacement, reinstallation, and reinspection. The Company has no obligation to return items unless requested by Supplier at Supplier's expense.

5.4 Latent Defects

Acceptance does not preclude rejection based on latent defects not discoverable during reasonable inspection. The Company retains the right to reject and seek remedy for latent defects discovered after acceptance, within the applicable warranty period.

6 Quality Requirements

6.1 Quality Management Systems

Supplier shall maintain a quality management system adequate for the complexity and criticality of supplied products and services. Where specified on the PO, Supplier shall be certified to or compliant with AS9100, ISO 9001, or other specified quality standards. Supplier shall notify the Company immediately of any lapse, suspension, or revocation of quality certifications. Supplier shall provide quality records upon request and notify the Company of significant changes to processes, facilities, or key subcontractors. Upon receipt of a request provided by the Company pursuant to this subsection, Supplier shall provide the Company with a written response within ten (10) business days.

6.2 Certificates of Conformance

Unless waived in writing, Supplier shall provide a Certificate of Conformance ("CoC") with each shipment, signed by an authorized quality representative, certifying that the delivered items conform to all applicable drawing, specification, and PO requirements. CoCs may be in Supplier's standard format provided all required data elements are present, unless a specific format is prescribed by the Company or applicable contract. Required data elements include: PO number, part number, revision, quantity, lot and/or serial numbers as applicable, and applicable specifications.

6.3 First Article Inspection

Where a First Article Inspection (FAI) is required by the Purchase Order or applicable specification, Supplier shall complete and submit FAI documentation prior to production shipments. Production deliveries shall not commence without written Company approval of FAI results. FAI requirements are flowed from AS9102 or as specified on the PO.

6.4 Traceability and Configuration Control

Supplier shall maintain complete traceability of materials and components to the delivered end item throughout the supply chain. For serialized or flight-critical items as specified on the PO, traceability shall extend to labor operations performed. Lot and/or serial number traceability records as applicable shall be retained for a minimum of seven (7) years, or as otherwise specified by the applicable contract or regulation. Supplier shall not make changes to approved designs, materials, processes, or sources without prior written authorization from the Company via the Company's Supplier Change Request (SCR) process. All traceability and configuration requirements shall be flowed down to any of Supplier's subcontractors or supplier that assist Supplier with completing the PO.

6.5 Nonconforming Material Control

Supplier shall maintain a nonconforming material control process to identify, segregate, document, and disposition nonconforming items. Supplier shall not ship nonconforming product without prior written Company authorization (Material Review Board authorization or equivalent). Unauthorized shipment of known nonconforming product is grounds for immediate disqualification from the Approved Supplier List.

6.6 Right to Audit

The Company reserves the right to conduct quality audits of Supplier's facilities, processes, and records upon a minimum of ten (10) business days advance written notice, consistent with Section 14 of these Terms. Supplier shall provide access, cooperate fully, and implement corrective actions within agreed timeframes. Audit findings shall be documented and tracked to closure.

7 Warranty

7.1 Product Warranty

Supplier warrants that all products delivered under a Purchase Order will: (a) conform to all applicable drawings, specifications, and requirements identified in the PO; (b) be free from defects in design (where design is Supplier's responsibility), materials, and workmanship; (c) be new and not previously used, refurbished, or contain used components unless expressly authorized in writing; and (d) be suitable for the intended purpose where Supplier has been informed of that purpose.

This warranty shall extend for the longer of: (i) twenty-four (24) months from date of acceptance by the Company; or (ii) the period of the Company's warranty obligation to its own customer for products incorporating Supplier's deliverables, where Supplier has been notified of that obligation.

7.2 Services Warranty

Supplier warrants that all services will be performed by qualified personnel in a professional and workmanlike manner, in accordance with applicable specifications and industry standards. Services not conforming to this warranty shall be re-performed at no additional charge upon written notice by the Company. If Supplier fails to re-perform such services within a reasonable time, the Company may perform or have performed such services. In the event that Company is required to re-perform any services provided by Supplier, due to Supplier's failure to re-perform such services within a reasonable time, Supplier will be liable for any expenses incurred by the Company in connection with re-performing those nonconforming services.

7.3 Warranty Remedies

Upon identification of a warranty nonconformance, Supplier shall, at the Company's election: (a) repair or replace the nonconforming item at Supplier's expense including all shipping, handling, and re-inspection costs; (b) provide a full refund of amounts paid; or (c) reimburse the Company for the cost of correction if the Company elects to correct the deficiency itself.

Supplier shall also be responsible for all reasonable costs and damages incurred by the Company arising from the nonconformance, including costs associated with removal or replacement of Supplier's nonconforming services.

Warranty remedies are cumulative and do not limit other rights and remedies available to the Company. The Company shall have no obligation to return defective items unless requested by Supplier. Supplier shall be responsible for any expenses associated with the requested return of defective items.

7.4 Disclaimer of Limitation

Supplier expressly warrants that all goods and services provided shall be merchantable and fit for the particular purpose intended by Company. Supplier may not disclaim implied warranties of merchantability or fitness for a particular purpose in transactions with the Company

Supplier acknowledges that it knows or has reason to know the particular purpose for which the goods and services are required and that the Company is relying on Supplier's skill and judgment. Any terms in Supplier's quotations, proposals, acknowledgments, invoices, or other documentation that attempt to disclaim or limit such warranties, or to limit liability or remedies for breach thereof, are rejected void and of no effect.

These warranties shall survive inspection, acceptance, and payment and are in addition to any other warranties provided by law or expressly set forth herein.

8 Counterfeit Parts and Material Authenticity

Supplier shall implement a counterfeit parts prevention and detection program consistent with SAE AS6081 (for electronic components) and DFARS 252.246-7007 principles. All parts, components, and materials shall be procured directly from original equipment manufacturers (OEM), original component manufacturers (OCM), or authorized distributors. Procurement from independent distributors is prohibited unless prior written Company approval is obtained. Supplier shall maintain and provide upon request documentation tracing items to their original authorized source.

Supplier shall immediately quarantine and notify the Company in writing, within two (2) business days, of any item that is confirmed or suspected to be counterfeit. Supplier shall not knowingly ship counterfeit or suspect counterfeit items. Confirmed counterfeit items shall be replaced at Supplier's expense and reported by Supplier to applicable authorities, where required. The Company reserves the right to report confirmed counterfeits to the Government-Industry Data Exchange Program (GIDEP) and appropriate government authorities.

Supplier shall be liable for all costs, damages, and impacts associated with counterfeit items, including removal, replacement, investigation, and customer or regulatory actions.

9 Intellectual Property and Data Rights

9.1 Company-Furnished IP

Drawings, specifications, technical data, software, and other proprietary information furnished by the Company to Supplier remain the sole property of the Company and no rights, title, or interest therein are transferred to Supplier. Supplier shall use Company-furnished information only for performance of the applicable PO and shall not disclose, reproduce, reverse engineer, or use it for any other purpose. Supplier shall protect such information using at least the same degree of care used to protect its own confidential information, but in no event less than reasonable care, and shall ensure that access is limited to employees or agents with a need to know for performance of the PO. Supplier shall not provide such information to any subcontractor without prior written consent of the Company and shall flow down all applicable restrictions to approved subcontractors. Supplier shall return or destroy Company-furnished information upon request or PO completion and certify such return or destruction upon request. All Company-furnished information shall remain free of any lien, claim, or encumbrance by Supplier.

9.2 Supplier IP

Unless otherwise agreed in writing, Supplier retains ownership of pre-existing intellectual property; provided, however, that such pre-existing IP shall not include any modifications, derivative works, or developments funded by or created for the Company under the PO. Where Supplier develops new IP specifically for and at the direction of the Company under a PO, ownership of such IP shall be as specified in the PO. Absent such specification, IP developed specifically for a Company-directed requirement shall be deemed a “work made for hire” to the maximum extent permitted by law, and to the extent not qualifying as such, shall irrevocably vest in the Company upon creation, with Supplier hereby assigning all right, title, and interest in such IP to the Company, which assignment shall be effective regardless of payment status, subject to the Company’s payment obligations under the PO. Supplier shall execute documents necessary to effectuate Company’s legal ownership of such IP. Supplier shall not reuse, disclose, or exploit such Company-owned IP for any purpose outside the PO without prior written authorization. All rights in technical data, computer software, and documentation shall be subject to and interpreted consistent with applicable FAR and DFARS provisions where required.

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9.3 License Grant

Supplier grants the Company a non-exclusive, royalty-free license to use any Supplier IP incorporated into deliverables for the Company’s internal use and for fulfillment of its obligations to its customers, including the U.S. Government, to use, reproduce, modify, perform, display, distribute, and otherwise exploit any Supplier IP incorporated into deliverables for the Company’s internal use and for fulfillment of its obligations to its customers. Supplier shall not impose any restrictions on the Company’s exercise of such rights that are inconsistent with the Company’s contractual obligations to its customers.

10 Confidentiality

Supplier shall protect all Company confidential information — including technical data, pricing, program information, and business information — with the same degree of care it uses to protect its own confidential information, but no less than reasonable care and shall limit access to such information to those employees, agents, or approved subcontractors with a need to know for performance of the PO and who are bound by written confidentiality obligations no less restrictive than those set forth herein. Confidential information shall not be disclosed to third parties, reproduced, reverse engineered, or used for any purpose other than PO performance and Supplier shall be responsible for any breach of this obligation by its personnel or subcontractors to whom such information is disclosed. This obligation survives PO completion for five (5) years. or for such longer period as required by applicable law, regulation, or prime contract, and with respect to trade secrets shall survive for so long as such information remains a trade secret under applicable law.

Supplier shall maintain reasonable cybersecurity practices appropriate to the sensitivity of Company information in its possession, including protection against unauthorized access, disclosure, or loss of Company proprietary data, regardless of whether such data constitutes CUI. Where applicable, Supplier shall implement controls consistent with NIST SP 800171 and DFARS 252.2047012 and flow such requirements to subcontractors. Supplier shall promptly, and in no event later than seventy-two (72) hours after discovery, notify the Company of any actual or suspected unauthorized access, disclosure, or loss of Company information and shall cooperate fully in any investigation, mitigation, or remediation efforts.

Supplier shall return or destroy all Company confidential information, including all copies and media containing such information, upon request or PO completion, and shall certify such return or destruction upon request, except to the extent retention is required by law, regulation, or archival backup systems maintained in the ordinary course of business, provided that any retained information remains subject to these confidentiality obligations.

Confidentiality obligations do not apply to information that is publicly available through no fault of Supplier, was independently developed by Supplier without the use of Company information, or is required to be disclosed by law; with prompt written notice to the Company where permitted, limits disclosure to that which is legally required, and cooperates with the Company in seeking protective treatment or other appropriate remedies.

11 Export Controls and Regulatory Compliance

Supplier shall comply with all applicable U.S. export control laws and regulations, including EAR and ITAR, including, but not limited to, requirements related to deemed exports and access by foreign persons. Supplier shall not export, re-export, transfer, or disclose any item, technical data, or service subject to export controls, including, but not limited to, controlled technical information, without required government authorizations. Supplier shall implement appropriate controls to prevent unauthorized access to export-controlled information and shall ensure that such controls are flowed down to its subcontractors and suppliers. Supplier shall notify the Company immediately of any export control violation, suspected violation, or government inquiry related to Company orders and shall cooperate fully with any investigation or corrective action.

Supplier represents and warrants that it is not subject to any legal or regulatory prohibition on doing business with the Company, including, but not limited to, being listed on any U.S. Government restricted or denied party list, and shall not engage any subcontractor or supplier that is similarly restricted. Supplier shall immediately notify the Company of any change in this status. The Company may terminate any active PO immediately upon discovery of such a prohibition, and such violation shall constitute a material breach of these Terms.

Supplier shall comply with all applicable laws and regulations including, without limitation: conflict minerals reporting (Dodd-Frank Section 1502) where applicable to Supplier’s products or required by Customer’s end market or prime contract; RoHS and REACH material restrictions where applicable to Supplier’s products or required by Customer’s end market or prime contract; applicable OSHA and safety requirements for Supplier’s personnel performing on-site services; and, where applicable, Section 889 restrictions on covered telecommunications equipment and services.

12 Changes

The Company may, by written change order issued by an authorized Company representative, direct changes within the general scope of the PO including: drawings, specifications, quantities, delivery schedules, place of delivery, and method of shipment or packing. If Supplier believes that a written change order is outside the general scope of the PO, Supplier shall promptly notify the Company in writing, no later than 15 day(s) of receiving the change order. Accordingly, Supplier shall proceed with the change immediately upon receipt and shall continue performance without interruption, taking all reasonable steps to mitigate cost and schedule impacts.

If any change causes an increase or decrease in cost or time required for performance, Supplier shall submit a written, complete, and supported proposal for equitable adjustment within fifteen (15) calendar days of receiving the change order, including sufficient detail and documentation to substantiate the requested adjustment. Failure to submit a timely and adequately supported proposal constitutes a full, final, and irrevocable waiver of Supplier's right to any adjustment for that change.

No adjustment shall be binding unless set forth in a written amendment to the PO signed by an authorized Company representative, and the Company shall not be liable for any costs, delays, or impacts arising from changes not authorized in accordance with this Section. Pending resolution of any change or adjustment, Supplier shall continue performance in accordance with the PO as modified by the change order.

13 Termination

13.1 Termination for Convenience

The Company may terminate all or any part of a PO for convenience upon written notice to Supplier. Upon receipt of a termination notice, Supplier shall immediately stop work, place no further orders, and take reasonable steps to minimize termination costs and mitigate losses. The Company's liability is limited to payment for conforming work completed and accepted prior to termination, plus reasonable and documented termination costs directly resulting from the termination, provided that such costs are actually incurred, properly allocable to the terminated work, and not otherwise avoidable. Lost profit on unperformed work is not recoverable, and Supplier shall not be entitled to recovery of anticipatory profits, unabsorbed overhead, or costs incurred after the effective date of termination.

Supplier shall submit a complete, itemized, and supported termination settlement proposal within thirty (30) days of the termination notice. The proposal shall include: actual cost invoices for materials and services purchased and not returnable; labor records including hours by employee and task with applicable rates; overhead and burden rate justification; subcontractor termination costs with equivalent supporting documentation; evidence of mitigation efforts including materials returned and work redirected; and any applicable cancellation or restocking fee documentation. Supplier shall certify the accuracy and completeness of such submission. Failure to submit a timely and adequately supported proposal constitutes a waiver of any additional recovery. The Company reserves the right to audit all claimed costs prior to settlement, and Supplier shall maintain all supporting records for a reasonable period, for at least one (1) year after termination, and make them available upon request.

13.2 Termination for Default

The Company may terminate a PO for default if Supplier: (a) fails to deliver on schedule and does not cure within fifteen (15) business days of written notice; (b) delivers nonconforming products or services — for hardware nonconformances

Supplier shall have fifteen (15) business days to cure; for service nonconformances: material performance deficiencies shall have fifteen (15) business days to cure, minor deficiencies thirty (30) days to correct, and for immediately damaging service failures the Company may suspend performance immediately with the cure period running concurrently; (c) becomes insolvent, files for bankruptcy, or makes an assignment for the benefit of creditors; (d) violates applicable export control, security, or cybersecurity requirements; (e) is found to have delivered counterfeit parts; or (f) otherwise materially breaches any provision of the Purchase Order or these Terms. Notwithstanding the foregoing, the Company may terminate immediately without a cure period in the event of a material breach involving export control violations, cybersecurity failures, counterfeit parts, fraud, or conduct that poses a safety or compliance risk.

Upon termination for default, the Company may procure substitute products or services from other sources and charge Supplier for any excess costs incurred, together with any additional damages resulting from Supplier's failure to perform, including, but not limited to, administrative, re-procurement, and internal costs reasonably incurred by the Company. The Company may also, at its option, require Supplier to transfer title and deliver to the Company any completed or partially completed work, materials, or information necessary for continued performance.

14 Onsite Visits and Audits

The Company and its customers, including applicable Government representatives, reserve the right to conduct onsite visits at any time related to any active or completed PO, including activities performed by Supplier and its suppliers or subcontractors. Visit types include but are not limited to facility tours, program reviews, quality walkthroughs, and formal audits. The scope of any visit will be communicated in the advance notice.

Supplier shall be given a minimum of ten (10) business days advance written notice for planned visits and audits; however, notice requirements may be waived or reduced, including to zero notice where required by applicable law, regulation, or contract, in cases of suspected fraud, counterfeit parts, security violations, or other for-cause situations at the Company's discretion.

Supplier shall cooperate fully with all visits and audits, including providing timely and reasonable access to facilities, work areas, personnel, records, data, and systems reasonably necessary to assess compliance with the PO and applicable requirements, and shall ensure that equivalent access is provided to work performed by its subcontractors where applicable. Supplier shall provide escort services, workspace, and reasonable administrative support as needed.

All visits and audits shall be conducted on a non-interference basis with Supplier's normal operations; provided, however, that such requirement shall not limit or delay the Company's, its customers', or Government representatives' rights of access or inspection, particularly in situations requiring immediate action to address violations, nonconformances, security concerns, or conditions requiring immediate corrective action.

Costs of visits and audits are borne by the visiting party. Supplier shall bear its own costs of cooperation and any corrective actions resulting from audit findings, including, but not limited to, the cost of implementing corrective actions, responding to findings, and any follow-up audits required to verify closure of identified deficiencies.

15 Indemnification and Liability

Supplier shall indemnify, defend, and hold harmless the Company and its officers, directors, employees, agents, and customers from and against any claims, losses, damages, costs, and expenses (including reasonable attorney's fees) arising out of or related to: (a) defects in Supplier's products or services; (b) Supplier's negligence, gross negligence, fraud, intentional misconduct or willful misconduct; (c) Supplier's breach of these Terms; (d) infringement of any third-party intellectual property rights by Supplier's deliverables; or (e) Supplier's violation of applicable laws or regulations, including any claims for personal injury, death, or property damage to the extent caused by the foregoing, whether arising from Supplier or its employees, agents, or subcontractors. Supplier shall promptly notify the Company of any claim subject to this indemnification clause and shall not settle any such claim in a manner that imposes any liability or obligation on the Company without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall have the right to participate in the defense of any such claim at its own expense. The obligations set forth in this Section are in addition to any other rights or remedies available at law or in equity, shall not be limited by any limitation of liability elsewhere in the PO or these Terms, and shall survive termination, expiration, or completion of the PO.

Supplier shall maintain adequate commercial general liability insurance, and where applicable, errors and omissions, product liability, and workers' compensation coverage, in each case in amounts sufficient to support Supplier's obligations under this Section and consistent with industry standards, but in no event less than commercially reasonable limits. Upon request, Supplier shall provide certificates of insurance naming the Company as an additional insured on general liability policies, shall provide at least thirty (30) days' prior written notice of cancellation or material change in coverage where permitted by law, and such policies shall include waivers of subrogation in favor of the Company where commercially available.

16 Force Majeure

Neither party shall be liable for delays caused by circumstances beyond its reasonable control, provided the affected party demonstrates that such circumstances could not have been prevented by reasonable planning, diligence, mitigation, and further provided that the affected party gives written notice within three (3) business days of the onset of the event. Such notice shall describe the nature of the event, anticipated duration, affected Purchase Orders, and initial mitigation steps, and shall include sufficient detail to substantiate the applicability of force majeure. The affected party shall take all reasonable and continuous steps to mitigate the effects of the event, shall continue performance to the extent reasonably possible, and shall provide reasonable periodic updates for the duration of the event. The affected party shall promptly resume full performance as soon as practicable and notify the Company immediately upon resumption of normal operations.

Force majeure does not excuse payment obligations or apply to events caused by Supplier's financial condition and shall supply chain disruptions, labor shortages, increases in costs, or failures of subcontractors unless such failures are themselves caused by a qualifying force majeure event. The Company reserves the right, during the continuation of any force majeure event, to procure substitute goods or services from alternate sources as necessary to meet its requirements.

If a force majeure event extends beyond thirty (30) days, the Company may terminate the PO for convenience without liability.

17 Governing Law and Disputes

These Terms shall be governed by the laws of the State of Florida, without regard to conflict of law principles, and Supplier hereby consents to the exclusive jurisdiction and venue specified in this Section. Disputes arising out of or related to these Terms or any PO that are not resolved informally within thirty (30) days of written notice — escalating first to senior management of both parties, then to executive leadership if unresolved after an additional fifteen (15) days, with each party acting in good faith to informally resolve such dispute — shall be submitted to binding arbitration under AAA Commercial Rules, conducted in NAVARRE, FLORIDA, and judgment upon the award may be entered in the United States District

Court in and for the Northern District of Florida. In the event that the United States District Court in and for the Northern District of Florida cannot exercise jurisdiction over the dispute, the award may be entered in the Circuit Court for Santa Rosa County, Florida. Exclusively for the purposes of entering an arbitration award, the parties hereby submit themselves to the jurisdiction of the United States District Court in and for the Northern District of Florida and the Circuit Court for Santa Rosa County, Florida. The arbitration shall be the exclusive method for resolution of such disputes, and the parties hereby waive, to the fullest extent permitted by law, any right to a trial by jury.

Either party may seek injunctive relief in any court of competent jurisdiction solely to prevent immediate and irreparable harm, including protection of intellectual property or confidential information, without waiving its right to arbitration for all other aspects of the dispute. Each party shall continue performance of its obligations under the Purchase Order pending final resolution of any dispute unless otherwise directed by the Company.

For POs under U.S. Government prime contracts, the Contract Disputes Act and applicable FAR clauses shall govern to the extent required by law, and in such cases, the provisions of this Section relating to arbitration shall not apply to the extent inconsistent with applicable federal statutes or regulations.

18 General Provisions

18.1 Authorized Representatives

For purposes of these Terms, an “authorized Company representative” means an officer of the Company or a designated contracts or procurement manager with written authority to bind the Company. Supplier shall not rely on direction from Company personnel lacking such authority as authorization to deviate from PO requirements or these Terms, and no course of dealing, course of performance, or verbal direction shall modify or amend these Terms absent a written agreement executed by an authorized Company representative.

18.2 Entire Agreement

These Terms, together with the applicable Purchase Order and any applicable attachments thereto — including but not limited to statements of work, quality requirements, and customer flow-down documents — constitute the entire agreement between the parties for that transaction and supersede all prior discussions and representations, and any terms and conditions submitted by Supplier in any form, including quotations, acknowledgments, or invoices, that are inconsistent with or in addition to these Terms are rejected and shall have no force or effect.

18.3 Assignment and Subcontracting

Supplier shall not assign any PO or subcontract any material portion of the work without prior written Company consent. Unauthorized assignment or subcontracting is grounds for termination for default. Approved subcontractors are subject to equivalent flow-down requirements as set forth in these Terms, and Supplier shall remain fully responsible and liable for the performance, acts, and omissions of its subcontractors and suppliers, and shall ensure that all applicable requirements of the PO and these Terms are fully flowed down.

18.4 Severability and Waiver

If any part of these Terms is found to be invalid or unenforceable, the rest of these Terms remains in full effect. Each provision of these Terms shall be construed as a separate and independent covenant, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of such provision or of any other provision of these Terms. Failure to enforce any provision does not constitute waiver of the right to enforce it in the future.

18.5 SDVOSB Program Integrity

The Company is a certified Service-Disabled Veteran-Owned Small Business (SDVOSB). Supplier shall not represent, imply, or otherwise suggest any affiliation with the Company's SDVOSB status in Supplier's own marketing, certifications, set-aside applications, or government filings. Nothing in this supplier relationship creates a joint venture, teaming arrangement, or affiliation for purposes of small business program eligibility without a separate written agreement signed by an officer of the Company.

18.6 Records Retention

Supplier shall retain all records related to Company Purchase Orders — including quality records, test data, certifications, and financial records for cost-type work — for a minimum of seven (7) years from PO completion, or as otherwise required by applicable regulation or prime contract. whichever is longer, and shall make such records available to the Company, its customers, and Government representatives for inspection or audit upon reasonable notice.

18.7 Amendments

No modification to these Terms or any Purchase Order issued hereunder shall be binding unless made in writing and signed by authorized representatives of both parties, and no course of dealing, course of performance, or informal communication shall operate as a waiver or amendment of these Terms.

18.8 Publicity and References

Supplier shall not use the Company's name, logo, marks, or program information, or reference its relationship with the Company, in any public communications, marketing materials, capability statements, press releases, website content, or government filings without prior written consent of an authorized Company representative. This restriction applies regardless of whether the information is otherwise publicly available or becomes known through third parties.

18.9 Survival

The following provisions survive expiration, completion, or termination of any Purchase Order for any reason: Section 7 (Warranty), Section 8 (Counterfeit Parts and Material Authenticity), Section 9 (Intellectual Property and Data Rights), Section 10 (Confidentiality), Section 13 (Termination), Section 14 (Onsite Visits and Audits) as to completed POs, Section 15 (Indemnification and Liability), Section 18.6 (Records Retention), and Section 18.5 (SDVOSB Program Integrity). Survival of Part II obligations is governed by applicable law and the terms of the prime contract.

PART II - GOVERNMENT CONTRACT FLOW-DOWN

Part II applies only to Purchase Orders identifying a U.S. Government prime contract number. Supplier shall comply with all provisions of Part II in addition to Part I and shall ensure that all applicable requirements are flowed down to its subcontractors and suppliers at all tiers. In the event of conflict between Part I and Part II, Part II governs. The applicable prime contract number will be identified on the Purchase Order.

Supplier represents and warrants that it is not debarred, suspended, proposed for debarment, or otherwise listed on the SAM.gov System for Award Management exclusions list as of the date of PO acceptance, and will remain in compliance for the duration of performance, *including with respect to its principals, affiliates, and subcontractors performing work under the PO. Supplier shall immediately notify the Company of any change in this status. The Company may terminate any government-nexus PO immediately and without liability upon Supplier's debarment, suspension, or proposed debarment, which shall constitute a material breach.*

A. FAR and DFARS Clause Flow-Down

Clauses that are not applicable to the scope, value, or nature of this Purchase Order are self-deleting and shall have no force or effect. Applicability of specific clauses is determined by the terms of the applicable prime contract and the nature of the work being performed.

Supplier shall comply with all Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) clauses that are required by law or regulation to be flowed down to subcontractors, whether or not specifically identified in the Purchase Order, and such clauses are hereby incorporated by reference with the same force and effect as if set forth in full. The Company will identify applicable flow-down clauses on the Purchase Order or in an attachment; however, Supplier remains responsible for determining and complying with all applicable FAR and DFARS clauses. Key clauses that apply to most defense subcontracts and are hereby incorporated by reference include, but are not limited to:

- FAR 52.202-1 — Definitions
- FAR 52.203-6 — Restrictions on Subcontractor Sales to the Government
- FAR 52.203-13 — Contractor Code of Business Ethics and Conduct (applies where subcontract exceeds $6M and period of performance exceeds 120 days)
- FAR 52.204-21 — Basic Safeguarding of Covered Contractor Information Systems
- FAR 52.209-6 — Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- FAR 52.215-2 — Audit and Records — Negotiation (cost-reimbursable only)
- FAR 52.219-8 — Utilization of Small Business Concerns
- FAR 52.222-26 — Equal Opportunity
- FAR 52.222-35 — Equal Opportunity for Veterans
- FAR 52.222-36 — Equal Opportunity for Workers with Disabilities
- FAR 52.222-50 — Combating Trafficking in Persons
- FAR 52.223-18 — Encouraging Contractor Policies to Ban Text Messaging While Driving
- FAR 52.225-13 — Restrictions on Certain Foreign Purchases
- FAR 52.232-40 — Providing Accelerated Payments to Small Business Subcontractors
- FAR 52.244-6 — Subcontracts for Commercial Products and Commercial Services
- FAR 52.247-64 — Preference for Privately Owned U.S.-Flag Commercial Vessels (if applicable)
- DFARS 252.203-7000 — Requirements Relating to Compensation of Former DoD Officials
- DFARS 252.204-7012 — Safeguarding Covered Defense Information and Cyber Incident Reporting
- DFARS 252.204-7015 — Notice of Authorized Disclosure of Information for Litigation Support

- DFARS 252.204-7020 — NIST SP 800-171 DoD Assessment Requirements
- DFARS 252.211-7003 — Item Unique Identification and Valuation
- DFARS 252.223-7008 — Prohibition of Hexavalent Chromium
- DFARS 252.225-7001 — Buy American and Balance of Payments Program
- DFARS 252.225-7009 — Restriction on Acquisition of Certain Articles Containing Specialty Metals
- DFARS 252.225-7048 — Export-Controlled Items
- DFARS 252.227-7013 — Rights in Technical Data — Noncommercial Items
- DFARS 252.227-7014 — Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
- DFARS 252.227-7015 — Technical Data — Commercial Items
- DFARS 252.227-7037 — Validation of Restrictive Markings on Technical Data
- DFARS 252.246-7003 — Notification of Potential Safety Issues
- DFARS 252.246-7007 — Contractor Counterfeit Electronic Part Detection and Avoidance System
- DFARS 252.246-7008 — Sources of Electronic Parts

Additional flow-down clauses specific to the prime contract will be identified on the Purchase Order. Supplier shall review and comply with all identified clauses and ensure that such clauses are flowed down to all subcontractors at every tier. Full clause text is available at https://www.acquisition.gov.

Additional Cybersecurity Requirements: Where CMMC compliance is required on the applicable prime contract, Supplier shall be certified at the required CMMC level prior to handling any CUI and shall provide evidence of CMMC certification or a current NIST SP 800-171 self-assessment score registered in the Supplier Performance Risk System (SPRS) upon request or prior to performance, where required. Supplier shall implement and maintain security controls consistent with applicable DFARS requirements, including system boundary protection and controlled access to Covered Defense Information (CDI) and Controlled Technical Information (CTI).Supplier shall report cyber incidents affecting Covered Defense Information (CDI) or Controlled Technical Information (CTI) to the DoD Cyber Crime Center (DC3) within seventy-two (72) hours and provide simultaneous written notification to the Company; failure to comply with such requirements shall constitute a material breach of these Terms. Supplier shall preserve images of all systems involved in a reportable incident for ninety (90) days and provide access to the Company and Government as required.

Additional Technical Data Requirements: Suppliers delivering technical data or computer software under government-nexus POs shall assert all proprietary data rights restrictions at time of proposal in accordance with DFARS 252.227-7017. Restrictive markings applied post-award that were not previously asserted will be subject to challenge and correction. Supplier shall not apply restrictive markings inconsistently, improperly, or to technical data developed exclusively at government expense.

B. Controlled Unclassified Information (CUI)

CUI received from or generated in connection with U.S. Government contracts shall be handled, marked, stored, transmitted, and disposed of in accordance with 32 CFR Part 2002, applicable agency CUI policies, and the Company's CUI Program. CUI shall not be stored or processed outside of approved systems without written authorization from the Company's designated CUI Officer, and access shall be limited to authorized personnel with a need to know.

CUI shall be transmitted only via approved encrypted methods. Unencrypted email is not an authorized transmission method for CUI. Supplier shall report any actual or suspected CUI spillage or unauthorized disclosure to the Company within seventy-two (72) hours of discovery and shall cooperate fully in mitigation and corrective actions.

C. Specialty Metals

Where the end item is a DFARS-covered defense article, Supplier shall ensure that specialty metals incorporated into deliverables are melted or produced in the United States or a qualifying country as required by DFARS 252.225-7009 and 252.225-7014. Supplier shall provide certifications of specialty metals compliance with each applicable shipment and maintain records supporting such compliance for audit. Non-compliant specialty metals must be identified and approved by the Company in writing prior to delivery.

D. Quality System Requirements – Government Contracts

In addition to the quality requirements of Part I, Section 6, Supplier performing on government-nexus POs shall: (a) flow down all applicable quality requirements to sub-tier suppliers; (b) permit government quality assurance representatives (QAR) access for source inspection where required; (c) notify the Company of any safety issues, field failures, or potential airworthiness concerns in accordance with DFARS 252.246-7003; and (d) comply with AS9100 or other quality system requirements specified on the PO.

Authorized government representatives retain independent audit and access rights as required by applicable law, regulation, and contract clauses, including rights of access that may supersede notice requirements of Part I, Section 14, and Supplier shall cooperate fully in providing such access.

E. Records and Audit – Government Contracts

Supplier shall maintain books and records related to government-nexus POs in accordance with FAR 52.215-2 (where applicable) and FAR Part 4 retention requirements, for a minimum period of seven (7) years after final payment, or longer as required by the prime contract. Records shall be available to the Company, the Contracting Officer, and authorized government representatives for audit, inspection, and reproduction upon request with reasonable notice, and Supplier shall provide timely access to such records and supporting personnel as necessary to facilitate such audit or inspection.