



Aviation Technical Services, Inc.

GENERAL TERMS AND CONDITIONS OF PURCHASE

Revision F, August 2025

1. DEFINITIONS.

“**ATS**” means Aviation Technical Services, Inc., a Washington corporation having its principal place of business at Everett, Washington and ATS Components, Inc., a Texas Corporation having its principal place of business at Fort Worth, Texas, collectively referred to as (“**ATS**”).

“**CFR**” means Code of Federal Regulations.

“**FAA**” means the U.S. Federal Aviation Administration.

“**Order**” means any ATS ordering document which incorporates these General Terms and Conditions of Purchase and is placed with SUPPLIER by ATS. All references to the

“**Order**” shall be deemed to include these General Terms and Conditions of Purchase.

“**Parts**” shall mean all articles, materials, products, goods, work or services furnished under this Agreement.

“**SUPPLIER**” means the SUPPLIER of products or services identified in the Order.

2. PRICE, PAYMENT, SHIPPING AND DELIVERY.

- (a) **INVOICES, PRICE AND PAYMENT.** Invoices shall be sent by SUPPLIER to the ATS’ Accounts Payable Department: 3121 109th St SW, Everett, WA 98204 or by email to atsap@atsmro.com. Payment of SUPPLIER’s invoice may be offset for (i) any damages resulting from breach of contract under any contract between ATS and SUPPLIER, (ii) any amount owing at any time by SUPPLIER to ATS, or (iii) any adjustment for shortage or rejection and any costs occasioned thereby. Payment terms are ‘Net 60’ (sixty) days calculated from the date an acceptable invoice is received for ATS accepted goods or services. “SUPPLIER” shall accept” CREDIT CARD” payments with no additional fees for all purchases as set forth on this order. The price to be paid by ATS to SUPPLIER shall be the price set forth on the Order. Except as otherwise provided in the Order, the price(s) are inclusive of, and SUPPLIER shall be solely responsible for and pay all, federal, state, local and foreign taxes including, but not limited to, value added tax, goods and services tax, sales, use or consumption tax and other similar charges.
- (b) **SHIPPING AND DELIVERY.** All shipping, packing, insurance, routing and delivery requirements shall be in accordance with Exhibit A to this agreement and with the Order, provided that unless specified otherwise in the Order, all goods shall be delivered Delivery Duty Paid ATS facility (DDP) Incoterms 2020. Time is of the essence in the performance of the Order. SUPPLIER shall deliver the product or services on the date(s) set forth in the Order. With respect to early delivery, SUPPLIER shall not deliver early without the prior written consent of ATS.
- (c) **HAZARDOUS SUBSTANCE INFORMATION.** SUPPLIER shall provide a completed Safety Data Sheet for each material containing hazardous substances as defined by OSHA 29 CFR1910.1200.

- (d) TECHNICAL INFORMATION, LANGUAGE AND MEASUREMENT. All notices and binding communications and/or reports, drawings and other technical information shall be in English and shall employ the units of measure customarily used by ATS in the USA.

3. ACCEPTANCE.

The Order constitutes ATS' offer to SUPPLIER and becomes a binding contract on the terms set forth herein when it is accepted by SUPPLIER either by acknowledgment or beginning performance. The Order may be accepted only on the terms set forth herein which are incorporated by reference and any other terms and conditions set forth in writing on the Order. ATS takes specific exception to any terms and conditions in SUPPLIER's acceptance including but not limited to those set forth in in any document issued by SUPPLIER such as any order(s), acknowledgements, change orders, correspondence or any other document and any such terms and conditions are hereby objected to and rejected by ATS and will not be a part of the contract between ATS and SUPPLIER.

4. CERTIFICATIONS.

Unless otherwise agreed to in writing, all aircraft-related products and services delivered to ATS must be accompanied by an FAA 8130-3 airworthiness tag or a Certificate of Conformance that specifies compliance with applicable Federal Regulations or specifications provided by an appropriately authorized representative of SUPPLIER. ATS may specify other specific requirements in Order notes and Order notes shall prevail in the event of conflict with this term so long as a specific requirement is specified. This statement must include certification that required inspections and tests when applicable were performed. This statement must completely identify material or items by lot number, production date, specification or drawing revision date, or values to which the item was inspected or produced. Unless otherwise agreed to in writing, all aircraft related goods delivered to the ATS must meet the requirements, with source documentation if applicable, of an approved part or acceptable part as defined by FAA Advisory Circular 20-62D. SUPPLIER will identify all manufacturer-recommended shelf life restrictions, including storage temperature and expiration data if applicable where the expiration date shall be the earliest date if the product has multiple dates, on the goods themselves and on the related certification paperwork. For all aircraft-related services, SUPPLIER will allow for FAA inspection and observation of the service performed if SUPPLIER is not certified by the FAA.

5. INSPECTION.

- (a) Services and products to be delivered under the Order are subject to inspection at SUPPLIER's facility or any of SUPPLIER's sub-tier SUPPLIER's facilities as may be requested by representatives of ATS, its customers, the FAA, or any government regulatory agency. SUPPLIER shall provide reasonable facilities for the safety and convenience of said representatives. SUPPLIER shall include the substance of this clause in all subcontracts issued hereunder. SUPPLIER shall not delay access more than three (3) calendar days of ATS request for any reason.
- (b) Each item ordered will be subject to final inspection and acceptance by ATS at its destination notwithstanding that title may have passed to ATS, that ATS may have made a prior payment or that ATS, its customer or any government agency may have performed some type of source inspection. If at any time any of the items are found to be defective in design, material or workmanship or not in conformity with the drawings, specifications, samples, or other requirements of the Order, including failure to provide safety data sheets, certifications or any other required documentation, ATS may, in addition to any other rights it may have under the Order or otherwise;

- i. correct or have corrected the nonconformity at SUPPLIER's expense or reject and return said item to SUPPLIER, and
 - ii. recover by offset or otherwise any and all costs, expenses and damages paid, incurred or suffered by ATS as a result of or relating to holding, return, replacement, correction or rejection of nonconforming items. Rejected articles or material delivered in excess of the amount ordered herein may be returned at SUPPLIER's risk and expense.
- (c) SUPPLIER shall be responsible for the cost of transportation related to the return and reshipment of any articles rejected by ATS for failure to meet specifications. Delivery of defective parts shall not be deemed to satisfy the delivery schedule required under any Order nor shall acceptance of any item be deemed to alter or affect the obligation of SUPPLIER or the rights of ATS under the Warranties article herein or any warranty provision set forth in the Order. The inspection, review or approval by ATS of any work, drawing, design or other document shall not relieve SUPPLIER of any of its obligations under the Order or constitute a waiver of any defects or non-conformities in any articles.

6. CHANGES.

- (a) ATS may, at any time, by written order, and without notice to sureties, if any, make changes to the Order including but not limited to in any one or more of the following:
 - i. drawings, designs, specifications or other technical documents;
 - ii. method of shipment or packing;
 - iii. place of delivery, inspection or acceptance;
 - iv. quantity of items;
 - v. delivery schedules; and
 - vi. amount of ATS furnished property. SUPPLIER shall comply immediately with such directions and avoid unnecessary costs related thereto. If any such change causes a material increase or decrease in the cost of or time required for performance of any work under the Order, an equitable adjustment in the price or delivery schedule shall be made when justified by such change. However, no favorable adjustment of any kind shall be afforded to SUPPLIER with respect to changes made necessary by reason of defects or potential defects in any item for which SUPPLIER would be liable under the terms of the Order. SUPPLIER's claim for adjustment, stating the amount claimed and reasons therefor, shall be made in writing within ten (10) days from the date the change was ordered. SUPPLIER's failure to so assert its claim shall operate as a waiver. The parties shall establish through negotiation whether or not any ATS-directed change is one which in fact authorizes an equitable adjustment under this article, and if so, the nature of such adjustment.
- (b) Failure to agree with respect to any such negotiations shall be a dispute and either party may pursue its remedies as provided herein. Pending resolution of such dispute, SUPPLIER shall diligently pursue the performance of the Order as changed. SUPPLIER shall make available for ATS' examination relevant books and records to verify SUPPLIER's claim for adjustment.
- (c) No information, advice, approvals or instructions by ATS personnel shall affect ATS' and SUPPLIER's rights and obligations hereunder, unless the same is in writing, signed by an authorized representative of ATS' Purchasing Department, and expressly states that it constitutes a change to the Order.

7. CYCLE TIME REDUCTION.

SUPPLIER agrees to actively pursue methods of cycle time reduction for the contracted parts and to participate in cycle time reduction projects to achieve specific goals agreed upon between ATS and SUPPLIER.

8. WARRANTIES.

SUPPLIER expressly warrants that all of the Parts furnished under this Agreement will conform to applicable specifications, drawings, part numbers, samples and other descriptions given and that they will be free from defects, whether patent or latent, in materials and workmanship, for a period of eighteen (18) months after receipt by ATS, and that Parts of SUPPLIER's design or production will be free from defects in design or production. If any nonconforming Parts are identified within the warranty period, SUPPLIER shall, at ATS's election, either reimburse or replace the nonconforming Part(s), or reimburse ATS in full for the nonconforming Part(s), at SUPPLIER's expense for a period of ninety (90) days after acceptance by ATS. The SUPPLIER warrants that Parts are free and clear of all liens, charges and encumbrances of any nature whatsoever. All warranties, whether expressed or implied, shall extend to the benefit of ATS, its successors, assigns and to all persons, including subsidiaries of ATS to whom the Parts may be resold. All warranties shall be construed as conditions as well as warranties and shall not be deemed to be exclusive. All representations, warranties and conditions shall survive delivery and acceptance of the articles.

Unless manufactured pursuant to detailed design furnished by ATS, SUPPLIER assumes design responsibility and warrants the items to be free from defects in design and fit for the purpose intended. SUPPLIER warrants that any services provided under the Order shall be performed in a professional manner and in accordance with generally accepted industry standards. The warranties shall run to ATS, its successors and assigns, and each successive customer. In addition, SUPPLIER hereby assigns any warranty to ATS that SUPPLIER receives from its SUPPLIERS of any item ordered hereunder and will do all that is necessary to affect such assignment and to assist and enable ATS to obtain the benefit of any such warranties.

9. RIGHTS IN DATA.

SUPPLIER hereby grants to ATS the right to reproduce, modify, and use, in whole or in part, in any manner and for any purpose whatsoever in connection with ATS' business, all or any part of SUPPLIER's reports, designs, processes, drawings, specifications and other technical information and data developed, designed, delivered or used in the performance of the Order.

10. QUALITY ASSURANCE.

SUPPLIER shall maintain its quality system in compliance with the ATS' requirements, if any, as set forth in the Order. For material furnished by SUPPLIER, SUPPLIER agrees to achieve and thereafter maintain a "certified" status. In the event SUPPLIER fails to achieve or maintain a certified status, all costs associated with continued source inspection, by an approved inspection provider, will be borne by SUPPLIER without impact to established pricing. SUPPLIER shall permit representatives of ATS, its customers and any government regulatory agency, to conduct quality system and/or product audits as may be requested by ATS to evaluate quality compliance at SUPPLIER's facility and/or any of SUPPLIER's sub-tier SUPPLIER's facilities. SUPPLIER shall make available all contracts, specifications, instructions, procedures, records, and special requirements as may be directed by ATS. SUPPLIER shall include the substance of this clause in all subcontracts issued hereunder.

11. LIMITATION OF LIABILITY.

In no event shall ATS be liable for any direct, indirect, special, incidental, diminution in value or consequential damages arising out of or related to the Order or any products or services provided thereunder.

12. RISK OF LOSS, INDEMNIFICATION AND INSURANCE.

Whenever SUPPLIER shall, by virtue hereof, have in its possession property of ATS, SUPPLIER shall be deemed an insurer thereof and shall be responsible for its safe return to ATS.

- (a) Unless otherwise set forth in writing in the Order, SUPPLIER shall have title to and bear the risk of any loss of or damage to the items purchased hereunder until they are delivered in conformity with the Order at the DDP ATS facility specified on the face hereof and upon such delivery title shall pass from SUPPLIER and SUPPLIER's responsibility for loss or damage shall cease, except for loss or damage resulting from SUPPLIER's negligence or failure to comply with the Order. Passing of title upon such delivery shall not constitute acceptance of the items by ATS.
- (b) SUPPLIER shall be an independent contractor and agrees to indemnify and hold harmless ATS, its officers, directors, affiliates and employees ("Indemnified Parties") from and against (subject to the provisions below)) any and all losses, liabilities, demands, claims, damages suits, judgements, fines and penalties, including attorney's fees and all other costs and expenses incident thereto (collectively "Damages"), which arise from or in connection with (1) any loss, damage, or destruction of property, including the property of ATS and third parties, and/or (2) injury or death to persons, including Indemnified Parties, either of which arise from a Part or Parts, or from the supply of Parts pursuant to this Agreement and/or the performance or non-performance by SUPPLIER of its obligations under this Agreement including, but not limited to, any actions taken by SUPPLIER's agents, employees or contractors within the scope of their employment; provided, however, that SUPPLIER shall have no liability under this indemnity (i) for Damages which arise from or in connection with ATS's use of any article or other part after the expiration of the specified time-life for such article or part, or (ii) for any liabilities to the extent to which they arise from the negligence or willful misconduct of the Indemnified Parties. This indemnity shall survive the termination of this Agreement.
- (c) In all cases of indemnity or warranty claims by ATS under all clauses of this contract, the maximum liability for SUPPLIER in all cases will be, in aggregate per annum, the greater of:
 - i. the maximum cover provided by the insurance policies in place at the time of the claim;
 - ii. one hundred thousand US Dollars (US\$100,000).
- (d) SUPPLIER agrees to pay or reimburse ATS for any expenditures, including reasonable attorney's fees and amounts paid in settlement, that ATS may make or become liable for in connection with the investigation, settlement, defense or otherwise by reason of such claims or suits and, if requested in writing by ATS, will defend any such suits with counsel acceptable to ATS at the sole cost and expense of SUPPLIER;
- (e) SUPPLIER agrees to pay and to discharge any judgment, orders or decrees rendered or entered against any of the indemnified parties for any matter indemnified hereunder;
- (f) ATS may retain any money due or to become due to SUPPLIER sufficient to reimburse ATS against any such claims, demands, judgments, or liability.

- (g) SUPPLIER shall also maintain at all times during performance of its work related to the Order adequate workers' compensation insurance to cover all of its general and special employees or contractors engaged in such work and insurance to insure against claims for injury to or death of persons or destruction or damage to property (including ATS' employees, customers and property) which may arise from SUPPLIER's actions or omissions in the performance of its work or in the design or manufacture of its products; such insurance shall specifically include contractual liability coverage.
- (h) SUPPLIER shall, at its expense, obtain and maintain, throughout the term of this Agreement and for a minimum of 3 years after the expiry (or earlier termination) of this Agreement, product liability insurance with limits of liability not less than one hundred million US Dollars (US\$100,000,000). SUPPLIER shall have its insurers provide certificates of insurance evidencing the coverage required herein, and such liability insurance certificate shall also include the following special provisions:
 - i. the insurance shall insure the contractual liability assumed by SUPPLIER under Clause 11.(h) of this Agreement;
 - ii. the insurers agree to provide ATS not less than thirty (30) days prior written notice in the event of cancellation or material change in coverage;
- (i) SUPPLIER shall cause its aforesaid insurance policies to be duly and properly endorsed by its insurance underwriters to:
 - i. contain a standard cross liability/severability of interest clause
 - ii. provide that such insurance shall be primary in all instances with respect to ATS's insurance which shall be secondary or excess at all times
 - iii. provide a waiver of subrogation rights in favour of ATS
 - iv. provide thirty (30) days prior written notice of cancellation or adverse material change in coverage.
- (j) Within thirty (30) days after the execution of this Agreement, SUPPLIER shall supply ATS with certificates of insurance evidencing the coverages and endorsements referenced above submitted to ATS-InsReceipts@ATSMRO.com.

13. ASSIGNMENT

SUPPLIER may not assign, novate or otherwise transfer any rights or obligations arising under this Agreement without prior written consent of ATS.

14. SUBCONTRACTING

No subcontracting by SUPPLIER shall be permitted without the prior written consent of ATS.

15. TERMINATION.

- (a) **DEFAULT.** ATS may terminate the Order in whole or from time to time in part in any of the following circumstances:
 - i. if SUPPLIER refuses or fails to deliver the items or any installment thereof or perform any service required by the Order strictly within the time specified herein or any extension thereof granted by ATS in writing;

- ii. SUPPLIER fails to strictly comply with any other provision of the Order, so fails to make progress as to endanger performance of the Order in accordance with its terms, or repudiates the Order;
- iii. if SUPPLIER suspends its business or becomes insolvent or subject to any law relating to bankruptcy, insolvency or relief of debtors;
- iv. if SUPPLIER breaches any provision of the Order including, without limitation, any of these General Terms and Conditions of Purchase; or
- v. SUPPLIER fails to provide assurances of performance requested by ATS. If ATS requests assurances of performance, SUPPLIER shall provide such assurances of performance in writing within seven (7) days.

In the event of such termination, ATS may purchase from third parties or manufacture itself similar items without any payment to SUPPLIER or require SUPPLIER to transfer title and deliver to ATS in the manner and to the extent directed by ATS of (i) any completed items and (ii) such partially completed items and materials, parts, tools, dies, plans, drawings, contract rights and other property and technical data as SUPPLIER has produced, acquired or used in performance of the Order. ATS' obligation to SUPPLIER and SUPPLIER's sole and exclusive remedy shall be limited to payment to SUPPLIER at the contract price for items delivered and accepted by ATS pursuant to (i) above (equitably reduced if they are nonconforming provided, however, nothing herein shall require ATS to accept and pay for nonconforming products or services), and for items delivered pursuant to (ii) above, the lesser of: (a) its fair market value, or (b) its cost to SUPPLIER.

- (b) CONVENIENCE. ATS, by written notice, may terminate the Order in whole or in part, without cause, at any time for its convenience. Upon receipt of such notice, SUPPLIER shall stop work to the extent that the Order has been terminated. If ATS terminates the Order, ATS' obligation and SUPPLIER's sole remedy is payment for the products or services received and accepted by ATS prior to the termination. Nothing in this clause shall oblige ATS to pay more than the total Order price as reduced by payments made prior to the termination.

16. SUSPENSION OF WORK.

ATS may order the suspension of all or part of the work with respect to any Order for a period of up to ninety (90) days without incurring any additional cost.

17. COMPLIANCE WITH STATUTES AND GOVERNMENT REGULATIONS.

SUPPLIER warrants that in the performance of work under the Order, it has complied with and will comply with all applicable federal, state local and foreign laws and ordinances and all lawful orders, rules and regulations thereunder, including but not limited to, all applicable environmental laws and regulations, and all FAA or applicable foreign aviation regulations, orders and other requirements (hereinafter "FAA and Foreign Requirements") directly or indirectly applicable to SUPPLIER, SUPPLIER's performance under the Order, or any goods or services provided or to be provided or performed under the Order. SUPPLIER shall indemnify and hold harmless ATS from and against all losses, costs, fees and damages arising, directly or indirectly, from any actual or alleged failure by SUPPLIER to comply with any federal, state or local statutes or other legal obligations, including without limitation all FAA and Foreign Requirements. **SUPPLIER further agrees to abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a).** These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, and for inquiring about, discussing or disclosing compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals

without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

SUPPLIER agrees to comply with the requirements of 29 CFR part 471, appendix A.

The Parties agree that the provisions appended hereto as Exhibit B are incorporated by reference into the terms of this Order, if applicable.

18. INSPECTION AND AUDIT OF BOOKS AND RECORDS.

SUPPLIER shall keep and maintain such books, records and other documents as are necessary to demonstrate its compliance with all FAA Requirements. SUPPLIER grants to ATS or its authorized representative, the right to examine those books, records, documents and other supporting data which will permit adequate evaluation of SUPPLIER's compliance with all FAA and Foreign Requirements. This right may be exercised at any time or times, on reasonable advance notice to SUPPLIER. In all subcontracts for performance of work related to the Order, SUPPLIER shall include provisions which provide ATS with the same rights and protections as provided in this clause

19. PATENT PROTECTION.

SUPPLIER shall indemnify and hold ATS harmless from, and conduct, at its own expense, the entire defense of any claim, suit or action alleging that, without further combination, the use or resale by ATS, or any subsequent purchaser or user of items delivered hereunder, directly infringes any patents of the nation in whose territory the ATS', or subsequent purchaser's or user's principal office is located, but only on the conditions that:

- (a) SUPPLIER receives written notice of such claim, suit or action and opportunity and authority to assume the defense thereof, including settlement and appeals, and all information reasonably available to ATS for such defense;
- (b) said items are made according to a specification or design furnished by SUPPLIER or,
- (c) if a process patent is involved, the process performed by the items is recommended in writing by SUPPLIER; and
- (d) the claim, suit or action is brought against ATS or a party indemnified by ATS.

Provided all of the foregoing conditions have been met, SUPPLIER shall, at its own expense, either settle said claim, suit or action or pay all damages and costs awarded by the court therein. If the use or resale of such items is finally enjoined, SUPPLIER shall, at SUPPLIER's option:

- i. procure for defendant the right to use or resell the items,
- ii. replace them with equivalent non-infringing items, or
- iii. modify them so they become non-infringing but equivalent.

20. CONFIDENTIALITY.

SUPPLIER shall protect as proprietary and keep confidential all proprietary information including but not limited to designs, processes, drawings, specifications, reports, data, and other technical or business information and the features of all parts, equipment, tools, gauges, patterns, and other items furnished or disclosed to SUPPLIER by ATS. Unless otherwise provided herein or authorized by ATS in writing, SUPPLIER shall use such information and items, and the features thereof, only in the performance of the Order; thus, SUPPLIER shall not sell, or otherwise dispose of as scrap or otherwise any completed or partially completed or defective proprietary goods without defacing or rendering such goods unsuitable for use. All intellectual properties and data supplied to SUPPLIER in electronic form is included within this provision. Upon completion or termination of the Order, SUPPLIER shall, at SUPPLIER's expense, make

such disposition of all such proprietary information, items and goods as herein required or as may be subsequently directed by ATS. SUPPLIER shall not disclose any details in connection with this Agreement to any third party without first obtaining the written consent of ATS. Advertising and promotional material must be approved in writing by ATS prior to release.

21. ORDER OF PRECEDENCE.

In the event of any conflict between these General Terms and Conditions, the Order and any other term or condition accepted by the ATS, the order of precedence shall be as follows:

(1) Special Terms and Provisions set forth on the face of the Order; (1) the Agreement and its Appendices; (3) These General Terms and Conditions of Purchase; (4) Drawings; and (5) Specifications.

22. WAIVER.

No waiver of any provision of the Order shall be valid or binding unless it is in writing, dated subsequent to the date hereof and signed by the parties hereto. No waiver of any breach, term or condition of the Order by either party shall constitute a subsequent waiver of the same or any other breach, term or condition. No failure or delay of either party in exercising any right under the Order shall operate as a waiver thereof, nor shall any partial exercise by either party of any right under the Order preclude any other or further exercise thereof or the exercise of any other right.

23. SEVERABILITY.

If any provision of the Order shall be held invalid or unenforceable, the remainder nevertheless shall remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it nevertheless shall remain in full force and effect in all other circumstances.

24. APPLICABLE LAW, FORUM, AND DISPUTES.

SUPPLIER and ATS agree that the Order shall be deemed to be made and executed in Snohomish County, Washington, regardless of the order in which the signatures of the parties shall be affixed hereto and that the Order and performance hereunder shall be governed, interpreted, and construed in accordance with the laws of Washington. SUPPLIER irrevocably consents and submits to personal jurisdiction and venue of the state of Washington, Snohomish County. Pending resolution by agreement or final judgment of any dispute, action or claim relating to or arising out of the Order, SUPPLIER will proceed diligently with performance of the Order in accordance with ATS' decision and direction.

25. EQUAL OPPORTUNITY.

For Government contracts, the parties hereby incorporate the requirements of 41 CFR Sections 60-1.4(a)(7), 60-250.5 and 60-741.5, if applicable. For commercial contracts, both ATS and SUPPLIER agree that, to the extent applicable, they will comply with Executive Order 11246 and the Vietnam Era Veterans Readjustment Assistance Act of 1974, Section 503 of the Vocational Rehabilitation Act of 1973 and also agree that these laws are incorporated herein by this reference.

26. NO PUBLICITY.

SUPPLIER agrees that it will not, nor will its officers, employees, agents, representatives or subcontractors, without the prior written consent of ATS in each instance: (i) use in advertising, publicity or otherwise the name of ATS, or its affiliates or of any director, employee or contractor of ATS or its affiliates (collectively, the "ATS Group") or any trade name, trade mark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by the ATS Group; or (ii) represent directly or indirectly, that any SUPPLIER product or service has been approved or endorsed by the ATS Group.

27. GENERAL.

The Order, the Agreement including these General Terms and Conditions of Purchase and Exhibit A and B hereto, and all attachments, exhibits, amendments or supplements whether or not specifically referenced in the Order, constitutes the complete and entire agreement between ATS and SUPPLIER concerning its specific subject matter, supersedes all prior oral or written representations, proposals and agreements concerning its specific subject matter, and may only be modified in writing, signed by the parties hereto. SUPPLIER may not assign the Order, and any assignment of the Order or any interest herein or any payment due or to become due hereunder, shall be void. SUPPLIER agrees that ATS may assign its rights and delegate its duties in whole or in part.

28. REMEDIES.

No failure or delay in exercising any right or remedy under these General Terms and Conditions of Purchase and any Order shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise of any right or remedy. The remedies provided in these General Terms and Conditions of Purchase and any Order are cumulative and are in addition to any remedies provided by law.

29. WAIVER OF JURY TRIAL.

Each party irrevocably waives trial by jury in any action or proceeding with respect to these General Terms and Conditions of Purchase and any Order or any matter arising out of or connected thereto.

30. INTERPRETATION.

The provisions of these General terms and Conditions of Purchase and any Order shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions.

31. COSTS.

In the event of any legal action between the parties arising out of or relating to these General terms and Conditions of Purchase and any Order, the substantially prevailing party shall be entitled, in addition to other rights and remedies it may have, to recover from the other party its expenses and costs with respect to such action, including its reasonable attorney's fees.

32. GRATUITIES.

SUPPLIER and its employees, agents and representatives shall not offer or pay gratuities to any employee of ATS. Failure of SUPPLIER to honor this commitment may, at ATS' option, result in termination of the Order.

33. EXPORT CONTROL COMPLIANCE

SUPPLIER shall not commit any act or cause any person in conjunction with the Order to commit any act which would violate U.S. Export Control laws, rules or regulations and the SUPPLIER shall take any and all actions within its ability to assure compliance with all such laws, rules and regulations. SUPPLIER shall not directly or indirectly, provide products or technical information from a prohibited person or country under U.S. Export Control laws or sanctions. SUPPLIER hereby confirms that:

- (a) SUPPLIER agrees to comply with all export control regulations and to obtain any required licenses or classification to export, re-export or import deliverables, and SUPPLIER agrees to comply with the U.S. Foreign Corrupt Practices Act and OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

- (b) SUPPLIER agrees not to export, re-export, resell, transfer, or disclose directly or indirectly, any products or technical data, to any proscribed person, entity, or country or foreign persons thereof on the current U.S. export exclusion lists or to any embargoed or terrorist countries as specified in the U.S. export laws or unless properly and specifically authorized by the U.S. government and/or any other applicable and/or relevant government or regulatory body.
- (c) SUPPLIER agrees to consult the Bureau of Industry and Security web page www.bis.doc.gov before exporting ATS products/data from the U.S. Upon request, ATS will provide SUPPLIER specific information regarding applicable restrictions. However, ATS assumes no responsibility for SUPPLIER's failure to obtain any necessary export approvals.
- (d) SUPPLIER agrees to fully and completely defend, hold harmless and indemnify ATS for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by ATS in connection with any violation or the laws and regulations described hereinabove by SUPPLIER.
- (e) Article 1 SUPPLIER acknowledges that this Certification shall be valid for the term of this Agreement but may be subject to recertification anytime as requested by ATS.

34. ETHICS LEGISLATION

- (a) SUPPLIER acknowledges and confirms that all amounts paid by ATS related to this Agreement shall be for actual Services rendered. Under no circumstances shall either Party, its employees, agents, or other person acting on its behalf, accept, solicit, offer, promise, give, or agree to give any money, gift, loan, or other benefit or advantage, either directly or through intermediaries, to a public official or private person for that official, private person or third party, to exert influence, act or refrain from acting in relation to the performance of official duties, in order to obtain or retain business or other improper advantage under this Agreement.
- (b) As used herein, "Public Official" or "Government Official" includes: (i)
 - i. any official, employee, or agent of, or one who is in any manner connected with, any government or government entity, including any department, agency, instrumentality of any government, government-owned entity, or government-controlled entity, or any person acting in an official capacity thereof;
 - ii. any candidate for political office, any political party or any official of a political party;
 - iii. any director, officer, or employee of a public international organization (e.g., the United Nations, the World Bank, or the International Monetary Fund); or
 - iv. any member of a royal or ruling family.
- (c) SUPPLIER shall comply with all anti-corruption laws of the country(ies)/territory(ies) where the SUPPLIER operates which are applicable to its performance under this Agreement including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the Corruption of Foreign Public Officials Act of Canada, and the Organization for Economic Co-Operation & Development Convention on Combating Bribery of Foreign Officials in International Business Transactions (collectively "Ethics Legislation").

- (d) Nothing contained herein will require ATS to make any payment directly or indirectly under this Agreement which in ATS's good faith determination violates or is inconsistent with the Ethics Legislation.
- (e) The Parties represent and warrant to each other that no agent, finder, or commercial intermediary was instrumental in arranging or bringing about this transaction and that there are no claims or rights for commissions, fees or other compensation by any person or entity claiming by, through or in connection with this transaction.

35. MISCELLANEOUS

- a) **Amendment:** No amendment to any provision of this Agreement shall be effective unless stated in writing and executed by representatives duly authorized to bind the Parties in contract.
- b) **Compliance:** SUPPLIER represents, warrants, and covenants that it shall supply all Goods in compliance with all applicable federal, provincial, international, national, state and local laws, legislation, ordinances, rules, codes, regulations and governmental agencies standards, including, but not limited to anti-bribery, labor, environmental, health and safety laws and regulations, having jurisdiction over activities relating to this PO. SUPPLIER agrees to comply with ATS's SUPPLIER Code of Ethics outlined at the following link (available upon request): <https://www.atsmro.com/about/terms-and-conditions/>
- c) **Conflicting Terms:** The terms and conditions of this Agreement shall apply to all purchase orders issued by ATS. Any general terms and conditions of sale of SUPPLIER shall not apply and shall not form part of any purchase order, even if ATS has not expressly objected to them in each individual case or SUPPLIER has declared to deliver only subject to its general terms and conditions.
- d) **Counterparts:** This Agreement may be signed by the Parties, each of which shall be deemed an original and all of which, taken together, shall constitute but one and the same document. Other printable electronic signatures (e.g., PDF file transmission) shall be deemed to have the same force and effect as an original.
- e) **Gratuities/Kickbacks:** SUPPLIER shall not offer or give a kickback or gratuity (in the form of entertainment, gifts, or otherwise) for the purpose of obtaining or rewarding favorable treatment as a SUPPLIER to ATS.
- f) **Independent Contractor:** SUPPLIER is an independent contractor of ATS. Nothing in this Agreement shall constitute SUPPLIER an employee, partner, agent of, or attorney for ATS for any purpose. Nor is SUPPLIER granted any right or authority to assume or to create any obligation or responsibility, whether express or implied, on behalf of or in representation of ATS or to bind ATS. SUPPLIER shall not hold itself out as having any authority to bind ATS.
- g) **Entire Agreement:** This Agreement contains and constitutes the entire understanding and Agreement between the Parties hereto respecting the subject matter hereof, and supersedes and cancels all previous negotiations, agreements, commitments, and writings in connection herewith. This Agreement may not be released, discharged, abandoned, supplemented, changed, or modified in any manner, orally or otherwise, except by an instrument in writing of concurrent or subsequent date signed by a duly authorized officer or representative of each of the Parties hereto.

- h) **Facility Inspection:** ATS reserves the right to perform inspections of and surveys at SUPPLIER's facilities. ATS shall also have the right to perform audit of SUPPLIERS' record pertaining to this Agreement for a period of up to twenty-four months subsequent the Expiration Date.
- i) **Headings:** The headings to this Agreement are for convenience only and shall not affect the meaning or constructions of any paragraphs.
- j) **OEM Warranty:** SUPPLIER shall assign all OEM warranties to ATS for the duration of this Agreement.
- k) **Several Liability Among Customer Affiliates:** If among the Parties to this Agreement include more than one Customer Affiliate, all obligations of the affiliates shall be several and not joint, and in no event shall an Affiliate Party have any liability or obligation with respect to the acts or omissions of any other Customer Affiliate. "Affiliate" means an entity that, directly or indirectly through one or more intermediaries: (a) Controls the Party; (b) is Controlled by the Party; or (c) is under common Control with the Party. "Control" means the power, directly or indirectly, either: (a) to vote 50% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of a corporation; or (b) to direct or cause the direction of the management and policies of such corporation, whether by contract or otherwise and the term "Controlled" will be construed accordingly.
- l) **Severability:** If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- m) **Remedies:** SUPPLIER will bear all liability relating to cost, expenses or damages incurred by ATS with regard to or caused by SUPPLIER's acts or omissions. The rights and remedies of ATS and ATS Customers and affiliates set forth herein are not exclusive and are cumulative and in additions to any other rights and remedies available to Parties at law or in equity.
- n) **Third Party Beneficiaries:** ATS and SUPPLIER have entered into this Agreement, is not intended to, and shall not create any rights in or against any third party. Furthermore, if ATS issues an order under a US government contract, SUPPLIER hereby acknowledges that any order placed by SA is solely a transaction between ATS and SUPPLIER and SUPPLIER is prohibited against pursuing any claim directly against the U.S. Government and shall not acquire any direct claim or direct course of action against the US Government except as may be expressly set forth in this Terms document with the Government Contracting Officer's express consent.
- o) **US Government Orders:** If the Goods or Services sought by ATS are related to a US Government Order, ATS shall include all applicable clauses set forth in the Federal Acquisition Regulation (FAR) and Department of Defense Federal Acquisition Regulation Supplement (DFARS), as the Government Purchasing Addendum Terms and Conditions attached to this order (hereinafter the "Addendum"). Such clauses are hereby incorporated and are applicable hereto by this reference except for those that are specially excepted by the FAR/DFARS text of each clause. Where necessary to make the context of these clauses applicable to this Agreement, the term "Contractor" shall mean "SUPPLIER", the term "Contract" shall mean this "Order," and the Terms "Government," "Contacting Officer," and equivalent phrases shall include "B&E ACR". The clauses listed shall be those in effect on the date such Order is issued

and those clauses are hereby incorporated by reference, if and only to the extent they apply to the Parts or Services provided by SUPPLIER without exception or waiver based upon the type, nature, value and location for production of the Parts procured or Services performed under this Agreement. With regard to each clause, in the event this precondition does not exist, or a waiver or exception applies as set forth in the clause or its implementing regulation, such clause shall be self-deleting. In case of conflict between the body of the Agreement and the Government Purchasing Addendum Terms and Conditions (“Addendum”), the Addendum will prevail. SUPPLIER shall include in each lower-tier subcontract the appropriate flow down Addendum clauses as required by FAR and DFARS.

REGULATION	CITATION	APPLICABILITY
52.203-13, Contractor Code of Business Ethics and Conduct	(Apr 2010) (41 U.S.C. 3509)	If the subcontract exceeds \$5,500,000 and has a performance period of more than 120 days. In altering this clause to identify the appropriate Parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.
52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009	(Jun 2010) (Section 1553 of Pub. L. 111-5)	If the subcontract is funded under the Recovery Act.
52.219-8, Utilization of Small Business Concerns	(Oct 2014) (15 U.S.C. 637(d)(2) and (3))	If the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$750,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.
52.222-21, Prohibition of Segregated Facilities	(Apr 2015)	
52.222-26, Equal Opportunity	(Apr 2015) (E.O. 11246)	
52.222-35, Equal Opportunity for Veterans	(Jul 2014) (38 U.S.C. 4212(a))	
REGULATION	CITATION	APPLICABILITY
52.222-36, Equal Opportunity for Workers with Disabilities	(Jul 2014) (29 U.S.C. 793).	

52.222-37, Employments Reports on Veterans	(Jul 2014) (38 U.S.C. 4212).	
52.222-40, Notification of Employee Rights Under the National Labor Relations Act	(Dec 2010) (E.O. 13496)	If flow down is required in accordance with paragraph (f) of FAR clause 52.222-40.
52.222-50, Combating Trafficking in Persons	(Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627). Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627)	
52.222-55, Establishing a Minimum Wage for Contractors	(E.O. 13658) (Dec 2014)	
52.225-26, Contractors Performing Private Security Functions Outside the United States	(Jul 2013) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).	
52.232-40, Providing Accelerated Payments to Small Business Subcontractors	(Dec 2013)	If flow down is required in accordance with paragraph (c) of FAR clause 52.232-40.
52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels	(Feb 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631)	If flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.