



PURCHASE TERMS AND CONDITIONS

1.0 DEFINITIONS: The following definitions apply unless otherwise specifically stated:

“Agreement”	means these terms and conditions, purchase orders or purchase agreements issued to Seller referencing these terms and conditions (“Order(s)”), and any pricing agreements, specifications, statements of work, or other papers referenced in such Orders
“Aircraft”	The Production Type Certified Aircraft identified in Attachment A, of this Agreement, for which Products are ordered, and shall not include any derivatives or other aircraft which may share the same basic type certification
“Cirrus”	The legal entity issuing an Order, Cirrus Design Corporation
"Data"	All engineering and tooling designs, assembly tooling designs and information, drawings, engineering specification and information, manufacturing specification and information and quality specification and information, information for special dies, jigs, fixtures, equipment and patterns used for the manufacture of the Products, testing plans and results, qualification plans and results, analysis, certification documentation, manufacturing and quality planning, patterns, software, process plans, and other manufacturing information and documentation, all computer / machine programming
“End User”	The customer paying for and taking title to the Aircraft, or Cirrus, if the Aircraft is put into demonstrator service by Cirrus
“Products”	The items defined in Attachment A hereto, or in an Order including without limitation, raw materials, components, intermediate assemblies and final assemblies



“Intellectual Property”	Inventions, discoveries, patentable subject matter, copyrightable subject matter, mask work or similar intellectual property.
"Order”	Purchase Order, issued by Cirrus with respect to this Agreement and accepted by Seller, as may be modified by a Change Order executed by both Parties
“Parts”	All piece parts, components and assemblies necessary to complete the Products
Parties”	Cirrus and Seller
“Product Support Agreement” or “PSA”	The Product Support Agreement and all attachments included by reference between the Parties, defining the legal, business, and financial relationship to support the Aircraft after delivery to a customer.
“Seller”	The legal entity receiving an Order
“Specification(s)”	Document’s defining the Products in terms of technical requirements setting out, among other things, their form, fit, functions and performances
“Subtier Supplier(s)”	Entities supplying Parts to Suppliers
“Supplier”	Entity supplying Parts to Seller

2.0 ORDER ACCEPTANCE: Orders shall identify (a) the quantity, Supplier part number specification and Product description, (b) requested delivery dates and shipping instructions, and (c) unit price and total authorized cost. Supplier shall indicate its acceptance of Orders by executing and returning Purchase Order Acknowledgements, through Cirrus’ Supplier Portal or will be automatically accepted by Seller if no rejection is submitted by Seller within five (5) calendar days of Order issuance. Any terms or conditions proposed inconsistent with, or in addition to, the terms and conditions of this Agreement shall be void and of no effect, unless specifically agreed to by the Parties in writing in the form of an Amendment to this agreement. Supplier’s rejection of any Order shall be based solely on the Order’s noncompliance with the terms of this Agreement, or any attachments incorporated herein by reference. Supplier may not reject Purchase Orders that comply with the terms of this Agreement. NO PURPORTED ACCEPTANCE OF



ORDERS ON TERMS AND CONDITIONS WHICH MODIFY, SUPERSEDE, OR OTHERWISE ALTER THE TERMS AND CONDITIONS HEREOF SHALL BE BINDING UPON CIRRUS. Cirrus gives no guarantee that any minimum number of quantities will be purchased under the Agreement or any individual Order unless agreed to otherwise in a separate document signed by an authorized purchasing or executive representative of Cirrus. This Agreement shall not prevent or restrict Cirrus from evaluating, testing, and/or qualifying additional or alternative third party suppliers for potential use by Cirrus, or restrict or prevent Cirrus from purchasing alternative products to the Products supplied by Seller hereunder from separate suppliers. .

Aftermarket Parts Provisions: Seller specifically warrants and agrees as follows: (a) For so long as any particular type, model or item of Product sold by Seller to Cirrus is being used by Cirrus in production (i.e., it is being used by Cirrus in the production, manufacture or assembly of a vehicle, item of equipment or other finished good), Seller agrees to sell those Products to Cirrus for aftermarket purposes at prices no greater than, and on terms no less favorable than, the prices and terms at which Seller is then selling those Products to Cirrus for use in production. Cirrus shall be assumed to be continuing to use a particular type, model or item of Product in production until Cirrus notifies Seller in writing that it is no longer using such Product in production. (b) At the time Cirrus notifies Seller in writing that a particular type, model or item of Product is no longer being used by Cirrus in production, Seller shall give Cirrus an opportunity for sixty (60) days to make one or more “last time buys” of that Product, in such quantities as are determined by Cirrus and at the same price that was most recently paid by Cirrus for such Product, and on the same terms as were applicable to that most recent purchase. Thereafter, if Cirrus wishes to buy additional units of that type, model or item of Product, prices shall be as mutually and reasonably agreed by the parties, and Seller will furnish Cirrus with a quotation identifying the price at which it will sell such Product to Cirrus. Each such quotation shall remain fixed and valid for not less than twelve (12) months after the date it is furnished to Cirrus. Seller may not change such Product price during this 12-month period, and Seller must give Cirrus at least ninety (90) days’ written notice prior to implementing any price change for that Product after the end of such 12-month period. (c) For each particular type, model or item of Product sold by Seller to Cirrus, Seller shall keep and make such Product (and all parts and components of such Product) readily available for purchase by Buyer for so long as such Product is being used by Buyer in production and for ten (10) years after the date that Cirrus notifies Seller in writing that such type, model or item of Product is no longer being used by Cirrus in production. Seller acknowledges and agrees that this obligation applies not only to Products that are parts, but also to all parts that are incorporated into Products that are multi-part components or subcomponents. Seller further agrees that it shall not discontinue the availability of any such Product or part sooner than ten (10) years after the date that Cirrus notifies Seller in writing that such type, model or item of Product is no longer being used by Cirrus in production. If after the expiration of such 10-year period, Seller intends to discontinue such type, model or item of Product (or parts or components thereof), Seller shall notify Cirrus in writing, and: (i) if Seller is discontinuing such Product, part or component in favor of a replacement, Seller shall give Cirrus an



opportunity for sixty (60) days following the date Cirrus receives Seller's notice to make one or more "last time buys" of that Product, part or component, in such quantities as are determined by Cirrus and at the same price that was most recently paid by Cirrus for such Product, part or component, and on the same terms as were applicable to that most recent purchase; and (ii) if Seller is discontinuing such Product, part or component without replacement, Seller shall furnish to Cirrus at no charge all drawings, blueprints and specifications necessary for the fabrication of such Product, part or component, and Supplier shall, and hereby does, grant to Cirrus a perpetual, royalty-free, fully-paid, non-exclusive, worldwide, transferable right and license to make, have made, use and sell such Product, part or component. Seller shall ensure that its agreements with its part and component suppliers and subcontractors contain provisions that enable Seller to meet all of its obligations under this section.

3.0 DELIVERY: Delivery must be in strict compliance with Cirrus Shipping Instructure, the schedule contained in the Order and the Products shall be delivered directly to Cirrus' designated delivery location in accordance with Cirrus' Order(s) schedule(s), costs associated any deviation from Cirrus' shipping procedures will be Seller's responsibility. Parts fabricated in excess or in advance of Cirrus' requirements contained in an Order are at Seller's risk. Cirrus reserves the right to return to Seller, at Seller's expense, all Products received more than seven (7) calendar days ahead of the required delivery date. Cirrus reserves the right, without loss of discount privileges, to pay invoices covering items shipped in advance of the schedule on the normal maturity after the delivery date specified on the Order. If Seller fails to meet an Order's scheduled delivery dates Cirrus in its sole discretion may charge Seller a Late Delivery Penalty equal to the number of impacted aircraft multiplied by the days of unplanned downtime and Cirrus elects to call for expedited shipments, Seller will pay any expedited rate(s) incurred.. Should Cirrus accept untimely delivered Orders, which option Cirrus reserves, Cirrus reserves all rights to impose Late Delivery Penalty as defined herein and the Seller shall be liable for all reasonable additional costs incurred by Cirrus because of such delay(s) which are not excusable under paragraph 15, Force Majeure, including, but not limited to, additional or premium transportation charges, special handling expenses, and costs to Cirrus to install the Product(s) out of normal manufacturing sequence in addition to other remedies available by law. Title and risk of loss in the Products remain with Seller until delivery of the Products to Cirrus. If Seller encounters or anticipates difficulty in meeting the delivery schedule, Seller shall immediately notify Cirrus in writing, giving pertinent details; provided, however, that the receipt of such notice shall be for information purposes only and shall not be construed as a waiver by Cirrus of any delivery schedule or date or of any rights or remedies provided by law or this Agreement. If Seller fails to make delivery promptly and regularly, as required by an Order, Cirrus may, in addition to other remedies available at law, terminate this Agreement and all Orders issued hereunder, or the whole or any part of an Order in accordance with the paragraphs of this Agreement entitled "Termination for Default." Seller shall maintain adequate and consistent quality and



inventory control programs so as to assure that the Products meet all specifications as to appearance, performance and reliability. In the event Cirrus requires Seller to purchase specific parts or components for the Products from certain vendors, Seller shall be responsible for logistics, quality assurance, and ensuring that such parts meet Cirrus's specifications. Seller shall furnish to Cirrus results of quality and inventory control samplings upon request. If requested by Cirrus, Seller shall support the need for an on-site inventory stock space at Cirrus's facility by stocking a mutually-agreeable amount of consigned Product inventory in such stock location. Such inventory shall remain titled in Seller's ownership until such time as the inventory is physically moved out of the stock location for use in Cirrus's production process, at which time the title shall shift to Cirrus.

Supplier agrees to the following delivery performance requirements for all orders placed by Cirrus. The On Time Delivery Performance to Advanced Shipping Notice ("OTD") as measured in the Supplier Portal = 100%. If Seller's OTD is less than 100% Supplier agrees to the following Performance Actions defined herein.

Cirrus shall issue a blanket purchase order to Seller for the Products however the manufacturing and delivery of Products and any associated material procurements by Supplier shall be established solely by Delivery Schedule(s) or Just In Time Release Schedule (collectively "JIT"), which Cirrus shall release and Seller shall accept delivery signals via the Cirrus Supplier Portal. Cirrus bears no responsibility for Products manufactured or delivered or associated material procurements beyond the amounts reflected in the JIT, however, Cirrus shall agree to a 2-week firm commitment on delivery quantities.

Cirrus will supply to Seller a six-month forecast or part plan update to be used for planning purposes only. The forecasts/part plan updates are not binding on Cirrus and will not represent a commitment by Cirrus to order a certain quantity of Products.

Quality: Seller agrees to the following quality performance requirements for all Orders placed by Cirrus including but not limited to Defective Parts Per Million ("DPPM") as documented in the Supplier Portal to be less than or equal to three thousand five hundred (< 3500) for a rolling twelve (12) month period. If Supplier's DPPM is greater than 3500 in a rolling twelve (12) month period, Supplier agrees to the following Performance Actions defined herein.

In the event Seller does not achieve any of Delivery and Quality requirements defined herein Section 3, Seller agrees to any and all of the following Performance Penalties: (i) to provide Root Cause Corrective Action ("RCCA") identification per the form provided on the Supplier Portal, (ii) to participate in regular calls as determined in Cirrus sole discretion, to pay for all fees associated with expediting material to deliver conforming Products to Cirrus as time is of the essence to mitigate additional costs associated with missed performance requirement, (iii) to pay for any and all costs associated with deferred work due to missed performance requirements including but not limited to; rework, labor, scrap, non-conformance fees (non-conformance fees not to exceed \$500 per non-conformance),

(iv) to provide a recovery plan, per the form provided on the Supplier Portal, to get back to expected performance requirements including but not limited to; providing alternative or product replacement options, consignment inventory options, capacity plans, business continuity plans and if Seller has not met performance requirements in a rolling twelve (12) month calendar prior to a issuance of a new Order, Seller agrees no price increase adjustment will be allowed on any new Order.

Obsolescence and Lead Time. Every six (6) months at minimum, Seller shall provide Cirrus with a list of Product components that will become obsolete within the next twenty-four (24) months as well as propose replacement components for Cirrus review (individually and collectively “Component”). Within ninety (90) days after providing notice of Component obsolescence, Seller will provide Cirrus a Last Time Buy (“LTB”) opportunity. As part of the LTB, Seller will advise Cirrus on the quantities necessary to support the transition to the replacement Component. It is Supplier’s responsibility to ensure that all such Components be available at all times for Orders. In the event Components become obsolete and Supplier is unable to perform all of the following (a) provide Cirrus with quantities required to support current Cirrus Orders (b) is unable to provide a LTB to support the transition to a replacement Component or (c) provides less than twelve (12) month’s notice of Component obsolescence, Supplier agrees to: (i) Reimburse Cirrus for testing required to identify a replacement Component; and (ii) Reimburse Cirrus for redesign costs to incorporate replacement Component; and (iii) Reimburse Cirrus for any downtime costs incurred by Cirrus including lost sales. Such Reimbursement will be due to Cirrus within thirty (30) days of notification in writing from Cirrus.

Every three (3) months Seller will evaluate their lead times from their supply base and provide Cirrus with a list of Products that which lead times have changed from the previous baseline. It is Seller’s responsibility to ensure that all such Products be available at all times to meet Cirrus delivery requirements.

4.0 SHIPPING INSTRUCTIONS: Seller agrees to ship Products per the Supplier Standards Guide as amended from time to time, a copy of which is available online at (<https://suppliers.cirrusaircraft.com>). Seller agrees to prepare and securely box or crate Products for shipment so as to prevent damage in transit, to use its best judgment to select the appropriate carriers to minimize the freight costs and optimize shipping method/procedures for each shipment, and to adequately describe the all Products on the bill of lading in conformity with appropriate freight classifications, including all documentation relating to the handling, packaging and transporting of hazardous materials if applicable. For the avoidance of doubt, Seller/Supplier agrees to ship under an ASTM S3951-18 standard practice packaging standard or higher. Any additional charges resulting from failure to comply with this provision shall be charged to Seller. Each container must be marked to identify contents and quantities without opening.. Packing lists and certifications, when applicable,

must accompany each shipment and must have only one (1) Order per Seller packing sheet. The location of the packing list must be clearly marked on the container. When multiple containers are used, the packing list will show the items in each container. Multiple containers will be numbered consecutively, for example, 1 of 4, 2 of 4, etc. Cirrus' Order number and plant location must appear on all invoices, packing sheets, delivery tickets, shipping orders and bills of lading. Cirrus assumes no obligation for Products shipped in excess of quantity as shown on an Order.

5.0 INVOICING AND PAYMENT TERMS:

5.1 Invoicing: An individual invoice showing respective Order number(s) and Order item number(s) must be issued for each shipment applying against an Order. One copy of each invoice must be rendered with prices and extensions. Invoices shall be mailed or transmitted within three (3) days after ship date. Invoice date shall not precede shipment date. Rejections, delays in delivery or delivery in advance of required delivery date, and invoices and/or shipping documentation errors and/or omission will be considered just cause for withholding payment without loss of cash discount privileges. Unless otherwise specified, the price set forth in an Order shall include all charges for Seller's packing and crating and for cartage to IncoTerms 2010 EXW (USA domestic) or DDP (International) designated point.

5.2 Commercial Invoice: Seller shall provide a "Commercial Invoice" for all Products imported to Cirrus, which shall contain the description, value, country of origin, and import classification, of all Products being imported. The Commercial Invoice shall be signed by the Seller, Seller's shipper or Seller's agent as required for Customs entry in accordance with 141.86 of the U.S. Customs Regulations. Any inaccurate or misleading statement of fact in a required document may result in delays in release, detention of Products, increased review by import specialists or penalties against the importer. Even if the inaccuracy or omission was unintentional, the importer may be required to establish that it exercised due diligence and reasonable care. Seller is responsible for and agrees to indemnify Cirrus for any and all fines, damages, losses, expenses, including reasonable attorney fees, court costs, etc., that result from Seller's failure to comply with the Commercial Invoice requirements.

5.3 Payment terms are 2%/30, Net 90 days after receipt of invoice date.

6.0 INSPECTION; NON-CONFORMING PRODUCTS:

6.1 Seller agrees to inspect and test all Products furnished in performance of this Agreement to ensure compliance with the Specifications and requirements of each Order.



Test reports and/or certifications shall be retained by Seller for ten (10) years after ship date of Products. Upon reasonable advance notice from Cirrus, Seller agrees to permit inspection and testing by Cirrus and/or any recognized certifying authority of all Products furnished in performance of this Agreement. All Products shall be received subject to Section's 2-5 above. Acceptance by Cirrus or payment for Products does not relieve Seller of warranty obligations or liability for latent defects, fraud or other gross error or defects. Cirrus has the right to reject any Products found noncompliant with respective Specifications or other requirements of this Agreement. For any rejected Products, Seller is responsible for all freight or disposal costs associated with the return or disposal of such Products (all risk of loss or damage to the Products during such return) and any Cirrus labor or other charges directly related to such noncompliant Products. The obligations of this Paragraph shall survive the cancellation, termination, or completion of any Order.

6.2 In the event that Cirrus determines that an event, incident, quality escape, or circumstance has occurred that may result in the need for the removal or maintenance of any Product, or any lot or lots thereof, from any Aircraft in any country, it shall advise and consult with the Supplier. In such situations, Cirrus may issue a Service Bulletin or Airworthiness Directive. The Supplier shall be responsible for all of the costs and expenses of such removal or maintenance, including expenses and other costs or obligations, the cost and expense of notifying customers and costs and expenses associated with replacing or maintaining the Product.

7.0 LIMITED WARRANTY: Seller expressly warrants that all Products, Parts, and Services furnished hereunder shall (1) conform to all approved Product Specifications, Product Drawings, and further Requirements incorporated as part of this Agreement; (2) be free from any defects and, to the extent such Products and Parts are not manufactured and Services are not produced pursuant to detailed designs or Requirements of Cirrus, be free from defects in design; (3) be free of operational or functional problems caused by computer software, processes or systems; and (4) be free from defects in title and/or any claims by third parties. Such warranties, together with Seller's service warranties and guarantees, and as stated in the Product Support Agreement, (if applicable), shall survive inspection, test, acceptance of, and payment for the Products and shall pass to Cirrus, its successors, assigns, customers at any tier, and all End Users. The Product Support Agreement, (if applicable), and any subsequent revisions thereto are hereby incorporated into this Agreement by reference. Except for latent defects, notice of any defect or nonconformity shall be given by Cirrus to Seller within thirty-six (36) months after delivery of the Aircraft to the first End User. In the event the Products and/or Parts are defective and/or nonconforming, Cirrus shall notify Seller in writing and, where possible, return the defective/non-conforming Products and/or Parts to Seller. For the avoidance of doubt, Products includes services, tooling, jigs, fixtures or any other item, tangible or otherwise purchased by Cirrus from Seller/Supplier. The return to Seller of any defective or non-conforming Products and delivery to Cirrus of any corrected or replaced Products shall be solely Seller's expense. Products, which have been rejected or required to be corrected, shall not thereafter be tendered for acceptance unless the former rejection or correction requirement is disclosed in writing. The obligations of this paragraph shall

survive the cancellation, termination, or completion of any Orders. The terms of this paragraph are not intended to control third party claims against Cirrus. In the event of third party claims against Cirrus relating to Products furnished pursuant to these Terms and Conditions, the obligations of Seller to Cirrus are controlled by paragraph 11/18 (Indemnity/Insurance) herein.

8.0 CHANGES; ORDERS:

- 8.1** Changes: Cirrus shall have the right at any time to make changes in one or more of the following: (i) drawings, designs or Specifications; (ii) method of shipment or packing; and (iii) place or time of delivery or performance and/or quantity of Products ordered. Notices of changes hereunder shall be delivered to Seller in writing. With respect to any required changes in drawings, designs or Specification that affects the price of the Products, Seller shall present to Cirrus a statement of claim within thirty (30) calendar days and an itemized statement of claim against Cirrus within sixty (60) calendar days after receipt of notice of such changes. Cirrus and Seller shall mutually agree to the cost, if any, of any changes in drawings, designs or Specification, prior to implementation of such changes.
- 8.2** Orders: To order Products hereunder, Cirrus shall submit written Orders for Products to Seller identifying (a) the quantity of Products ordered, (b) required delivery dates and special shipping instructions and (c) unit price and total authorized price of the Order.
- 8.3** Rescheduling or reductions in the rate of delivery will be accepted by Seller at no additional charge:



8.3.1 Cirrus shall retain its right to reschedule at no charge.

8.4 Seller will accommodate increases in the rate of delivery at no additional charge to Cirrus to the degree that such increases can be achieved without incurring additional cost such as special expedite or overtime premiums.

9.0 CONFIGURATION CONTROL: With the exception of mandatory changes directed by a recognized Governmental Agency and not excluding the terms and conditions of this Agreement, Seller shall make no change in design, manufacturing or assembly processes or source of supply which would affect form, fit, function, weight, or performance of the Products ordered hereunder without the express, written approval of Cirrus. In the event the Seller proposes such a change, the Seller shall provide a copy of the proposed revision and supporting Data to Cirrus for written approval. These design changes shall include the reason for and description of change, serial number(s) affected and effective date of the change. Changes requiring the issuance of a service bulletin or service information letter shall be fully documented including illustrations as applicable. Should Seller fail to obtain Cirrus' written approval prior to delivering such modified Product(s), Cirrus may reject the Product(s) and seek any and all applicable rights, and remedies; and the delivery of non-conforming Products shall be treated as if delivery has not occurred, and Seller shall be considered delinquent to its obligation to delivery in strict compliance with the schedule contained in an Order. The obligations of this Paragraph shall survive the cancellation, termination, or completion of any Orders or this Agreement.

10.0 EQUIPMENT, TOOLING AND FURNISHED PROPERTY:

10.1 Unless otherwise agreed in writing, Seller shall furnish, at its own expense, all special dies, tools, jigs, fixtures, equipment, and patterns used in the development

and production of the Products, the same to be kept in good condition and to be replaced by Seller when necessary without expense to Cirrus. In the event that Seller no longer wishes to manufacture the Products made utilizing the equipment specified above, Seller agrees to offer for sale said equipment at material cost minus depreciation to Cirrus before disposing of or selling it to a third party.

- 10.2** Unless otherwise agreed in writing, any special dies, tools, jigs, fixtures, equipment, patterns, drawings, and other manufacturing data (including all copies of reprints thereof) and materials furnished by Cirrus to Seller, or specifically paid for by Cirrus, shall be the property of Cirrus and subject to removal at Cirrus' request, and shall be used only in filling Orders from Cirrus. All Cirrus-owned tooling shall be marked "*Property of Cirrus Aircraft*" in a conspicuous place using a permanent method such as stamping, engraving, etching, stenciling, etc. Seller is obligated to ensure proper care and maintenance of Cirrus furnished tooling, and to notify Cirrus immediately if tooling damage, significant wear, or loss occurs. If Cirrus-owned tooling is damaged, Seller shall replace the tooling, without cost to Cirrus, or Cirrus shall receive a full refund of the costs of said tools from Seller within thirty (30) days. Prior to relocating any Cirrus-owned tooling from Seller's original manufacturing facility assigned to perform the requirements of this Agreement, Seller shall obtain written authorization from Cirrus.

11.0 INDEMNIFICATION:

Seller/Supplier shall indemnify, defend and hold harmless Cirrus and its parent companies, subsidiaries, affiliates, shareholders, members, partners, directors, managers, officers, employees, insurers, agents, successors and assigns (collectively, the "Buyer Indemnified Parties") from and against any and all claims, demands, actions, losses, injuries, damages, liabilities, obligations, costs and expenses, including without limitation attorneys' fees, experts' fees and other costs of defending any claim, demand or action and recall costs (collectively, "Losses"), which any Cirrus Indemnified Party may incur or become liable for as a result of, on account of or in connection with (a) any actual or alleged default, breach, or loss caused by Seller or any of its employees, agents, subcontractors, or sub-tier suppliers, any of Seller's warranties or any of Seller's other obligations under this Agreement or each individual Order, or (b) any actual or alleged act or omission by Seller or any of its employees, agents or subcontractors in performing any of Supplier's obligations under this Agreement or each individual Order, or (c) any defects or alleged defects in any Product or arising from the nature of the material contained in any Products (d) any Losses resulting from security or data system breach that originates within Seller systems either identified or not identified by

Seller (e) any loss or damage to tangible property, any financial losses, or injury or death of any person, to the extent such injury or death is caused by Seller's violation of this Agreement or the alleged negligence or other wrongful acts or omissions of Seller or its agents, representatives or Subtier Suppliers, including any such claims, demands or causes of actions asserting that such loss or damage was caused or allegedly caused by any design or manufacturing defect, negligence or failure to warn related to the Products delivered to Cirrus, including components thereof. (f) any actual or alleged failure on the part of the Products or of Seller or its employees, agents or subcontractors to comply with any applicable federal, national, state or local laws, orders, rules, ordinances or regulations.

Seller further agrees that it will, at its own expense (including but not limited to the payment of attorneys' fees, court costs and any bond or appeal from any adverse judgment), indemnify, defend and hold harmless Cirrus against any and all claims, charges or lawsuits asserted or instituted by any party against Cirrus or its customers for alleged infringement of any patent, copyright, mask work, trade secret, trademark, or other intellectual property right, proprietary right, or similar right caused by or relating to the manufacture or use of Products manufactured by or for Seller and furnished to Cirrus in the performance of an Order, or relating to the manufacture or use of such Products alone or in combination with other articles of manufacture as intended or as contemplated by this Agreement or as is otherwise recommended by Seller. In the event of any claim that any Products furnished hereunder infringes any patent, copyright, trademark or similar right Seller may, at its sole option and expense: (i) procure for Cirrus the right to continue using the Products for Cirrus' continued use, or (ii) replace or modify the Products so that such Products become non-infringing provided the replaced or modified Products comply with the Specification for the Products and Seller remains responsible for all other commitments regarding the Products contained in this Agreement, including the PSA (if applicable). Any changed or modified Products must comply with Article 9 above. Seller further agrees that in case of any settlement including the payment of any monies, Seller will pay all monies due under the settlement. Seller further agrees that in case of a final judgment or award of damages or other monetary relief in any such lawsuit, it will pay such judgment or award and will indemnify and hold harmless Cirrus and all persons claiming under Cirrus in respect to such award, court costs, attorney fees, and expenses incurred by reason thereof. Seller shall notify Cirrus in writing of each such notice or claim of which Seller has knowledge.

- 11.1** Cirrus shall defend, indemnify and hold Seller and its affiliates, and their respective directors, officers, employees, and representatives (and each of their successors and assigns) harmless from and against any and all claims, demands and causes of action asserted by a third party for any loss or damage to tangible property, any financial losses, or injury or death of any person, to the extent such damage, injury



or death is caused by Cirrus' violation of this Agreement or the alleged negligence or other wrongful acts or omissions of Cirrus or its agents or representatives, including any such claims, demands or causes of actions asserting that such loss or damage was caused or allegedly caused by any design or manufacturing defect, negligence or failure to warn related to the Aircraft (other than pertaining to the Products).

- 11.2** A Party entitled to be indemnified under the foregoing sections (the "Indemnified Party") shall promptly notify the other Party liable for such indemnification (the "Indemnifying Party") in writing. Failure to promptly notify the Indemnifying Party of any such claim shall not relieve the Indemnifying Party of any such duty to so indemnify except to the extent that the Indemnifying Party can demonstrate actual loss and prejudice as a result of such failure. The Indemnified Party shall

cooperate with the Indemnifying Party in the provision of any such defense by providing to the Indemnifying Party all such information, assistance and authority as may reasonably be requested by the Indemnifying Party at the Indemnifying Party's expense.

11.3 The obligations of this Paragraph shall survive the cancellation, termination, or completion of any Order.

12.0 NOTICE OF LABOR DISPUTES: Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of an Order, Seller shall immediately give written notice to Cirrus, including all relevant information. Delivery delays caused by labor disputes shall be governed by the paragraph of this Agreement entitled "DELIVERY".

13.0 COMPLIANCE WITH LAWS:

13.1 Seller agrees to comply with all applicable local, state and federal laws, orders, directives and regulations heretofore or hereafter promulgated in conjunction with manufacturing and providing the Products, including, but not limited to, those found in and 41 CFR Chapter 60 requiring equal opportunity and affirmative action without regard to race, color, religion, sex, national origin, presence of a disability or status as a special disabled veteran or Vietnam era veteran and to the extent required by law, comply with provisions of 29 CFR part 470. If Seller fails to comply with the provisions of this Paragraph, Cirrus may, by written notice to Seller, terminate this Agreement as upon a default in accordance with the "Termination for Default" paragraphs of this Agreement in addition to any other rights or remedies provided by law.

13.2 Seller represents and warrants that neither it nor any of its Parents, Subsidiaries, or Subtier Suppliers utilize or has utilized child, slave, prisoner or any other form of forced or involuntary labor or engage in abusive employment or corrupt business practices, in the performance of this Agreement. At Cirrus' request, Seller shall certify in writing its compliance with the foregoing. Seller shall indemnify and hold Cirrus harmless from and against any liability claims, demands or expenses (including attorney's fees and other professional expenses) arising from or relating to Seller's non-compliance with the terms of this Agreement.

14.0 STOP WORK ORDER: Cirrus may at any time, by written notice to Seller, require Seller to stop all or any part of the work called for by an Order for a period of up to ninety (90) days after the notice is delivered to Seller. Upon receipt of a Stop Work Order, Seller shall comply with its terms and take all reasonable steps to minimize costs

covered by the Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Seller, or within any extension of that period to which the Parties shall have agreed, Cirrus shall either cancel the Stop Work Order, or terminate the Order as provided in the "Termination for Default" or the "Termination for Convenience" paragraphs of this Agreement, whichever may be appropriate. Seller shall resume work upon cancellation or expiration of any Stop Work Order. An equitable adjustment may be made in the delivery schedule or prices hereunder, or both, and the Order shall be modified in writing accordingly, if the Stop Work Order results in an increase in the time required for the performance of the Order or in Order costs. For clarification of doubt, a Stop Work Order delivered via email will be considered valid for Section 14.0 of this Agreement.

15.0 FORCE MAJEURE:

15.1 In the event of Cirrus' failure to meet any of its obligations under this Agreement, where such failure is the result, in whole or part, of any labor dispute (except for strikes, lockouts or labor disputes isolated to the Party claiming a force majeure Event), war, riot, insurrection, vandalism, fire, flood, earthquake, accident, storm, epidemic, pandemic, act of God or government, cyber attack or any other cause beyond such Cirrus' reasonable control (for purposes of this section, a "force majeure event"), such Cirrus' obligations hereunder shall be suspended (except for the obligation to make payments for amounts owed).

15.2 Cirrus shall provide notice of declaration of force majeure event to Seller. Cirrus shall use all reasonable efforts to resume normal performance hereunder after the occurrence of any force majeure event.

16.0 TERMINATION AND SETTLEMENT:

16.1 Termination for Default

16.1.1 Cirrus may, by written notice of default to Seller, immediately terminate any and all obligations and liabilities to Seller/Supplier. If Seller fails to deliver quality Products per the Order delivery schedule, remain competitive in price of Products or to perform the obligations of this Agreement or an Order within the time specified herein or any extension thereof, Cirrus may at its sole discretion, issue Seller a notice of default. In addition, if Seller fails to satisfy any of the other requirements of this Agreement or an Order, or so fails to make progress as to endanger performance of an Order in accordance with its terms and conditions, and does not cure such failure within a period of two (2) calendar days (or such longer period as Cirrus may authorize in writing) after receipt of notice from Cirrus specifying such failure, then Cirrus may in its sole discretion terminate this Agreement in its entirety or, alternatively, the whole or part of an Order.

16.1.2 In the event Cirrus terminates an Order issued hereunder or, an Order in part as provided in paragraph 16.1.1, above, Cirrus shall have no further obligation to Seller under the terminated Order, and Seller shall be liable to Cirrus for any costs incurred by Cirrus for recertification and tooling.

16.2 Termination for Convenience. Except as expressly stated in this Agreement, Cirrus may, at any time by written notice, terminate this Agreement and all Orders issued hereunder or all or any part of an Order for Cirrus's convenience, in which event Seller agrees to stop work immediately, and protect and preserve property in its possession. If this Agreement is terminated for Cirrus's convenience such cancellation shall not constitute a default or breach of these Terms and Conditions and the only liability, except as otherwise stated that Cirrus has to Seller is payment for work already performed. In the event of any such termination for convenience.

16.3

16.3.1 Seller will make reasonable good faith efforts to return unneeded components to its suppliers or use components in other manufacturing needs;

16.3.2 Cirrus's liability to Seller shall be limited to reimbursing Seller for its actual out-of-pocket costs for work and components or finished Products, applicable solely to the terminated portion of this Agreement or of the individual Order, which have been expended before notice of termination is received by Seller (not to exceed the Order price attributable to the terminated portion), reduced by the fair market value of such work-in-process. Seller shall provide Cirrus with full access to all records, documents and other information used to calculate such out-of-pocket costs for work and components or finished Products and

16.3.3 Upon full payment by Cirrus of the amounts and prices set forth in this Agreement, Cirrus shall receive ownership of those components; and Products affected, and Seller shall deliver such Components and Products to Cirrus as instructed.

Cirrus shall have no other financial responsibility to Seller under this provision, including but not limited to no responsibility for any special or consequential damages, liquidated damages, and/or any anticipated lost revenues or profits.

16.4 Rights and Remedies. The rights and remedies of Cirrus and the obligations of Seller provided in this Paragraph 16 shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity or under this Agreement. Any termination of this Agreement or any Order issued hereunder shall not relieve Seller of any obligations and liabilities which may have arisen under any of the terms and conditions of this Agreement prior to such termination.

17.0 PRICING:

17.1 Cirrus will not be bound to any prices or delivery schedule to which it has not specifically agreed to in writing. Each individual Order may not be invoiced at a higher purchase price than shown on the face of that Order. Seller prices will be consistent between all Cirrus locations including the non-production Orders. If no price is shown, the goods delivered or service rendered shall be invoiced at the price last quoted, last paid or the prevailing market price, whichever is lower. No additional charge will be allowed for packing, crating, drayage or storage. Seller represents that the prices set forth herein are no less favorable than those offered to any other customer of Seller. In the event Seller's pricing structure is revised downward resulting in the prices of goods or services being higher than those offered to any other customer of Seller, Seller agrees to retroactively adjust the prices set forth herein downward so that Cirrus is not required to pay more than any other customer of Seller at any point in time. Seller shall pay all taxes, duties, dues, and any other related charges imposed under any present or future law, whether now or hereafter in force, up to the goods' delivery point stated in each individual Order, or as a result of, or in connection with the services or goods furnished under each individual Order. Unless otherwise specified, prices on each individual Order include all shipping and logistics fees as stated on each individual Order and are exclusive of state sales and use taxes. Seller/Supplier acknowledges that all prices include a standard thirty-six (36) month warranty for parts and labor from the date of delivery of the aircraft to the end customer.

17.2 Fleet Sales Participation: Seller agrees as long as the Aircraft is in production, Seller will participate in Fleet sales discounts for the Aircraft. Seller's participation shall



be in the form of a 15% discount for all Fleet sales payable upon delivery of the Aircraft, in which the Products are installed.

18.0 INSURANCE:

18.1 Seller shall at all times maintain aviation products liability insurance covering bodily injury, property damage, contractual liability, products liability, and completed operations in such amounts as are reasonably necessary to insure against standard risks to their operations, but in no event less than the following amounts and under the following terms:

18.1.1 Seller shall at all times maintain at a minimum: (A) \$150,000,000 aviation liability insurance covering bodily injury, property damage, contractual liability, products liability, and completed operations; (B) Workers' Compensation as required by state statutes and employer's liability insurance; (C) \$1,000,000 automobile insurance and (D) \$1,000,000 minimum Cyber Liability Insurance.

18.1.2 Unless otherwise agreed in writing by the Parties, all insurance policies provided under this Agreement will be "occurrence" policies and not "claims made" policies. Where permitted by law or regulation, it is agreed that such policies shall contain waivers of the insurer's subrogation rights against the other Party, but only with respect to loss to the extent caused by the legal liability of the primary insured.

18.1.3 Prior to the commencement of any performance under this Agreement and on request, Seller shall provide Cirrus with evidence that the insurance coverage required hereunder is in full force and effect. In the event any such insurance renews or is terminated during the course of performance, Seller will promptly provide Cirrus with evidence that such coverage will be renewed or replaced upon termination with insurance that complies with these provisions. Such evidence of insurance will be in the form of a standard Certificate of Insurance or other form of evidence of insurance acceptable to Cirrus and shall contain sufficient information to allow Cirrus to determine whether there is compliance with these provisions. Such evidence of insurance shall be accompanied by copies of any additional insured endorsements necessary to achieve compliance with the requirements of this Agreement. In the event that no evidence of insurance is provided to Cirrus before the commencement of any performance under these Terms and Conditions, it shall not be taken as a waiver of any portion of this Article and the Seller/Supplier maintains a duty to provide such evidence of insurance immediately.

18.1.4 Insurance terms not otherwise defined in this Agreement will be interpreted consistent with customary U.S. insurance industry usage.

18.2 The obligations of this Paragraph shall survive the cancellation, termination, or completion of any Order or parts of Orders

19.0 GRATUITIES; POLICIES AND PROCEDURES:

19.1 If it is found that gratuities (in the form of entertainment, gifts or otherwise) are offered by Seller, or any agent or representative of Seller, to any employee of Cirrus with a view toward securing favorable treatment with respect to the awarding or performing of any Order, Cirrus may, by written notice to Seller, terminate all Orders under default in accordance with ARTICLE 16 of these Terms and Conditions in addition to any other rights or remedies provided by law.

19.2 Seller, shall comply with all of Cirrus' rules, regulations, policies and procedures while on Cirrus' premises or in the company of any of Cirrus' employees. If Seller violates Cirrus' rules, regulations, policies or procedures, Cirrus may, by written notice to Seller, terminate all Orders as upon a default in accordance with, ARTICLE 16 of these Terms and Conditions in addition to any other rights or remedies provided by law.

20.0 APPLICABLE LAW AND VENUE: Cirrus and Seller expressly agree to exclude the United Nations Convention on Contracts for the International Sale of Products, 1980, and any successor thereto from application to this Agreement. This Agreement and all duties and obligations arising pursuant to this Agreement shall be governed by the laws of the State of Minnesota, excluding the conflicts of laws rules of that State, as though this Agreement was made and performed entirely within that State. Notwithstanding the preceding sentence, any and all matters relating to intellectual or industrial property rights will be governed by the substantive laws of the United States of America. Any dispute arising out of or relating to the making or performance of this Agreement shall be resolved in the State or Federal courts in the State of Minnesota. Each Party hereby: (a) agrees to submit to the in persona jurisdiction of such courts in the State of Minnesota (b) waives the defense of an improper or inconvenient forum; (c) consents to service of process upon it by notice; and (d) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in any jurisdiction(s) where the Party may be found, by suit on the judgment or in any other manner provided by law.

21.0 INTERNATIONAL REQUIREMENTS EXPORT AND TRADE:

21.1 Origin of Products and Parts

21.1.1 Products and Parts originating in the United States (US)

When Products and Parts provided under this Agreement originate in the US, prior to its first shipment of Products and Parts to Cirrus, Seller shall provide Cirrus' International Trade Compliance Department with a valid Manufacturer's Affidavit, or a Certificate of Origin representing through the document that the Products and Parts in question have undergone a substantial transformation in the US as required by Customs and Border Protection (CBP). (19 CFR 10.1.2[e])

Frequency of submittal: Subsequent to the initial submittal, if any change occurs in the country of origin of Products and Parts provided under this Agreement, Seller must submit an appropriate new Certificate of Origin. At Seller's option, if origin changes frequently, Seller may provide a new Certificate of Origin with each shipment of Products and Parts.

21.1.2 Products and Parts Originating Outside the US

In all cases, when Products and Parts provided under this Agreement originate outside of the US, prior to its first shipment of Products and Parts to Cirrus, Seller shall provide Cirrus a Certificate of Origin, specifying the country of origin, including supplier name, Cirrus part number, part description, and, as requested, any other documentation that is reasonably required for Customs compliance. The Certificate of Origin shall represent that the Products and Parts in question have undergone a substantial transformation in the indicated country as required by CBP (19 CFR 10.1.2[e]).

Frequency of submittal: Subsequent to the initial submittal, if any change occurs in the country of origin of Products and Parts provided under this Agreement, Seller must submit an appropriate new Certificate of Origin. At Seller's option, if origin changes frequently, Seller may provide a new Certificate of Origin with each shipment of Products and Parts.

21.1.3 Products and Parts originating in North America

When Products and Parts provided under this Agreement originate in North America, if such is available, Seller shall, prior to its first shipment of Products and Parts to Cirrus, provide Cirrus' International Trade Compliance Department with a valid, accurately completed North American Free Trade Agreement (NAFTA) Certificate of Origin (Form 434 or Certificate) for all Products and Parts that qualify for preferential duty treatment under NAFTA. NAFTA Certificate of Origin forms are available at <http://www.cbp.gov/nafta/resource.htm>. Unless Cirrus requests individual Certificates for each shipment, Seller may provide Certificates

annually to cover multiple shipments. Certificates must be completed with entries in every block in accordance with instructions supplied with Form 434.

In accordance with NAFTA rules, Seller shall notify Cirrus in writing of any changes that might result in the Products and Parts being ineligible for preferential duty treatment under NAFTA. Seller recognizes that the Certificate will be used by Cirrus as proof of eligibility for duty preferential treatment, and Seller agrees to provide full cooperation to Cirrus for any US, Canadian, or Mexican Customs inquiries into NAFTA claims that arise out of any Product or Parts furnished under this Agreement.

- 21.1.4** Seller shall send or e-mail signed Manufacturer's Affidavits, signed Certificates of Origin and other statements specifying the county of origin to Cirrus' International Trade Compliance Department at the following address or e-mail address:

ATTN: Manager, International Trade Compliance
Cirrus Design Corporation
4515 Taylor Circle
Duluth, MN 55811
Phone: 800.279.4322
email: legal@cirrusaircraft.com

- 21.1.5** Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, supplier, or subcontractors at any tier, in performance of any of its obligations under this Section 20.1, including paragraphs 20.1.1 through 20.1.5.

- 21.2** Classification of Products and Parts for International Traffic in Arms Regulations (ITAR) and U.S. Export Administration Regulations (EAR) Export Restrictions Notification.

- 21.2.1** For each item of Technology (as defined in EAR: 15 CFR 768.799) Products and, Parts, and Technology provided under this Agreement, Seller shall provide, prior to first delivery of the Products, piece parts and component assemblies, Parts or Technology, the Export Control Classification Number (ECCN) under the EAR for that item of, even if Products and, Parts, and Technology are not U.S. origin.

- 21.2.2** For each item of Products and Parts provided under this Agreement, Seller

shall provide, prior to first delivery of the Products, piece parts and component assemblies, the Harmonized Tariff Schedule of the United States (HTSUS) classification and the Schedule B classification, if different, for that Products and Parts

21.23 Prior to shipment of such Products and, Parts, and Technical Data, ((as defined in ITAR: 22 CFR 120-128 and 130) Seller shall notify Cirrus as to whether any Products, piece parts and component assemblies Product, Part or Technical Data provided under this contract are is controlled by the US International traffic in Arms Regulation (ITAR) as indicated by inclusion on the US Munitions List (USML) or inclusion on a similar control list of a foreign government even if Products, Parts, Tooling, and Technical Data are not U.S. origin but their characteristics would fall within the USML descriptions.

21.24 Prior to shipment of such Products and Parts, Parts, Tooling, or Technology, Seller shall notify Cirrus as to whether any Products, piece parts and component assemblies Parts or Tooling, or Technology provided under this contract are subject to export restrictions under the US Export Administration Regulations (EAR) or are otherwise covered by the “dual use” categories under the Wassenaar Agreement.

21.25 Seller certifies, to the best of its knowledge and belief, that:

(A) No United States government (“Federal”) appropriated funds have been paid or will be paid, by or on behalf of Seller, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

(B) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement,

Seller shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying” in accordance with its instructions.

(C) Seller shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under subgrants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

(D) This language in this certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

21.3 International Sourcing. Should Seller decide to relocate any of its manufacturing of Products and Parts internationally, Seller must notify Cirrus of the proposed relocation a minimum of 180 days prior to the planned relocation. Seller shall comply with all government regulations (See e.g. 20.4) and all applicable provisions of this Agreement.

All shipments of Products and Parts from international sources must be packaged utilizing tamper resistant security seals either on individual boxes or on containers. Place of packing of Products/containers must be indicated on the packing list accompanying each shipment.

21.4 Government Regulations

21.4.1 The Products and Parts and Data covered by this Agreement may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.

21.4.2 Seller acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of products, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such products, g and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such products and data, and (4) the export or disclosure of such products and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad.

21.43 Upon request of Cirrus, Seller shall promptly and without additional cost to Cirrus furnish any documentation, including import certificates or end user statements, which is reasonably necessary to support the requesting party's application for US import or export approval.

21.44 Seller represents, warrants and covenants that no Products, Parts or Data submitted under this Agreement and no items or data provided to Seller by Cirrus will be imported, exported, or re-exported by Seller contrary to these statutes and regulations and applicable non-US import and export laws and regulations. Seller shall comply with all export regulations and shall not export any proprietary Data, information, tooling or other manufacturing aids, or technology owned by Cirrus, without the express written agreement of Cirrus.

Seller acknowledges that Cirrus may be required by U.S. export control regulations to prevent the disclosure of certain technical data to individuals who are not U.S. citizens or permanent resident aliens.

For purposes of compliance with U.S. export control regulations, Seller shall ensure that all workers performing work pursuant to this Contract are U.S. citizens or permanent resident aliens and shall indemnify the Cirrus against all fines, penalties, costs and expenses incurred by the Cirrus as the result of a failure by Seller to comply with such a requirement.

21.45 If Seller wishes to supply to Cirrus any Products, Parts or Data that are controlled under the provisions of the Export Administration Act, the EAR, the US Arms Export Control Act or the ITAR, Seller shall first obtain Cirrus' written consent. Upon consent by Cirrus, Seller will provide certification that the Products, Parts and Data are EAR or ITAR controlled. If the Products, Parts and Data supplied by Cirrus are not controlled under the provisions of the Export Administration Act, the EAR, the US Arms Export Control Act or the ITAR, Seller will provide Cirrus certification that the Products, Parts and Data are not EAR or ITAR controlled. Requests for consent and the certifications required by this paragraph shall be addressed to Cirrus' Manager, International Trade Compliance.

21.46 Seller shall package ITAR Products and Parts separate from non-ITAR Products and shall prominently mark the packaging: "Products subject to ITAR control." Data, technology and source code subject to ITAR control shall be prominently marked: "Subject to ITAR control."

21.47 Seller shall package Products and Parts subject to export restrictions under

the EAR separately. The packaging of such Products and Parts shall be prominently marked: "Subject to Export restrictions." Data, technology and source code subject to export restrictions under the EAR shall be prominently marked: "Subject to Export restrictions." This obligation is not applicable to Products, Parts or Data that are EAR99.

21.48 Seller shall identify all Products, Parts, Data and technology subject to control under the EAR by providing a certification as to the appropriate ECCN and the reason(s) for control to Cirrus' Manager, International Trade Compliance.

21.49 Seller shall indemnify and hold Cirrus harmless from all claims, demands, damages, costs, fines, penalties, attorneys' fees, and other expenses arising from Seller's failure to comply with the above referenced laws and regulations and the provision of this Section 21 requiring compliance with such laws and regulations.

22.0 AMENDMENT BY LAW: This Agreement shall be deemed to contain all provisions required to be included by any applicable local, state or federal laws, Orders, regulations or directives heretofore or hereafter promulgated without the subsequent amendment of this Agreement specifically incorporating such provisions.

23.0 ASSIGNMENT/SALE OF BUSINESS: This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. Except as expressly provided in this Agreement, Supplier may not assign any rights or delegate any duties under this Agreement (including by operation of law) without the prior written consent of Cirrus, which consent shall not be unreasonably withheld, and any attempted assignment without such consent shall be null and void. Cirrus may freely assign its rights and delegate its obligations hereunder in whole or in part.

24.0 NOTICES: All notices required or permitted to be given hereunder shall be deemed to be properly given if delivered in writing, or sent by United States certified or registered mail, sent by private overnight delivery service addressed to Seller or Cirrus or delivered via email with a response received from the other party,

as the case may be, at the addresses set forth on the face of this Agreement, with postage thereon fully prepaid. Notice shall be effective upon receipt.

25.0 AUTHORIZATIONS: All authorizations of Cirrus required or permitted to be given herein shall be deemed properly given only if given in writing by an authorized purchasing representative of Cirrus.

26.0 DISPUTES: Any dispute that cannot be resolved by mutual agreement shall be resolved in

accordance with Article 20 hereunder. Pending resolution of any dispute hereunder, Seller shall proceed diligently with the performance of work, including the delivery of Products in accordance with Cirrus' direction. Upon resolution of the dispute, Orders shall be equitably adjusted for future deliveries only, if necessary, to reflect such resolution.

27.0 WAIVER: No waiver by Cirrus of any breach of any Orders or the granting of an extension for performance hereunder shall be deemed to be a waiver of any other or subsequent breach.

28.0 DATA:

28.1 General: All drawings and specifications, whether furnished or paid for by Cirrus, shall be the property of Cirrus, subject to removal at any time upon demand by Cirrus without additional costs, shall be used only in filling Orders from Cirrus, shall be kept separate from other drawings and specifications, and shall be identified as the property of Cirrus. The information contained in reports, drawings, documents or other records which are furnished to Seller by Cirrus relative to Orders, to the extent that such information is not in the public domain, shall not be disclosed to others, except to Subtier Suppliers as necessary for completion of the Orders, in which event the Subtier Suppliers shall have the same obligation of nondisclosure. Upon completion, termination, or cancellation of this Agreement, Seller shall return all drawings and specifications to Cirrus, in the event Cirrus requests return of any such items, within thirty (30) days after the effective date of completion, termination or cancellation. Any such Data of Cirrus retained by Seller shall remain subject to the restrictions on use, reproduction and disclosure contained within this Agreement, which shall survive the cancellation, termination, or completion of any Orders. Seller may not disclose the existence of any Order(s) or the items to be supplied hereunder without Cirrus' prior written consent, except to Subtier Suppliers who shall have the same responsibility.

28.2 Data Warranty and Guarantee: Seller agrees to maintain a minimum industry standard level of data security protections to protect against Cyber threats. Seller understands and agrees that all Data supplied by Cirrus to Seller used to design the Products, functions within the Products, to perform a Service on behalf of Cirrus, or that is utilized within software associated with the Products is exclusively Cirrus' property and is considered proprietary, privileged, and confidential; so long as the Data was not available to Seller through the public domain. Further, the Data, in its raw form or any computed form, whether co-mingled with other Data or standing independently, is the sole property of Cirrus. Seller shall not copy, reverse engineer, modify, create derivatives or attempt to discover the source code, or underlying ideas and/or algorithms. The use of the Data by Seller will be consistent with this Agreements and the Product Support Agreement, (if applicable), and shall be restricted to the following applications:

1. Input Data for Products.
2. Output Data for Products.
3. Data for computational purposes for Products.
4. Data for operational characteristics for Products.
5. Data for use as embodied, calculated, or manipulated within the Products.

Seller warrants and covenants that the Data provided by Cirrus for use in the Products, including any computations, algorithms, or results derived from said Data, or used within the Products, embodied in the Products, or to support the Products, purchased from, or provided by Seller to Cirrus, will only be used to the benefit of Cirrus and Cirrus' customers.

Any associated Data out-put, tabulation, calculation, or any other resultant information, will not be kept, modified, tabulated, stored, computed, altered, maintained, or used in any fashion by Seller except for the specific use to design the Products, functions within the Products or is utilized within software associated with the Products, without the express written authorization of Cirrus. Seller understands that any such Data out-put is the sole-property of Cirrus and shall be returned immediately to Cirrus at the completion, cancelation or termination of the associated Order(s).

Distribution of Products, containing Cirrus Data, as defined and detailed herein, shall not be distributed outside the specific distribution channels outlined within this Agreement and/or the Product Support Agreement (PSA). Seller warrants and covenants that any transmittal of the Data, whether in its raw form or any other form, including embodiment in software or hardware, is adequately protected and complies with any and all Export laws outlined in ARTICLE 21 above.

- 28.3** Data Format and Language: All Data, correspondence, or any other written communication shall be provided to Cirrus in English; and all weights and measurements shall be provided using United States standard weights and measurements.
- 28.4** Intellectual Property: Both Parties shall retain ownership of their respective background Intellectual Property. Parties agree that any Intellectual Property generated as a result of development work done under this agreement, regardless of inventorship shall be the sole property of Cirrus Aircraft. Cirrus shall own any new documentation, modifications, improvements, upgrades, derivative works, and all other Intellectual Property rights in connection with the generated Intellectual Property. Nothing in this agreement creates any partnership or joint ventures, and no jointly owned Intellectual Property shall exist between the two parties. Supplier



agrees to execute all documentation necessary to perfect the rights, title, and interest in any newly generated Intellectual Property.

Except as otherwise set forth in this Agreement, nothing contained in this Agreement shall be construed as a grant by one Party to the other of any ownership in, or right or license to use, such Party's copyrights, trade secrets, trademarks, service marks, trade names, logos, or other intellectual property without the prior written approval of such Party for each such use; provided, however, that upon transfer of title to the Products hereunder, Seller hereby grants to Cirrus a non-exclusive, royalty-free and transferable license to use the Products and any manuals, use instructions and other documentation relating to the Products, any software embedded in the Products, all technical specifications and any patents, trade secrets, proprietary information and know-how incorporated in the Products or otherwise provided or disclosed by Seller for Cirrus' use under this Agreement. Seller represents and warrants it has all rights necessary to grant to Cirrus the license hereunder and use of the Product, and such use will not misappropriate or infringe any copyright, patent, trademark, trade secret or other proprietary, property third party rights or violate any contractual rights. Products or materials made by Seller or its Subtier Suppliers in accordance with Cirrus's Specifications and/or Data shall not be furnished or quoted to any other person or concern without Cirrus's prior written consent. Any invention or similar intellectual property first made or conceived by Seller in the performance of this Agreement or which is derived from or based on the use of Confidential Information or Data supplied by Cirrus shall be considered as being a "work made for hire" and shall be and becomes the property of Cirrus. Seller shall execute such documents necessary to perfect Cirrus's title thereto. Seller agrees and warrants that it shall not offer, sell or transfer any Products that (i) incorporate or are based in whole or in part upon any Cirrus IP; or (ii) were otherwise designed or developed in whole or in part by Cirrus or any of Cirrus's affiliated companies; or (iii) were designed or developed by Supplier specifically for a Cirrus application through development efforts that involved input or assistance from Cirrus or any of its affiliated companies, to any person or entity other than Cirrus or one of its affiliated companies, without the prior written consent of Cirrus. Seller agrees and warrants that it shall not: (i) sell any Product by reference to its "Cirrus part number" to any person or entity other than Cirrus or one of its affiliated companies; or (ii) create or utilize a cross-reference tool or system for any Products referencing a Cirrus part number.

290 CONFIDENTIALITY. "Confidential Information" means all non-public information and materials disclosed by or on behalf of Cirrus, or otherwise received, observed or accessed by the Supplier, in connection with this Agreement and the negotiation thereof, whether in oral, written, visual or electronic form, whether prior to or after the Effective Date hereof, and regardless of whether marked or identified as "Confidential" at the time of disclosure, including: (i) all business, accounting,

marketing, customer, sales, business and pricing information concerning Cirrus, its products, services, affiliates and suppliers; (ii) all trade secrets, know-how, inventions, and other creative, technical, product and service information concerning Cirrus, its products, services, affiliates and suppliers, including recipes, formulas, product standards, manufacturing processes and techniques, ingredient sources, equipment and temperature settings, mixing times, baking times and other processes; (iii) all observations made through inspection, evaluation, testing, or use of products, services, facilities, equipment or other property, methods or processes of Cirrus; (iv) all documentation and information posted on secure websites and made available to Supplier on a password protected or other access controlled basis; and (v) all other information that a reasonable person familiar with the industry of Cirrus, its affiliates or suppliers would consider confidential or proprietary. Cirrus shall have no obligation to disclose any particular Confidential Information. Notwithstanding the foregoing, Confidential Information does not include any information or materials that: (i) was in the Supplier's possession prior to the date of disclosure by Cirrus, as demonstrated by written records; (ii) is rightfully acquired by Supplier from a third party that is legally entitled to make such disclosure, without restriction as to its use or disclosure; (iii) is independently developed by or on behalf of the Supplier without reference to or reliance on the Confidential Information of Cirrus, as established by documented and competent evidence; or (iv) was or is placed in the public domain through no act or failure to act on the part of Supplier, its representatives or affiliates.

29.1 From time to time, the Supplier may receive, observe, and/or have physical or electronic access to certain Confidential Information of Cirrus. The Supplier shall protect such Confidential Information against unauthorized access, use or disclosure with at least the same degree of care used to protect its own Confidential Information of a similar nature, but with no less than reasonable care. The Supplier shall access and use the Confidential Information of Cirrus solely for the purpose of performing this Agreement ("Permitted Purpose"). Except as expressly permitted herein, Suppliers shall not, nor shall it permit any third party to, access, use, or disclose the Confidential Information of Cirrus for any other purpose, whether for the Supplier's own benefit or the benefit of any third party, without the prior written authorization of Cirrus in each instance. The Supplier may disclose Confidential Information only to those officers, employees, affiliates and agents of the Supplier (each a "Representative") who have a need to know the Confidential Information for the Permitted Purpose, and who are legally bound by confidentiality obligations at least as protective of Cirrus' Confidential Information as the provisions of this Agreement. Any unauthorized access to, use or disclosure of Confidential Information by a Representative or affiliate of the Supplier shall be deemed a direct breach of this Agreement by Cirrus. Supplier may be required to execute additional confidentiality agreements as a condition to any inspection of Cirrus or its subcontractors' facilities. Supplier represents and warrants that it has

and shall implement and continue to maintain appropriate technical, administrative, and physical security measures that are designed to: (i) ensure and protect the security, integrity, and confidentiality of the Cirrus' Confidential Information and (ii) protect against any unauthorized use, disclosure, acquisition of access to Confidential Information. Supplier shall notify Cirrus without undue delay, but in no less than 72 hours, of any potential or actual data breach involving Confidential Information. Supplier agrees to provide reasonable assistance as may be necessary to facilitate the handling of any data breach in an expeditious and compliant manner, and to comply with its obligations under applicable data protection laws.

292 Upon the expiration or termination for any reason of this Agreement, and/or upon Cirrus's earlier written demand, the Receiving Party shall, at the written election of Cirrus, promptly return or destroy any Confidential Information of Cirrus in its possession or control (including copies and summaries thereof), and upon request, confirm that it has purged its records and files of, and no longer has access to, any such Confidential Information. The Supplier's obligations under this Agreement with respect to Confidential Information disclosed during the term hereof, and all rights and remedies of Cirrus related thereto, shall survive the expiration or termination of this Agreement for any reason, and shall be binding on and inure to the benefit of the parties and their respective successors and permitted assigns.

293 Each Party recognizes that any actual or threatened breach of the provisions of this Paragraph would cause irreparable harm to the other Party, the extent of which would be difficult and impracticable to assess, and that money damages alone would not be an adequate remedy for such breach. Accordingly, in addition to all other remedies available under the circumstances, each Party shall be entitled to seek immediate equitable and other provisional relief in any court of competent jurisdiction.

30.0 INDEPENDENT CONTRACTORS: Cirrus and Seller are independent contractors only, and nothing herein and nothing in the performance by either Party shall be interpreted or construed to create a master/servant, employer/employee, joint enterprise, joint venture, partnership, trust/beneficiary, fiduciary/ward or other legal or contractual relationship imposing vicarious liability on one Party for the acts or omissions of the other Party. Neither Party shall have the authority or power to act on behalf of the other Party, except as expressly provided herein.

31.0 INTELLECTUAL PROPERTY: Except as otherwise set forth in this Agreement, nothing contained in this Agreement shall be construed as a grant by Cirrus to Seller of any ownership in, or right or license to use, such Cirrus' copyrights, trade secrets, trademarks, service marks, trade names, logos, or other intellectual property without the prior written approval of Cirrus for each such use. Upon transfer of title to the Products hereunder, Seller hereby grants to Cirrus a non-exclusive, royalty-free and transferable license to use



the Products and any manuals, use instructions and other documentation relating to the Products, any software embedded in the Products, all technical specifications and any patents, trade secrets, proprietary information and know-how incorporated in the Products or otherwise provided or disclosed by Seller for Cirrus's use under this Agreement. Products or materials made by Seller or its subtier suppliers in accordance with Specifications and/or Cirrus Confidential Information or intellectual property shall not be furnished or quoted to any other person or concern without Cirrus' prior written consent. Any invention or similar intellectual property first made or conceived by Seller in the performance of this Agreement or which is derived from or based on the use of Confidential Information or Data supplied by Cirrus shall be considered as being a "work made for hire" and shall be and becomes the property of Cirrus. Seller shall execute such documents necessary to perfect Cirrus's title thereto. For clarification, Seller is not granted any right to use any trademark(s) or trade name(s) of Cirrus. Seller shall not register, attempt to register or attempt to obtain any interest in any such trademark(s) or trade name(s) in any jurisdiction. At the request of Cirrus, Seller shall perform whatever acts Cirrus reasonably deems necessary or desirable to preserve and protect, and to vest in Cirrus, ownership of and title to the same, whether in the United States or any other jurisdiction.