

ROBERTSON FUEL SYSTEMS, L.L.C.
PURCHASE ORDER TERMS AND CONDITIONS

1. **ACCEPTANCE OF ORDER.** (a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.

(b) Seller's acknowledgment, performance or partial performance shall constitute Seller's unqualified acceptance of this Contract.

(c) No modification of this order shall bind Buyer unless contained in a writing signed by Buyer.

2. **WARRANTY.** Seller warrants that all goods sold hereunder will be first quality, new, and free from defects in material and workmanship and that such goods will perform in ordinary service for a period of at least one year from the date placed in service by Buyer's customer without loss of function or material degradation, ordinary wear and tear excepted. Seller will pass through any warranties received by it. Seller warrants that any services performed hereunder will be performed in accordance with Seller's highest standards, but in no event lower than the standards customary in the trade. Seller will repair or replace any goods and reperform any services that fail to conform to the above warranties without charge to Buyer and will incur any reasonable expense in doing so to minimize the inconvenience and expense to Buyer or its customer.

3. **TIMELY PERFORMANCE.** Seller's timely performance in meeting Buyer's "requirement date" is a critical element of this Order. Non-compliance constitutes a breach. Due to the uncertainty and difficulty of calculating damages from such a breach, the parties agree to liquidated damages in the amount of 2% of the Order value per day after the first 10 days of delay until the total amount reaches a maximum 10% of the Order value, at which time the delay becomes a default pursuant to Article 6 – "DEFAULT".

4. **INSPECTION AND ACCEPTANCE.** (a) Seller shall comply with any specifications stated on the face of, or included by reference in, or attachment to the order and with any applicable U.S. Government specifications. Seller shall maintain a quality assurance system reasonably acceptable to the Buyer. The Seller shall, upon request, furnish the Buyer with a report of details of materials and workmanship inspections, certified by an authorized representative of the Seller. For machined and/or fabricated parts, the Seller shall furnish Buyer with material certifications, process certifications, and inspection results certified by an authorized representative of the Seller with each shipment. The sampling method shall be in accordance with MIL-STD-1916, ASQ H1331, Table 1, ANSI Z1.4 or a comparable zero-based sampling plan unless otherwise specified.

(b) Buyer and representatives of Buyer's customers shall have the right to inspect and test all material and workmanship at all times and places including, when practicable, during manufacture. If any such inspection or test is made on the premises of the Seller, the Seller shall furnish without additional charge all reasonable facilities and assistance for a safe and convenient inspection or test.

(c) The Buyer shall have the right to reject any goods or services that fail to meet Seller's warranty, exercisable within ninety (90) days of receipt. If Seller delivers non-conforming goods, Buyer may, in addition to any other remedies available at law or at equity:

(i) reject such product and treat the non-conformance as non-delivery pursuant to Article 3 – "TIMELY PERFORMANCE" (provided that the period between arrival of the product at Buyer's premises and the date of rejection will not be included in the liquidated damages calculation); or

(ii) Require Seller, at Seller's cost, to make all repairs, modifications, or replacements at the direction of Buyer necessary to enable such goods to comply in all respects with Contract requirements.

(d) Seller shall not re-tender rejected goods without disclosing in writing the corrective action taken.

(e) Seller shall notify Buyer of nonconforming product and obtain Buyer's advance written approval for nonconforming product disposition.

(f) Seller understands and accepts that it may be subject to FAA and/or Buyer's customer inspection. Vendor shall report to Buyer any product, article, or consumable that has been released from the Vendor and subsequently found to be non-conforming to any applicable contract requirement.

(g) Seller must notify Buyer of any changes in product, processes, suppliers, and/or manufacturing facility location, and obtain Buyer's advance written approval prior to tendering goods.

(h) Seller shall be responsible for flowing down all applicable requirements to all of its sub-tier suppliers.

5. **ASSIGNMENT.** (a) Seller's rights and duties under this order may not be assigned or delegated except as provided below. Seller shall not enter into a subcontract for the procurement of items covered by this order in completed or subsequently completed form.

(b) Seller may assign its interest or a security interest in the proceeds of this order pursuant to a bona fide financing arrangement, provided that Buyer receives timely notice, that only one such assignment is made, that the interest so assigned shall not be subject to re-assignment, and that any such assignment is expressly made subject to setoff of any indebtedness or other claim Buyer may have against Seller.

(c) In no event shall copies of this order or of any plans, specifications, or other similar documents relating to work under this order, if marked "Confidential," be furnished to any assignee of any claim arising under this order or to any other person.

6. **DEFAULT.** (a) Seller shall be in default if it (i) fails to comply with any of the material terms of this Order, which failure is not timely cured as provided below; (ii) fails to make progress so as to endanger performance of this Order; (iii) fails to provide adequate assurance of future performance upon reasonable request; (iv) files or has filed against it a petition in bankruptcy; or (v) becomes insolvent or suffers a material adverse change in financial condition. Seller shall have ten (10) days (or such longer period as Buyer may authorize in writing upon request provided that Seller has provided Buyer with a reasonable written cure plan) to cure any such failure after receipt of notice from Buyer.

(b) Upon the occurrence and during the continuation of a default, Buyer may exercise any and all rights and remedies available to it under applicable law and equity, including without limitation, cancellation of this Order. If after termination for default under this Order, it is determined that Seller was not in default, such termination shall be deemed a valid termination for Convenience.

(c) Following a termination for default of this Order, Seller shall be compensated only for goods actually delivered and accepted.

(d) Seller shall continue all portions of the Order not terminated or cancelled and shall cooperate with Buyer to minimize any disruption to Buyer or its customers.

7. **PATENT INDEMNITY.** The Seller agrees to defend, indemnify and save harmless the Buyer and each subsequent purchaser or user of the goods sold to the Buyer under this order, except as to goods manufactured according to a design furnished by the Buyer, for any suit, action, or other claim alleging that the manufacture, use or sale of said goods infringes any United States patent. The Buyer agrees to give the Seller notice of any such suit or action promptly after notice is received by the Buyer. The Buyer may, at its own election and expense, at any time supersede the Seller in any defense of a claim in which event the Seller shall thereby be released from its obligation hereunder.

8. **PROPRIETARY INFORMATION.** (a) "Proprietary Information" shall mean all information, knowledge or data (including without limitation financial, business, and product strategy information; product specifications; product designs; procedures; studies; tests; and reports) in written, electronic, tangible, oral, visual or other form disclosed by, or obtained from, Buyer. If Buyer furnishes sample products, equipment, or other objects or material to Seller, the items so received shall be used and the information obtained from said items shall be treated as if they were Proprietary Information disclosed in connection with the Order.

(b) Seller shall (i) use the Proprietary Information solely for the purposes of the Order, and not for any other purpose (ii) safeguard the Proprietary Information to prevent its disclosure to or use by third parties; (iii) not disclose the Proprietary Information to any third party; and (iv) not reverse engineer, disassemble, or decompile the Proprietary Information.

9. **CANCELLATION.** Buyer may cancel this order in whole or in part for convenience only if and to the extent that Buyer's customer cancels Buyer's order for convenience, and subject to Buyer's payment to Seller of an equitable portion of any compensation for such termination received by Buyer from its customer.

10. **PACKAGING/HANDLING.** Buyer will not allow any packaging or handling charges unless agreed to in writing. Packages, packing slips and invoices must bear the Purchase Order Number.

11. **CERTS & REPORTS.** Certificates of Conformance shall be provided with each shipment. First Article Inspection Reports shall be provided when applicable per AS9102 standards. Calibration certifications shall provide evidence that measurement standards used for calibration or verification are traceable to national or international standards.

12. **RETENTION REQUIREMENTS.** Seller shall maintain all product related documentation (e.g., production records, inspection records and related certifications, nonconformance reports, etc.) for a minimum period of seven (7) years from the completion of this Order.

13. **BUYER ITEMS.** (a) Buyer may provide to Seller items owned by either Buyer or its customer (Buyer Furnished Items), or provide funding for Seller to procure or produce such items (Buyer Funded Items). Buyer Furnished and Buyer Funded Items (collectively, Buyer Items) shall be used only for the performance of this Order unless otherwise agreed in writing.

(b) Title to Buyer Items shall remain in the Buyer or its customer. Seller shall clearly mark (if not so marked) all Buyer Items to show Buyer's ownership.

(c) Except for reasonable wear and tear, Seller shall be responsible for, and shall promptly notify Buyer of, any loss or damage. Without additional charge, Seller shall manage, maintain, and preserve Buyer Items in accordance with good commercial practice.

(d) Upon completion of this Order or following a termination for default, Buyer may require Seller to deliver to Buyer any Buyer Items (supplies and equipment, manufacturing materials, manufacturing drawings, etc.) that Seller has specifically produced or acquired for the terminated portion of this Order.

(e) When the Buyer furnishes any material, in whole or in part, for the manufacture of parts or assemblies, the Seller shall not substitute material from any other source nor shall the Seller alter its physical or chemical properties except in accordance with applicable Buyer specifications or except with the Buyer's written approval.

14. **COMPLIANCE.** All goods supplied hereunder shall be manufactured substantially in the United States. Seller shall comply with all applicable laws in the performance of its duties hereunder, including, without limitation, all laws and regulations relating to employment and specifically to wage levels and payment of wages (including Walsh-Healey requirements if applicable), working conditions, and equal opportunity in employment. Seller shall maintain no segregated facilities. Seller shall maintain a Drug-Free Workplace and will post or otherwise provide all applicable notices to its employees. Seller shall ensure employee competency including any required qualifications. Seller shall ensure employees are aware of their contributions to product and service conformity, their contribution to product safety, and the importance of ethical behavior.

15. **OBSOLESCENCE.** The Seller shall be responsible for proactively managing obsolescence issues affecting the items under this Order by making every reasonable effort to give Seller sufficient and timely notice of an impending obsolescence event along with a written plan for minimizing the impact on Buyer.

16. **OTHER RIGHTS AND REMEDIES AND APPLICABLE LAW.** The rights and remedies herein reserved to the Buyer shall be cumulative and additional to any other or further rights and remedies provided in law or equity and all the rights and obligations of the parties shall be governed and construed by the laws of the State of Arizona. Any action to construe or enforce any rights hereunder shall be brought exclusively in a court of general jurisdiction located in Maricopa County, Arizona. Failure by either party to enforce any of the provisions of this Order or applicable law shall not constitute a waiver of the requirements of such provisions or law, or as a waiver of the right of a party thereafter to enforce such provision or law.

17. ORDER OF PRECEDENCE. In the event of any inconsistencies among documents applicable to this order, the inconsistency will be resolved by giving precedence in the following order: (a) the specifications or drawings; (b) any other agreement separate from this Purchase Order Standard Terms and Conditions (POTC), signed by both parties applicable to this order; and (c) the POTC, including all clauses incorporated by reference.

18. SURVIVAL. All rights, obligations, and duties hereunder, which by their nature or by their express terms extend beyond the expiration or termination of the Order, including but not limited to warranties, indemnifications, intellectual property (including rights to and protection of intellectual property and proprietary information), and product support obligations shall survive the expiration or termination of the Order.

19. GOVERNMENT PROVISIONS. This Order may contain quantities for an anticipated Government rated order for national defense use. Buyer reserves the right to amend this Order at a later date to make all or a portion of the quantities a DPAS rated order in accordance with 15 CFR 700. If this order is placed pursuant to a Government prime contract or subcontract or later amended as such, the following contract clauses as set forth in the Federal Acquisition Regulations (FARs) and the Defense Federal Acquisition Regulations (DFARs) are incorporated herein and are applicable as determined by the type of subcontract, except for those contract clauses from which Seller is expressly exempt. The term "Contractor" shall mean "Seller," the term "Contract" shall mean "this order," and the terms "Government," "Contracting Officer," and equivalent phrases shall mean "Buyer." All referenced provisions refer to current revisions in effect as of the date of the respective Government prime contract including any modifications to the prime contract in effect at the time of this purchase order. Seller is responsible for determining and ensuring compliance to applicable clauses. Those determined not applicable by Seller shall be deemed self-deleting.

FAR/DFAR	Title
52.202-1	Definitions
52.203-2	Certificate of Independent Price Determination
52.203-3	Gratuities
52.203-5	Covenant Against Contingent Fees
52.203-6	Restrictions on Subcontractor Sales to the Government
52.203-7	Anti-Kickback Procedures
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
52.203-12	Limitation on Payments to Influence Certain Federal Transactions
52.203-13	Contractor Code of Business Ethics and Conduct
52.203-13	Contractor Code of Business Ethics and Conduct
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009
52.203-17	Contractor Employee Whistleblower Rights and Requirements to Inform Employees of Whistleblower Rights
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-5	Women-Owned Business (Other Than Small Business)
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards
52.204-21	Basic Safeguarding of Covered Contractor Information Systems
52.204-24	Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance or Equipment
52.209-2	Prohibition on Contracting with Inverted Domestic Corporations--Representation
52.209-5	Certification Regarding Responsibility Matters
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
52.211-5	Material Requirements
52.211-15	Defense Priority and Allocation Requirements
52.215-2	Audit and Records -- Negotiation
52.215-6	Place of Performance
52.215-14	Integrity of Unit Prices
52.215-19	Notification of Ownership Changes
52.215-23	Limitations on Pass-Through Charges
52.219-1	Small Business Program Representations
52.219-8	Utilization of Small Business Concerns
52.219-9	Small Business Subcontracting Plan
52.222-3	Convict Labor
52.222-4	Contract Work Hours and Safety Standards--Overtime Compensation
52.222-17	Nondisplacement of Qualified Workers
52.222-18	Certification Regarding Knowledge of Child Labor for Listed End Products.
52.222-19	Child Labor
52.222-20	Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000
52.222-21	Prohibition of Segregated Facilities
52.222-22	Previous Contracts and Compliance Reports

FAR/DFAR	Title
52.222-25	Affirmative Action Compliance
52.222-26	Equal Opportunity
52.222-35	Equal Opportunity for Veterans
52.222-36	Equal Opportunity for Workers with Disabilities
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and other Eligible Veterans
52.222-38	Compliance with Veterans' Employment Reporting Requirements
52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees
52.222-40	Notification of Employee Rights Under the National Labor Relations Act.
52.222-43	Fair Labor Standards Act and Service Contract Act -- Price Adjustment (Multiple Year and Option Contracts)
52.222-48	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance Calibration, or Repair of Certain Equipment--Certification
52.222-50	Combating Trafficking in Persons
52.222-54	Employee Eligibility Verification
52.222-55	Minimum Wages Under Executive Order 13658
52.222-50	Combating Trafficking in Persons
52.222-56	Certification Regarding Trafficking in Persons Compliance Plan
52.222-59	Compliance with Labor Laws (Executive Order 13673)
52.222-60	Paycheck Transparency (Executive Order 13673)
52.222-62	Paid Sick Leave Under Executive Order 13706
52.223-6	Drug-Free Workplace
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving
52.225-1	Buy American Act -- Supplies
52.225-2	Buy American Certificate
52.225-3	Buy American Act -- Free Trade Agreements-Israeli Trade Act
52.225-5	Trade Agreements
52.225-6	Trade Agreements Certificate
52.225-8	Duty Free Entry
52.225-10	Duty Free Entry
52.225-13	Restrictions on Certain Foreign Purchases
52.225-20	Prohibition on Conducting Restricted Business Operations in Sudan--Certification
52.225-25	Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran--Representation and Certification
52.225-26	Contractors Performing Private Security Functions Outside the United States
52.225-13	Buy American
52.226-2	Historically Black College or University and Minority Institution Representation
52.227-1	Authorization and Consent
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement
52.227-3	Patent Indemnity
52.227-10	Filing of Patent Applications - Classified Subject Matter
52.227-15	Representation of Limited Rights Data and Restricted Computer Software
52.228-3	Payments
52.232-1	Interest
52.232-17	Unenforceability of Unauthorized Obligations
52.232-39	Providing Accelerated Payments to Small Business Subcontractors
52.232-40	Disputes
52.233-1	Protest After Award
52.233-3	Bankruptcy
52.242-13	Stop-Work Order
52.242-15	Changes -- Fixed-Price
52.243-1	Subcontracts for Commercial Items
52.244-6	Government Property
52.245-1	Use and Charges
52.245-9	Inspection of Supplies
52.246-2	Higher-Level Contract Quality Requirement: AS9100D
52.246-11	Responsibility for Supplies
52.246-16	Limitation of Liability
52.246-23	Limitation of Liability -- High-Value Items
52.246-24	FOB Origin
52.247-29	Preference for U.S. Flag Air Carriers
52.247-63	Preference for Privately Owned U.S. Flag Commercial Vessels
52.247-64	Value Engineering
52.248-1	Termination for Convenience of the Government (Fixed-Price)
52.249-2	Termination (Cost -- Reimbursement)
52.249-6	Default (Fixed-Price Supply and Service)
52.249-8	Excusable Delays
52.249-14	

FAR/DFAR	<u>Title</u>	FAR/DFAR	<u>Title</u>
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense- Contract-Related Felonies		Metals
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	252.225-7013	Duty-Free Entry
252.204-7012	Safeguarding of Unclassified Controlled Technical Information	252.225-7014 Alt I	Preference for Domestic Specialty Metals
252.204-7015	Disclosure of Information to Litigation Support Contractors	252.225-7016	Restriction on Acquisition of Ball and Roller Bearings
252.204-7020	NIST SP 800-171 DoD Assessment Requirements	252.225-7025	Restriction on Acquisition of Forgings
252.215-7000	Pricing Adjustment	252.244-7000	Subcontracts for Commercial Items and Components
252.225-7001	Buy American Act and Balance of Payments Program	252.244-9000	Subcontracts for Commercial Items
252.225-7008	Restriction on Acquisition of Specialty Metals	252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System.
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty		

THIS PURCHASE ORDER IS EXPRESSLY LIMITED TO, AND EXPRESSLY MADE CONDITIONAL ON, SELLER'S ACCEPTANCE OF THE TERMS AND CONDITIONS AS SET FORTH ABOVE AND ON THE FACE OF THIS ORDER. BUYER OBJECTS TO ANY DIFFERENT OR ADDITIONAL TERMS. SELLER'S ACKNOWLEDGEMENT, PERFORMANCE OR PARTIAL PERFORMANCE SHALL CONSTITUTE ACCEPTANCE OF THESE TERMS, REGARDLESS OF ANY DIFFERENT OR INCONSISTENT TERMS PROPOSED BY SELLER.