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Definitions

The term **“Seller”** shall mean Supplier, the term **“Contract”** shall mean this Contract or Purchase Order (PO), and the terms **“Buyer”**, **“Contracting Officer”**, and equivalent phrases shall mean Turning Tech Aerospace and its customer(s) under this Contract, as applicable, to fulfill the intent of such clauses.

Scope

The following are General and Quality Terms and Conditions that exclusively govern the Contract/Purchase Order. The Seller recognizes that they have taken notice of these terms and had the opportunity to negotiate them. The Contract will consist of the following documents in descending order of priority:

- The Purchase Order, including these Terms and Conditions
- The acknowledgment of receipt of the PO

Any shipment of Goods and/or performance of Services by Seller shall be deemed to be solely governed by the Terms and Conditions contained or referenced herein, except to the extent that an authorized representative of Buyer may otherwise expressly consent in writing.

Clauses

Clause 1: Orders/Change Orders

Turning Tech Aerospace acknowledges that operational flexibility is essential in dynamic manufacturing environments. Therefore, within the scope of the Purchase Order, certain modifications may be necessary to accommodate changing requirements, enhance efficiency, or address unforeseen circumstances. The following provisions outline the process and conditions under which such changes may be initiated by the Buyer, as well as the obligations of the Seller in responding to these changes. The intent is to ensure that any adjustments are managed equitably, with minimal disruption to both parties.

(A) Buyer may by written notice make changes within the general scope of the Purchase Order in any one or more of the following:

- Drawings or specifications
- Method of shipment or packaging
- Place of inspection, delivery, or acceptance
- Amount of Buyer-furnished Manufacturing Materials
- Quantities

(B) Seller shall proceed immediately to perform the Order as changed. If any such change causes a material increase or decrease in the cost of or the time required for the performance of any part of the work in the Purchase Order, except as otherwise provided, Buyer will make an equitable adjustment in the purchase price or delivery schedule, or both. Seller shall provide written notice of its intent to assert a claim within three (3) calendar days from the date of receipt by Seller of such written notice of change. Seller shall proceed with the change pending resolution of any claim for adjustment. Failure to agree to any adjustment will be resolved in accordance with **CLAUSE 21: Disputes**.

(C) Notwithstanding paragraphs (A) and (B) above, Buyer may make changes to the Purchase Order delivery schedule without cost impact provided that:

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- Buyer provides a minimum three (3) weeks' notice to Seller for any delivery schedule acceleration.
- Buyer provides a minimum three (3) weeks' notice to Seller for any delivery schedule deceleration.

Clause 2: Agreement/Acceptance/Modifications

This Contract, comprising the Purchase Order (PO) and these Terms and Conditions, represents the entire agreement between Turning Tech Aerospace (the "Buyer") and the Seller. Acceptance of the PO by the Seller implies unreserved acceptance of these Terms and Conditions. Acceptance of the PO in its entirety shall be made by the Seller in writing within three (3) calendar days of the PO's receipt unless otherwise stated in the PO. The Seller's failure to reply or acknowledge the PO within three (3) calendar days of receipt or performance of the PO shall constitute unreserved acceptance of the Contract.

Buyer is entitled to cancel any PO at no cost within three (3) calendar days following the date of sending the PO without incurring any liability whatsoever.

Any modifications to this Contract, including any additional or different terms proposed by the Seller, will only be binding if explicitly agreed upon in writing by an authorized representative of Turning Tech Aerospace. No prior dealings, course of conduct, or industry practices shall alter these terms unless formally incorporated through written consent.

All Goods and Services provided by the Seller under this Contract shall comply with the specifications, terms, and conditions set forth in the PO and these Terms and Conditions. Any shipment of Goods and/or performance of Services by the Seller shall be deemed to be governed exclusively by the Terms and Conditions contained or referenced herein, except to the extent that an authorized representative of the Buyer may otherwise expressly consent in writing.

Clause 3: Changes

Turning Tech Aerospace recognizes that modifications to parts, processes, or materials may occasionally be necessary to improve quality, efficiency, or to meet other production requirements. However, due to the critical nature of our products and their applications, it is imperative that any such changes are strictly controlled and communicated. To ensure the continued reliability and compliance of all products supplied to Turning Tech Aerospace, the following procedures must be adhered to by the Seller whenever changes are contemplated or implemented.

(A) No change that could affect fit, form, function, reliability, or radiation hardness shall be made without approval from Turning Tech Aerospace.

(B) After acceptance of this Contract, Seller shall notify Turning Tech Aerospace of any change to:

- Parts, materials, and their composition
- Fabrication methods or processes
- Special processes suppliers
- Acceptance methods or procedures
- Manufacturing location

Notification shall occur prior to implementation of any changes, and Turning Tech Aerospace at its discretion reserves the right to reject any or all of these changes or to request process re-validation (typically through a Delta FAI for aerospace use). On no account shall any changes as outlined above occur without written approval by Turning Tech Aerospace.

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Clause 4: Stop Work

Turning Tech Aerospace may, at any time, by written notice to the Seller, require the Seller to stop all or any part of the work called for by this Contract for a period of up to 90 days after the notice is delivered to the Seller ("Stop Work Order"). Upon receipt of the Stop Work Order, the Seller shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the Stop Work Order, Turning Tech Aerospace shall either:

- (a) Cancel the Stop Work Order and direct the Seller to resume work; or
- (b) Terminate the work covered by the Stop Work Order in accordance with the termination provisions of this Contract.

If the Stop Work Order is canceled or the period of the Stop Work Order expires, the Seller shall resume work. Turning Tech Aerospace shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be modified in writing accordingly if:

- (i) The Stop Work Order results in an increase in the time required for, or in the Seller's cost properly allocable to, the performance of any part of this Contract; and
- (ii) The Seller asserts its right to an adjustment within 20 days after the end of the period of work stoppage.

If the work covered by the Stop Work Order is terminated, Turning Tech Aerospace shall pay the Seller for work completed prior to the Stop Work Order and any reasonable costs incurred in compliance with the Stop Work Order. No other compensation shall be due to the Seller.

Clause 5: Termination for Convenience

Turning Tech Aerospace (the "Buyer") reserves the right to terminate this Contract, in whole or in part, at any time for its convenience by providing written notice to the Seller. Upon receipt of such notice, the Seller shall immediately cease work on the terminated portion of the Contract and take all reasonable steps to mitigate costs associated with the termination.

In the event of such termination, the Buyer shall pay the Seller for all work performed and materials delivered up to the date of termination, as well as reasonable costs incurred directly as a result of the termination. However, under no circumstances shall the Seller be entitled to any amount for lost profits, unabsorbed overhead, or for any anticipated but unperformed work.

The Seller shall submit a termination claim to the Buyer within thirty (30) days after the effective date of termination, or within such other period as may be agreed upon in writing. The Buyer and Seller shall negotiate in good faith to determine the amount due to the Seller as a result of the termination, with the Buyer's liability being limited to the amounts agreed upon in writing.

This clause shall not apply if the Contract is terminated for cause due to the Seller's default or failure to perform in accordance with the terms of the Contract.

Clause 6: Termination for Default

Turning Tech Aerospace (the "Buyer") reserves the right to terminate this Contract, in whole or in part, if the Seller fails to comply with any of the terms and conditions of the Contract, including, but not limited to, failure to deliver the goods or services within the specified time, failure to comply with specifications or quality requirements, or failure to make progress so as to endanger performance of the Contract.

In the event of such default, the Buyer shall provide the Seller with a written notice specifying the nature of the default and providing the Seller with a period of 15 days to cure the default to the satisfaction of

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the Buyer. If the Seller fails to cure the default within the specified time, or if the default is not capable of being cured, the Buyer may terminate the Contract in whole or in part by providing written notice of termination to the Seller.

Upon such termination, the Buyer shall have the right to:

1. Procure substitute goods or services from a third party and charge the Seller for any excess costs incurred, and/or
2. Require the Seller to deliver any completed or partially completed goods or services, with compensation to be determined based on the portion of the Contract successfully completed.

The Seller shall be liable for any and all damages, including but not limited to the cost of cover, reprocurement, and any other expenses incurred by the Buyer as a result of the Seller's default. The Buyer's rights and remedies under this clause are in addition to any other rights and remedies provided by law or under this Contract.

If it is determined that the Seller's failure to perform was excusable under the terms of the Contract, such as due to causes beyond the Seller's control and without the Seller's fault or negligence, the termination shall be treated as a Termination for Convenience in accordance with the respective clause.

Clause 7: Force Majeure

Neither Turning Tech Aerospace (the "Buyer") nor the Seller shall be liable for any failure to perform, or delay in performance of, any obligation under this Contract if such failure or delay is caused by an event beyond the reasonable control of the affected party and without the fault or negligence of that party ("Force Majeure Event"). Such events may include, but are not limited to, acts of God, natural disasters, fire, flood, earthquake, pandemic, war, terrorism, civil unrest, governmental actions, labor disputes, strikes, lockouts, or shortages of transportation, fuel, energy, labor, or materials.

The party affected by a Force Majeure Event shall:

1. Notify the other party in writing as soon as reasonably practicable, providing details of the Force Majeure Event, its anticipated duration, and the extent to which the party's performance is affected.
2. Take all reasonable steps to mitigate the impact of the Force Majeure Event on the performance of its obligations under the Contract.
3. Resume performance of its obligations under the Contract as soon as reasonably practicable after the cessation of the Force Majeure Event.

If the Force Majeure Event continues for a period exceeding 60 days, either party may terminate the Contract upon written notice to the other party without liability, except for payment for goods and services delivered or performed prior to the Force Majeure Event.

This clause does not excuse either party's obligation to make payments due under the Contract for goods or services already received, nor does it apply to obligations that arose before the occurrence of the Force Majeure Event.

Clause 8: Buyer Furnished Manufacturing Materials

Turning Tech Aerospace (the "Buyer") may furnish the Seller with materials, components, tooling, equipment, or other items necessary for the performance of this Contract ("Buyer Furnished Materials"). The Seller acknowledges that these materials are provided solely for the purpose of fulfilling this Contract and shall remain the property of the Buyer at all times.

The Seller agrees to:

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1. Inspect all Buyer Furnished Materials upon receipt and promptly notify the Buyer in writing of any shortages, defects, or discrepancies. Failure to provide such notice within 10 days of receipt shall constitute acceptance of the Buyer Furnished Materials as received.
2. Use the Buyer Furnished Materials only for the performance of this Contract and in accordance with the Buyer's instructions. The Seller shall not substitute any other material without the Buyer's prior written consent.
3. Exercise due care and take all necessary precautions to safeguard and protect the Buyer Furnished Materials from loss, damage, theft, or deterioration. The Seller shall maintain the Buyer Furnished Materials in good condition, reasonable wear and tear excepted, and shall be liable for any loss or damage resulting from improper handling, storage, or use.
4. Return any unused Buyer Furnished Materials or, at the Buyer's option, dispose of them as directed by the Buyer upon completion or termination of the Contract. The Seller shall be responsible for any costs associated with such return or disposal.
5. Keep accurate records of the use and disposition of Buyer Furnished Materials and make such records available to the Buyer upon request.

In the event that the Buyer Furnished Materials are found to be defective or unsuitable for use, and such condition is not due to the fault or negligence of the Seller, the Buyer shall, at its option, replace the defective materials or provide an equitable adjustment to the Contract price and/or delivery schedule. The Seller's sole remedy for any delay caused by defective or late delivery of Buyer Furnished Materials shall be an extension of the delivery schedule, subject to the Buyer's approval.

The Seller shall not be liable for any delay in delivery or failure to perform caused by the Buyer's failure to furnish Buyer Furnished Materials in a timely manner, provided that the Seller has given prompt notice to the Buyer of the need for such materials.

Clause 9: Quality Requirements**(A) Product and Service Requirements**

The processes, products, and services to be provided, including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions) are stated or referenced within the item description directly on each Purchase Order. This includes any special requirements.

In the event of conflicts between documents referenced in this Purchase Order, the order of precedence shall be as follows:

1. Purchase Order
2. Drawings
3. Specifications

(B) Approvals

All parts and materials supplied under this Purchase Order are subject to final acceptance and approval at Turning Tech Aerospace' Incoming Inspection upon receipt. Approvals of methods, processes, and equipment for production or service provision will be in the form of acceptance of First Article Inspection Reports from the supplier, for aerospace end-use. Ref. Clause 9 (O).

(C) Certificate of Conformance

A Certificate of Conformance (C of C) is required with each shipment for approval of products and services and shall include:

- Manufacturer/Processor Name
- Manufacturer/Processor Address
- Turning Tech Aerospace company name and address
- Unique C of C Number
- Purchase Order Number and Revision (if applicable)

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- Manufacturer part number and Revision Level
- Manufacturer Serial Number(s) (if applicable)
- Reference Drawing Number and Revision Level
- All applicable specifications and revisions used
- Quantity
- Date Code or Batch Number or Heat Number (if applicable)
- Shelf Life expiry date (if applicable)
- Reference to all other associated Certifications by their number and Manufacturer Names
- Statement of conformity, confirming that all parts/services were provided in accordance with all Purchase Order requirements and applicable specifications.
- Signature by the Head of Quality Control (or other Quality Authorized and Designated Official)

(D) Traceability

Supplier must ensure that all items on this procurement are traceable to the source of origin by lot or batch numbers, and this traceability number reflected on the Certificate of Conformance. If the supplier is a distributor, the distributor shall provide their own C of C, in addition to the original manufacturer Certificate of Conformance/Analysis and/or Test. If additional distributors are used, their C of Cs are also required, so that traceability is demonstrated from the source of origin.

(E) Certificate of Analysis

When applicable, the supplier shall provide a Certificate of Analysis (C of A). It must be authenticated, showing the degree of compliance of physical property test results, together with certification of chemical composition.

(F) Certificate of Test

When applicable, the supplier shall provide a Certificate of Test (C of T) or Material Test Report (MTR). It must be an authenticated Test Report for each heat lot of material, showing the degree of compliance with applicable:

- Tensile strength
- Material hardness
- Shear
- Chemical and/or metallurgical composition
- Dimensional requirements

(G) Release of Products and Services

All products and services shall be inspected prior to release to Turning Tech Aerospace. Inspection shall be performed based on applicable quality requirements flowed down from Turning Tech Aerospace' customer. This may include the use of statistical techniques. If no inspection requirements are defined, the standard ANSI Z1.4 acceptance C=0 level shall be used for aerospace or nuclear end-use. For other use products/services, the supplier shall use their own approved inspection plan. Results of these inspections shall be retained as per record retention requirements defined herein and referred to as "Inspection Data".

(H) Inspection Data Review

Inspection Data (e.g., MTR / C of T / C of C / C of A, Inspection Reports) review and approval by Turning Tech Aerospace prior to shipment is a requirement on this Purchase Order. Supplier shall submit the Inspection Data by email to: info@turningtechaero.com at least three (3) working days prior to the delivery date. Supplier must obtain authorization to ship from Turning Tech Aerospace prior to shipment. Any breach may result in a rejection and/or return of deliverables to the supplier.

(I) Right of Access and Inspection

Turning Tech Aerospace (Buyer) reserves the Right of Access by the organization, their customer, and Regulatory Authorities to all facilities involved in the Purchase Order and to all applicable documented

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information (at any level of the supply chain). Buyer, its customers, any other higher tier contractor, or duly empowered public authorities, may access any document, audit, supervise or examine the work to be performed under the Contract/PO. Seller shall assist and grant Buyer access to its premises as well as its sub-contractors' premises. At Buyer's request, Seller shall maintain a safe environment and appropriate inspection quality system. Any costs incurred by this supervision and any measures required shall be borne by Seller. Seller undertakes to provide all information, facilities, and assistance necessary to Buyer during the inspection. Buyer shall be entitled to inspect Goods and/or Services referenced in the PO at all reasonable times and places, from acceptance of the PO to the shipment of the Goods. The right of inspection covers without limitation: materials, components, work in process, documents, etc.

(J) Customer Designated Sources

The Supplier shall use only Turning Tech Aerospace or its customer-designated sources or approved external providers, where available from approved vendor listings. The use of these sources does not alleviate the Supplier from completing its own sub-tier evaluations and control.

(K) Special Processes

The Supplier and all sub-tier suppliers must be approved by Turning Tech Aerospace or its customer for special processes performed as part of this Purchase Order, if for aerospace or nuclear end-use. For aerospace use, NADCAP Certification may be required, and will be called out on the Purchase Order. If the supplier wishes to use a special process supplier not approved by Turning Tech Aerospace, authorization must be requested in writing and approved by Turning Tech Aerospace prior to use of that supplier.

(L) Flow-down Requirements

The Supplier shall ensure that all applicable customer requirements, special requirements, critical items, and key characteristics are flowed down to all sub-tier suppliers that may be used in executing the requirements of this Purchase Order.

(M) Interaction and Control and Monitoring of Performance

Turning Tech Aerospace encourages open communication with each supplier and will continuously build and maintain our supplier relationships. Turning Tech Aerospace will monitor supplier quality performance and on-time delivery, as well as the level of supplier risk. When expected supplier performance becomes sub-standard, results will be communicated directly to the supplier, and corrective actions requested when necessary to improve this performance.

(N) Foreign Object Damage (FOD)

Supplier shall ensure that all goods delivered to Turning Tech Aerospace are manufactured in an environment with a sufficient contamination control process to prevent parts from being contaminated by foreign material. For aerospace and nuclear goods, a Foreign Object Damage (FOD) Prevention Program shall be implemented by the supplier, following AS9146 – FOD Prevention Program requirements as a guideline.

(O) First Article Inspection (FAI) / Delta FAI

The supplier shall perform a First Article Inspection (FAI) that conforms to the requirements of AS9102 - Aerospace First Article Inspection Requirement on the first production part delivery. This process shall be repeated when changes occur that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes), and a Delta FAI shall be submitted.

(P) Non-conforming Product and Disclosure

The supplier must notify Turning Tech Aerospace of non-conforming product in advance of its shipment. The supplier must formally request Turning Tech Aerospace to provide a disposition of the non-conforming product prior to shipment; the decision on disposition may be made after examination of the product. A formal Corrective Action must be submitted to Turning Tech Aerospace. If the Supplier

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anticipates or becomes aware of any non-compliance affecting delivered products and/or performed services, the supplier shall notify Turning Tech Aerospace immediately (within 24 hours). Supplier must issue a formal notice titled: "Notification of Escapement" with detailed information identifying the delivered product batches and/or performed services likely to be affected, specifying the nature of the non-compliance, the consequences thereof, and a list of other customers also informed. An 8D Form, as per AS13001 – 8D Problem Solving Requirements for Suppliers must be completed and submitted to Turning Tech Aerospace within 48 hours of detection.

(Q) Concession Requests

On a very exceptional basis, the Buyer agrees to examine requests made by the Seller during the manufacture of a Product and/or performance of a Service for special concessions with respect to the technical specifications and/or the definition. Such requests must reach the Buyer upon the non-conformity being discovered, accompanied by all supporting documents necessary to assess the concession request. If a concession is granted, any obligations on the Buyer as a result thereof, such as replacement of the Product and/or modification of the Service, and expenses arising therefrom, will be borne in full by the Seller. The Buyer reserves the right to demand a price reduction and compensation for any other additional costs, charges, or amounts incurred by the Buyer for assessing the concession request. The granting of a concession will not discharge the Seller from its obligations or responsibilities, notably with respect to meeting delivery deadlines.

(R) Shelf Life

Applicable Items procured per this Purchase Order must arrive at Turning Tech Aerospace with not more than 20% of their specified shelf life expended.

(S) Critical Items and Key Characteristics (KCs)

When Critical Items or Key Characteristics are defined on the model/drawings/specifications or Purchase Order, the supplier shall plan, implement, and control processes, appropriate to the organization and the product, for the management of Key Characteristics and Statistical Process Control (SPC) that conforms to the requirements of AS9103 - Variation Management of Key Characteristics. Dimensional Inspection Report for Key Characteristics/features is to be included as deliverable paperwork along with finished goods. These identified KCs require inspection on all parts delivered and need to be reported as actual (measured) data and uniquely identifiable for each part on the Report(s).

(T) Product Safety

Supplier shall plan, implement, and control the processes needed to assure product safety during the entire product life cycle. Risk evaluation and mitigation for the product shall include, but are not limited to, the product during manufacturing/processing, testing, storage, handling, and transportation. The safety of the personnel, test equipment, fixture, and environment shall also be considered. Supplier shall ensure awareness of the importance of and contribution to Product Safety for all employees.

(U) Ethical Behaviour

Supplier shall not engage in any form of corruption, bribery, anti-competitive agreements, or other unfair business practices. Awareness of ethical behavior in processing/production for assurance of product safety is paramount. Supplier shall assure its employees' awareness and compliance with these principles, take appropriate action in any instances of infraction of which they become aware, and take effective action to prevent such infractions from recurrence.

(V) Contribution to Product/Service Conformity

Supplier shall ensure awareness of the contribution to product/service conformity for all employees. Implications of not meeting customer requirements and non-conforming products/services received by the end-user shall also be considered.

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(W) Qualification of Employees

Supplier shall ensure the use of competent employees based on qualification, training, and experience as required to fulfill production and special process activities. Qualifications will be based on Certification requirements from Third Parties where applicable, such as for Welding, NDT, Heat-Treat, Chemical Processing, etc. For aerospace end-use, a valid NADCAP Certification is a requirement for any special process.

(X) Quality Management System

Supplier shall implement and maintain an effective quality management system that meets the quality requirements of this Purchase order. The Supplier shall have a Quality Manual to establish the control of processes and products that affect the product or the product realization process, for airworthy or nuclear products.

(Y) Test Specimens

If applicable to the PO, the Supplier shall provide test specimens for approval, inspection/verification, investigation, or auditing purposes, as requested by Turning Tech Aerospace, or for design approval by its customer(s).

Clause 10: Suspect/Counterfeit Parts

Supplier shall supply products/services that are not and do not contain suspect or counterfeit parts.

(A) The supplier shall plan, implement and control processes, appropriate to the organization and the product/service, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in products delivered to Turning Tech Aerospace. The methodology of AS6174 (mechanical parts) and/or AS5553 (electronics parts) may be used as an implementation guide.

(B) A suspect item is an item in which there is an indication by visual inspection, testing, or other information that it may not conform to established government or industry-accepted specifications or national consensus standards. A counterfeit item is any item that is a copy or substitute without legal right or authority to do so, or one whose material, performance, characteristics, or identity does not appear to be authentic. The term also includes an approved product that has reached a design life limit or has been damaged beyond possible repair but is altered and deliberately misrepresented as acceptable. Failure by the supplier to document material substitution or identify that an item has been refurbished or remanufactured is considered fraud, and the item then becomes suspect and/or counterfeit.

(C) If it is determined by Turning Tech Aerospace that a suspect or counterfeit part has been supplied, the Supplier will impound the items pending a decision on disposition. The Supplier shall replace such items with items acceptable to Turning Tech Aerospace and shall be liable for all costs relating to the impoundment, removal, and replacement. The remedies contained in this paragraph are in addition to any remedies Turning Tech Aerospace may have at law, equity, or under other provisions herein. Turning Tech Aerospace may also notify the applicable Government representatives and reserves the right to withhold payment for the items pending results of the investigation.

Clause 11: Warranty

The Seller warrants that all goods and services provided under this Contract shall:

1. Conform to all specifications, drawings, samples, and descriptions furnished or adopted by Turning Tech Aerospace (the "Buyer") and shall meet all requirements of the Purchase Order.
2. Be free from defects in design, material, and workmanship, and shall be of the highest quality and fit for their intended purpose.
3. Be new and not contain any used or reconditioned parts unless otherwise specified or approved in writing by the Buyer.

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4. Comply with all applicable laws, regulations, industry standards, and codes in effect at the time of delivery.

The warranty period shall extend for a minimum of 12 months from the date of acceptance by the Buyer or for the duration specified in the Purchase Order, whichever is longer. If any goods or services fail to conform to the warranties set forth herein, the Buyer, at its option, may:

1. Require the Seller to promptly repair or replace the non-conforming goods or re-perform the services at no additional cost to the Buyer;
2. Return the non-conforming goods to the Seller at the Seller's expense and obtain a full refund or credit;
3. Repair or replace the non-conforming goods or re-perform the services and charge the Seller for all costs incurred by the Buyer in doing so;
4. Obtain substitute goods or services from a third party and charge the Seller for any additional costs incurred.

All repairs, replacements, or re-performance under this warranty shall be subject to the same warranty terms as the original goods or services, with the warranty period extended accordingly.

The Seller shall be liable for all costs associated with the repair, replacement, or re-performance of non-conforming goods or services, including transportation, labor, and materials. The Seller shall also bear the risk of loss or damage to the goods until they are accepted by the Buyer.

The warranties provided herein are in addition to any other warranties, express or implied, available under law. The Seller's warranties shall survive inspection, testing, acceptance, and payment by the Buyer, and shall not be deemed waived by reason of the Buyer's acceptance of the goods or services or by any other act or omission.

Clause 12: Intellectual Property Rights & Indemnity

1. Ownership of Intellectual Property

All intellectual property, including but not limited to patents, trademarks, copyrights, trade secrets, designs, know-how, and any other proprietary rights, created, developed, or acquired by Turning Tech Aerospace (the "Buyer") in connection with this Contract shall remain the sole and exclusive property of the Buyer. The Seller shall not acquire any rights, title, or interest in any intellectual property owned or controlled by the Buyer unless explicitly stated in writing.

2. Work for Hire

Any and all work, including but not limited to designs, inventions, discoveries, developments, or improvements, whether patentable or not, that are conceived, created, or developed by the Seller, either solely or jointly with others, in the course of performing this Contract, shall be considered "work for hire" and shall be the exclusive property of the Buyer. The Seller agrees to assign, and hereby assigns, all rights, title, and interest in such work to the Buyer. The Seller shall execute any documents necessary to perfect the Buyer's ownership of such intellectual property.

3. Use of Buyer's Intellectual Property

The Seller is granted a limited, non-exclusive, non-transferable, and revocable license to use the Buyer's intellectual property solely for the purpose of fulfilling the obligations under this Contract. The Seller shall not use, disclose, or reproduce any of the Buyer's intellectual property for any other purpose without the prior written consent of the Buyer.

4. Third-Party Intellectual Property

The Seller warrants that the goods and services provided under this Contract do not infringe

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upon any intellectual property rights of any third party. The Seller shall indemnify, defend, and hold harmless the Buyer, its affiliates, and their respective directors, officers, employees, and agents from and against any and all claims, damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or in connection with any claim of infringement or alleged infringement of any third-party intellectual property rights related to the goods or services provided under this Contract.

5. Confidentiality and Protection of Intellectual Property

The Seller shall maintain the confidentiality of all intellectual property and proprietary information provided by the Buyer in connection with this Contract. The Seller shall not disclose, use, or permit the use of such intellectual property or information for any purpose other than as required for the performance of this Contract, and shall take all necessary precautions to protect such intellectual property from unauthorized use, disclosure, or reproduction.

6. Survival of Obligations

The obligations of the Seller under this Intellectual Property clause shall survive the termination or completion of this Contract.

Clause 13: Books and Records

(A) The Seller shall maintain complete and accurate books and records pertaining to the products and/or services provided under this Purchase Order.

(B) Unless otherwise specified in the Purchase Order, the Seller is required to retain all records related to this Purchase Order for a minimum period of twelve (12) years. These records include, but are not limited to, production records, inspection and testing records, quality control documents, and any other documentation relevant to the goods or services provided.

(C) The Seller shall not destroy any such records prior to the expiration of the retention period without the prior written consent of Turning Tech Aerospace. If destruction is authorized, it must be carried out in a secure manner, which includes shredding of paper records and, for electronic data, permanent deletion or physical destruction of storage devices (e.g., hard drives).

Clause 14: Prices, Payments, and Discount

1. Prices

The prices stated in the Purchase Order are firm and shall not be subject to any variation or adjustment unless expressly agreed upon in writing by Turning Tech Aerospace (the "Buyer"). The Seller warrants that the prices charged for the goods and services under this Contract are the lowest prices charged to any other customer for similar quantities under comparable terms and conditions. If the Seller offers a lower price to any other customer, the Seller shall immediately apply that lower price to the Buyer.

2. Payments

Payment terms are as specified in the Purchase Order. Unless otherwise agreed in writing, the Buyer shall make payment within 30 days from the later of (i) the date of receipt of the Seller's valid invoice, or (ii) the date of acceptance of the goods or services by the Buyer. All invoices must reference the Purchase Order number, itemize the goods or services provided, and be supported by appropriate documentation as required by the Buyer.

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Payment by the Buyer shall not constitute acceptance of any goods or services, nor shall it waive any of the Buyer's rights under this Contract. The Buyer reserves the right to withhold payment for any non-conforming goods or services or for any disputed amounts until such issues are resolved to the Buyer's satisfaction.

3. Discounts

Any cash discounts offered by the Seller shall be clearly stated in the Purchase Order and shall be calculated from the date of receipt of the invoice or the date of acceptance of the goods or services, whichever is later. The Buyer shall be entitled to take advantage of any early payment discounts, and such discounts shall be applied to the total amount due under the invoice.

4. Set-Off

The Buyer reserves the right to set off any amounts owed to the Seller against any amounts owed by the Seller to the Buyer under this or any other agreement.

5. Taxes and Duties

Unless otherwise specified in the Purchase Order, the prices are inclusive of all applicable taxes, duties, and other governmental charges. If the Seller is required to charge any additional taxes or duties, such charges must be itemized separately on the invoice and must be in accordance with applicable laws.

6. Currency

All prices and payments shall be in the currency specified in the Purchase Order. If no currency is specified, the prices and payments shall be in Canadian Dollars.

Clause 15: Invoicing, Packaging, and Shipping

All Goods to be delivered hereunder shall be packaged to ensure safe arrival at their destination, to secure the best transportation means and to comply with the applicable local laws and with requirements of common carriers. Seller shall ensure that goods are shipped with:

- The documents in compliance with all applicable standards and regulations at the date of delivery
- The certificate of conformity in compliance with Buyer's instructions
- The necessary documentation for the proper use, storage, and maintenance thereof, shipping memos, or packing list
- And more generally any document required by Buyer

Those documents along with the appropriate duplicates must be placed in a sealed transparent envelope attached to the outside of the package or in one of the packages if there is more than one. Buyer's count or weight at delivery shall be final and conclusive on shipments.

Clause 16: Delivery

1. Delivery

Timely delivery is of the essence for this Contract and must strictly comply with the schedule and quantities specified in the Purchase Order (PO). All goods listed in the PO shall be delivered to the location specified therein.

2. Delays

If the Seller encounters or anticipates any difficulty in meeting the delivery schedule specified in the PO, the Seller shall immediately notify the Buyer in writing. This notification must include

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pertinent details, the reasons for the delay, actions being taken to overcome or minimize the delay, and a proposed recovery schedule. Such information shall be for the Buyer's consideration only and shall not be construed as a waiver by the Buyer of any delivery schedule, date, rights, or remedies provided by law or under this Contract.

3. Failure to Meet Delivery Schedule

If the Seller fails to meet the scheduled delivery dates, and the Buyer requires expedited shipments to minimize delays, the Seller shall bear the additional costs associated with such expedited shipments. Unless otherwise agreed by the Buyer, the Seller shall compensate the Buyer for delays in delivery of goods and/or performance of services. The compensation shall be calculated based on the number of calendar days (or part thereof) the delivery is late, at a rate of one-half percent (0.5%) of the value of the delayed goods and/or services per delayed day, unless otherwise agreed upon in writing between the Buyer and Seller. The Seller agrees that this compensation is a genuine pre-estimate of the loss suffered by the Buyer due to late delivery or performance.

4. Overshipments

Goods shall not be supplied in advance of the Buyer's schedule or in excess of the quantities and shipping tolerances, if any, specified in the PO unless authorized in writing by the Buyer. Any such goods delivered in excess shall remain at the Seller's risk. The Seller shall be liable for handling charges and return shipment costs for any excess quantities. Unless the Seller agrees to cover these costs, ownership of the overshipped quantity will be transferred to the Buyer at no additional cost. The Buyer is under no obligation to notify the Seller of any overshipments.

5. Advanced Shipment

The Seller shall not deliver goods or perform services prior to the scheduled delivery dates unless authorized in writing by the Buyer. The Buyer reserves the right, without losing discount privileges, to pay invoices covering goods shipped in advance of the schedule after the specified delivery date, and only after successful acceptance testing has been completed by the Buyer.

6. Title

Except where an express reservation of ownership clause is accepted and signed by the Buyer, ownership of the goods and/or services will transfer upon acceptance of the PO by the Seller.

Clause 17: Hazardous Material

Supplier certifies it is in compliance with any federal, provincial, or state laws, including but not limited to the U.S. Occupational Safety and Health Act of 1970 (OSHA) or the Canadian Hazardous Products Act as applicable. Furthermore, if the Articles purchased herein are considered toxic or hazardous as defined in the above set of regulations, Seller/Supplier shall provide a copy of the Safety Data Sheet (SDS) with each shipment or as otherwise specified on the Purchase Order.

Clause 18: Indemnification

Replacement of rejected Goods and rework of Services. At Buyer's request, Seller shall:

- (i) Repair or replace defective Goods as soon as possible at its own expense, and/or
- (ii) Rework defective Services as soon as possible at its own expense, without prejudice to Buyer's rights to indemnification by Seller for all suffered damages. Seller must issue a new invoice for the replaced Goods and/or reworked Services. Warranty on the replaced or repaired Goods will begin upon

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their acceptance. Late delivery payment will commence from the acceptance of the replaced or repaired Goods and/or the reworked Services.

Seller must take appropriate corrective actions as quickly as possible in the event of serious and/or repeated noncompliance. At the same time, Seller must take all measures to honor the PO with Goods and/or Services that comply with the PO specifications. All costs for checking or supervision performed by Buyer and/or a third party empowered by Buyer will be borne by Seller.

Clause 19: Assignment and Subcontracting (Outsourcing)

(A) Supplier shall not assign the Contract or the PO or any obligations under the Contract, or subcontract for completed or substantially completed Goods and/or Services purchased under the PO without the prior written consent of Buyer (Turning Tech Aerospace). Any such consent to sub-contract shall not relieve Seller of any obligation to comply with the Contract or any PO. This limitation shall not apply to the purchase by Seller of standard commercial supplies or raw materials.

(B) Supplier shall select subcontractors (including supplies) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the PO, if Turning Tech Aerospace or its customer-approved designated sources are indicated.

Clause 20: Control of DPD

(A) Where Boeing build-to-print Digital Product Definition (DPD) / MBD (Model Base Definition) is the design authority, and datasets or dataset derivatives are used for manufacturing or product acceptance, suppliers are responsible for compliance with the applicable sections of Boeing's D6-51991 – Quality Assurance Standard for DPD at Boeing Suppliers; link: <http://www.boeingsuppliers.com/>

(B) Supplier is responsible for encryption protection for sending/receiving electronically transmitted DPD / MBD data.

(C) Supplier has to maintain records of sub-tier DPD capabilities (equipment and process).

(D) Supplier has a documented process to ensure sub-tier supplier's inspection planning is compliant when used to accept Boeing product.

(E) Supplier has a documented process to ensure sub-tier datasets are verified when translations occur.

(F) Turning Tech Aerospace as well as our customers (ex: Boeing) reserve the right to survey and/or review the DPD quality assurance and configuration management systems of the supplier. This may be in the form of an audit or completion of a supplier questionnaire.

(G) Supplier shall abide by all applicable Controlled Goods, ITAR, MLA, MA, TAA, and EAR requirements.

Clause 21: Raw Material Origin

All raw materials furnished or incorporated in the final product by the supplier should strictly originate from Canada, USA, or DFARS compliant countries (per DFARS 252.225.7012) when specified on Purchase Order. Turning Tech Aerospace reserves the right to accept raw material originating from other sources which are on Turning Tech Aerospace's approved suppliers list. Supplier shall then obtain written authorization from Turning Tech Aerospace to use this source.

Clause 22: Tooling and Data

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In case Buyer provides to Seller tooling and/or data (such as but not limited to processes, know-how, special dies and patterns), materials, or supplies (hereafter the "Tooling and Data") for the performance of the PO, such Tooling and Data will be stored by Seller under its supervision. These Tooling and Data must be solely used for the performance of the PO. Seller takes all risk and liability of such Tooling and Data and shall subscribe to any relevant insurance for loss or damage thereto, except for normal wear and tear, and shall furnish proof of such insurance on Buyer's request. Seller shall supply to Buyer detailed statements of inventory of such Tooling and Data upon request of Buyer. Seller shall maintain and refurbish all Tooling and Data at its own cost. These Tooling and Data shall remain Buyer's property and must be identified as such by Seller with permanent markings or small plaques. Any Tooling and/or Data which is at Seller's disposal for the purpose of performance of the PO shall remain subject to the foregoing restrictions on use, reproduction, and disclosure. Buyer may, at any time, reimburse Seller for the cost of part or all special tooling paid for by Seller, and upon payment, Buyer shall become the owner thereof and shall be entitled to possession at the completion of the PO, or at such earlier date as the Parties may agree. Tooling and Data shall be subject to removal at any time without additional cost upon Buyer's request. Upon termination of the Contract and upon written request of Buyer, Seller shall either return Tooling and Data received under the Contract to the Buyer or certify that all Tooling and Data and all copies thereof have been destroyed.

Clause 23: Government Contracts

(A) If a PO is issued under a Government prime contract or subcontract, the clauses listed in attachments to the PO are incorporated herein by reference, and the terms and conditions thereof shall be controlling over any conflicting terms and conditions set forth herein. The term "Contractor" shall mean Seller, the term "Contract" shall mean this Contract, and the terms "Government", "Contracting Officer", and equivalent phrases shall mean Buyer, as applicable, to fulfill the intent of such clauses.

(B) Where Government source inspections are required in accordance with the terms of this order, Supplier must provide at least five (5) working days' notice by contacting Turning Tech Aerospace (Buyer), whose name appears on the Purchase Order.

Clause 24: Obsolescence

Obsolescence shall be the characteristic of products, any part of the products, and/or services, which has been taken out of production and cannot be purchased on the market, or the use of which has been announced as being or to be restricted, forbidden by an Aviation Authority notice or a Service Bulletin (hereinafter "Obsolescence"). In case of Obsolescence, Seller shall source, at no cost and without operational impact to Buyer, a suitable replacement for the said obsolete products and/or services. This replacement shall be made available without disrupting or discontinuing Buyer provisioning and be interchangeable in fit, form, function, and, if applicable, aesthetics. Seller shall notify Buyer of the risk of obsolescence as soon as Seller has knowledge of such risk. Seller will do its best efforts to take back all obsolete stocks already paid for by Buyer.

In some cases, approval from the design authority (Turning Tech Aerospace' customer) may be required before an item can be replaced as obsolete. The Seller shall notify the Buyer immediately of the obsolescence so that Turning Tech Aerospace can seek this approval without disruption to the production and deliveries of products/services to our customer(s).



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Revision	Description	Process Owner Approval:	Technical Operations Manager Approval:
A	Initial Release	Thomas Squires	Ankur Patel