

TERMS AND CONDITIONS OF PURCHASE OF GOODS AND SERVICES

VERSION 2.1; APRIL, 2017

1. OFFER AND ACCEPTANCE; ORDER OF PRIORITY.

(a) The purchase order (the “*P.O.*”) to which these terms and conditions (these “*Terms*”) are attached constitutes an offer by Wesco Aircraft EMEA, Ltd. (“*Wesco*”) (“*Buyer*”) to the supplier named in the P.O. (“*Supplier*”) to purchase the goods (the “*Goods*”) and/or services (the “*Services*”) specified in the P.O. under the terms and conditions specified in the P.O. and these Terms. Supplier accepts Buyer’s offer upon the earlier of sending an acknowledgment of receipt of the P.O. or Supplier taking steps to supply the Goods and/or Services. Buyer hereby objects to and rejects any different, additional and/or supplementary terms and conditions set forth in Supplier’s communications including, without limitation, those set forth in Supplier’s bid, quotation, acknowledgment or invoice, provided, however, that the P.O. may expressly incorporate by reference certain portions of Supplier’s bid or quotation materials and such referenced portions shall be a part of this agreement between Buyer and Supplier. If, notwithstanding the foregoing, the P.O. and these Terms are construed to be an acceptance, Buyer’s acceptance is expressly conditioned on Supplier’s agreement to the P.O. and these Terms as the sole and exclusive statement of the contract between Buyer and Supplier with respect to the Goods and Services specified in the P.O.

(b) The agreement between Buyer and Supplier consists of the P.O., Flow-Down Clauses (referred to in Article 14), if any, these Terms and, to the extent expressly incorporated by reference in the P.O., Supplier’s bid or quotation materials (collectively, this “*Agreement*”). In the case of any conflict or inconsistency among the various documents that comprise this Agreement, such conflicts and inconsistencies shall be resolved in the following order: (i) the P.O. and any documents referenced therein but excluding Supplier’s bid or quotation materials, except to the extent a line item of the P.O. specifically incorporates a portion of such Supplier’s bid or quotation materials and expressly states that it takes priority over conflicting or inconsistent terms in a Flow-Down Clause(s) and/or these Terms; (ii) the Flow-Down Clauses; (iii) these Terms; and (iv) to the extent expressly incorporated by reference in the P.O. and not subject to priority pursuant to clause (i), Supplier’s bid or quotation materials. If Supplier should determine that there is any conflict or inconsistency among specifications, drawings, samples, designated type or grade, part number, or catalog description for the Goods or Services, Supplier must, before proceeding, consult Buyer, whose written interpretation shall be final.

2. PRICES; INVOICES; PAYMENT. If the P.O. states a firm purchase price for the Goods or Services ordered thereby, Supplier may not increase the price for the volume of the Goods and Services set forth in the P.O. but shall give Buyer the benefit of any price decreases that occur prior to delivery of the Goods and Services. If the P.O. sets forth only a volume of Goods and Services but does not set forth a firm purchase price, Supplier shall not increase its price from that set forth in Supplier’s original bid or quotation or the price of the last sale to Buyer under the P.O. unless: (a) the increase is applicable to all other buyers purchasing a similar volume of Goods and Services; and (b) Supplier gives Buyer prior written notice of the price increase, which price increase shall be effective only with respect to deliveries occurring thirty (30) days after Buyer’s receipt of such notice from Supplier. If Supplier increases its prices for any Goods or Services covered by any P.O. that does not state a firm purchase price, Buyer may accept the higher price or terminate the P.O. without any liability to Supplier beyond paying the purchase price for Goods and Services already delivered to Buyer under the terms of the P.O. at the time of Buyer’s termination. Unless otherwise stated in the P.O., Buyer’s prices are based on CIP (Incoterms 2000) to the destination set forth in the P.O. and shall also be inclusive of all applicable taxes other than sales and use taxes which Supplier is required to collect. Supplier shall separately itemize all such sales and use taxes on its invoices. Supplier will issue invoices to Buyer at the address specified in the P.O. or at such other address as Buyer may specify from time to time and shall issue such invoices only after shipment of the Goods or the delivery of the Services to Buyer. Supplier shall issue all invoices in duplicate. The invoice shall describe the Goods and Services being invoiced, state the P.O. number and, where applicable, attach the original bill of lading or other shipping documentation. Buyer’s standard payment terms require that it process payment for accepted Goods and Services delivered under the P.O. within forty five (45) days after receipt of a proper invoice from Supplier; provided, however, that if the customer to whom Buyer resells the Goods or Services voluntarily or involuntarily becomes subject to a bankruptcy, receivership or another similar proceeding, then Buyer’s payment obligation shall be to pay to Supplier the

same percentage of the net value of Supplier’s proper invoices for the Goods and Services resold to the customer but not paid in full as a result of such proceedings as the percentage of the net value of Buyer’s invoices that is actually recovered by Buyer in connection with such proceedings, such payment to be made within twenty (20) days after the final recovery by Buyer. If Buyer agrees to vary from its standard payment terms, the varied payment term will be set forth in the P.O. Unless the P.O. expressly states otherwise, payment durations set forth in the P.O. describe the number of days after receipt of a proper invoice from Supplier within which Buyer will process payment.

3. DELIVERY; PACKING.

(a) Supplier shall ship all Goods pursuant to the Incoterms shipment term set forth in the P.O., or if not so specified, CIP (Incoterms 2000) to the destination named in the P.O., and each party will perform their respective obligations and bear their respective risks that are implied by such term. All the Goods and Services must be shipped or delivered by the applicable date set forth in the P.O. (as such date is construed pursuant to the applicable Incoterms 2000 shipment term) but must not be shipped or delivered more than one week in advance of the shipment or delivery date without Buyer’s prior written approval. When more than one delivery is made against any order, Supplier must stamp “Final Shipping” on the shipping papers and invoice covering the last shipment in the order. Supplier shall not ship excess quantities without Buyer’s prior written approval. Buyer shall not be obligated to accept substitute, untimely, excess or under shipments, and Buyer may, at Buyer’s option, return to Supplier, or hold for disposition, any such substitute, untimely, excess or under shipments, all at Supplier’s expense and risk. The P.O. numbers must be plainly marked on all shipments.

(b) Supplier shall pack all the Goods in accordance with all applicable industry standards and applicable laws, rules and regulations including, without limitation, 29 CFR 1910.1200. All packing materials and containers shall be suitable for protecting the Goods against in-transit damage. If Supplier is required to arrange for shipping, Supplier shall require that the selected carrier comply with all applicable laws, rules and regulations in performing its responsibilities. Notwithstanding anything in this Agreement to the contrary, Supplier shall be responsible for providing any chemical import certification required and shall retain documentation of such certification(s) and provide copies to Buyer immediately upon request.

4. INSPECTIONS. At Buyer’s request, Supplier will allow Buyer or a third party specified by Buyer to inspect and test the Goods and the Services (and related deliverables) in any reasonable manner during the period of manufacture or performance and in any event prior to delivery. Supplier agrees to permit access to Supplier’s facilities at all reasonable times for such inspections and will provide all tools, facilities and assistance reasonably necessary for such inspections at no additional cost to Buyer. The Goods and Services (and related deliverables) will be subject to final inspection and acceptance by Buyer after delivery. It is expressly agreed that inspections and/or payments prior to delivery will not constitute final acceptance. If the Goods or Services (and related deliverables) do not meet the specifications or otherwise do not conform with the requirements of this Agreement, Buyer may reject such Goods and Services. Goods which have been rejected shall be returned to Supplier at Supplier’s risk and expense.

5. REPRESENTATIONS AND WARRANTIES.

(a) Supplier represents and warrants that for the remaining shelf life of the Goods, the Goods will: (i) conform to the standard specifications, instructions and drawings applicable thereto as well as any specific specifications, instructions and drawings set forth or described in the P.O. and any previously provided samples; (ii) be free from defects in materials and workmanship; and (iii) be merchantable and fit for its intended purpose.

(b) Supplier represents and warrants that: (i) it will perform all services in a professional and workmanlike manner and in accordance with all industry standards; and (ii) all deliverables will comply with any and all requirements set forth in the P.O.

(c) Supplier represents and warrants that it will perform its obligations under this Agreement and all the Goods and Services will comply with all applicable laws, rules and regulations including, without limitation, the Occupational Safety and Health Act and the Toxic Substance Control Act and all applicable

rules, regulations and Executive Orders issued thereunder, as they may from time to time be modified, amended and/or superseded.

(d) Supplier represents and warrants that all hazardous or potentially hazardous Goods will be contained, packaged, labeled and shipped in accordance with all applicable laws, rules and regulations and that Supplier will furnish Buyer with all information as is reasonably necessary, including, but not limited to, all completed Material Safety Data Sheets (U.S. Department of Labor Form LSB-OOS-41) or Supplier's equivalent form, to assist Buyer in using, handling, storing and distributing such Goods in compliance with the aforesaid laws, rules and regulations.

(e) Supplier represents and warrants that (i) it will convey good title to the Goods and the deliverables resulting from the Services free and clear of any and all liens, claims and encumbrances in favor of any third party and (ii) the Goods and the Services (and the deliverables resulting therefrom) and Buyer's and its customers import, use and/or sale thereof will not infringe or misappropriate the intellectual property or proprietary rights of any third party.

(f) These warranties shall be in addition to all other warranties, express, implied or statutory. Inspection of, acceptance of and payment for, any Goods or Services shall not constitute a waiver of, or otherwise limit Buyer's rights with respect to, any breach of the foregoing representations and warranties.

(g) Without limiting Buyer's rights and remedies, Supplier shall, if requested by Buyer, promptly repair or replace any Goods or Services that do not conform to the requirements of this Agreement at Supplier's sole cost and expense.

(h) Buyer's customers are intended third party beneficiaries of the agreements, covenants, representations and warranties made by Supplier in this Agreement. In addition, Buyer may pass through any and all of the agreements, covenants, representations and warranties made by Supplier in this Agreement to Buyer's customers as well as any claims arising out of or related to the inaccuracy or breach of any such agreements, covenants, representations and warranties.

6. RETURN OF THE GOODS. If Buyer or Buyer's customer desires, for any reason whatsoever, to return any unopened and unused Goods, Supplier will accept the return of such Goods: (a) if the Goods are not made-for-order for such customer and they have at least fifty percent (50%) of their shelf life remaining, without restocking or other fees and Supplier shall refund to Buyer the purchase price paid for such Goods; or (b) if the Goods have less than fifty percent (50%) of their remaining shelf life or are otherwise made-to-order, upon negotiation of a mutually agreeable restocking charge that shall not exceed Supplier's standard restocking charge for similar situations and Supplier shall refund to Buyer the purchase price for such goods less the mutually agreed upon restocking charge. The foregoing shall not require Supplier to accept the return of spoiled or damaged Goods.

7. RECORD RETENTION; AUDITS. Supplier shall retain all books, records and other documentation pertaining to the cost and/or quality of the Goods and Services (such as certificates of analysis) for the longer of three (3) years after delivery, the period specified in the P.O. or the period required by applicable law, rule or regulation. In addition, Supplier shall, on five (5) day prior notice, allow Buyer to audit Supplier's licenses, permits and other governmental approvals and all books, records and other documentation relating to the Goods and Services or otherwise relating to Supplier's performance of its obligations under this Agreement, and if the purchase price is on a cost plus basis or if the P.O. is issued directly or indirectly in respect of any contract with the U.S. government or any state or other governmental authority, the costs of the Goods and Services supplied under the P.O.

8. BUYER'S PROPERTY. Title to and the right of immediate possession of any property, including without limitation, patterns, tools, jigs, dies, drawings, formulas, equipment or material furnished by Buyer to Supplier or paid for by Buyer shall remain in Buyer. No articles made therefrom shall be furnished by Supplier to any other party without Buyer's prior written consent. Supplier shall keep adequate records of such property which shall be made available to Buyer upon request. Supplier shall store, protect, preserve, repair and maintain such property in accordance with sound industrial practice, all at Supplier's expense. Unless otherwise agreed by Buyer in writing, Supplier shall insure the replacement value of such property against loss or damage caused by any and all risks and name Buyer as a loss payee on such insurance. Supplier shall supply Buyer certificates of such insurance showing the requisite insurance promptly following Buyer's request therefor from time to time. In the event that Buyer's property becomes lost or damaged to any extent from any cause while in Supplier's possession, Supplier shall promptly repair or replace such property at Supplier's expense as specified by Buyer. Upon the delivery of all Goods and Services specified in the P.O., Supplier shall request disposition instructions for all such property, or the remainder thereof, whether in its original form or in semi-processed form, and shall, at Supplier's request, make such property available to Buyer in the manner requested by Buyer including preparation, packing and shipping as directed by Buyer, provided that Buyer shall pay the cost of shipping any such property.

9. DRAWINGS AND DATA. Supplier shall keep confidential all information, drawings, specifications, or data furnished by Buyer or prepared by Supplier specifically in connection with the performance of this P.O. and shall not divulge or use such information, drawings, specifications or data for the benefit of any other person. Except as required for the efficient performance of this P.O., Supplier shall not make copies or permit copies to be made of any such information, drawings, specifications, or data without the prior written consent of Buyer. Supplier shall not use, either directly or indirectly, any such information, drawings, specifications, or data or any derivatives thereof for any purpose other than to perform this P.O. without obtaining Buyer's written consent.

10. USE OF INFORMATION. Supplier agrees that all information heretofore or thereafter furnished or disclosed by Supplier to Buyer in connection with the performance of this P.O. is furnished or disclosed as a part of the consideration for this P.O., that such information is not, unless otherwise agreed to by Buyer in writing, confidential or proprietary information of Supplier, and that Supplier will assert no claims by reason of the use of disclosure of such information by Buyer or its customers or any of their respective affiliates, successors and assigns.

11. PUBLIC STATEMENTS. Supplier shall not in any manner advertise or publish the fact that it has furnished, or contracted to furnish, the Goods or Services to Buyer without prior written consent of Buyer nor shall Supplier disclose any details in connection with this P.O. to any third party except as may be required to comply with securities laws.

12. TERMINATION. Buyer may terminate Supplier's performance and future deliveries under this Agreement, in whole or in part, at any time by giving written notice to Supplier and Buyer's sole obligation in respect of any such termination shall be to pay for the Goods and Services delivered to, and accepted by, Buyer prior to termination. In addition and without limitation of any other right or remedy that Buyer may have at law or equity, Buyer may terminate Supplier's performance and future deliveries under this Agreement if Supplier materially breaches any obligation under this Agreement and fails to remedy such material to the reasonable satisfaction of Buyer within thirty (30) days after Buyer gives Supplier notice of breach.

13. FORCE MAJEURE. Neither Supplier nor Buyer shall be liable for failure to perform any of their respective obligations under this Agreement if such failure is caused by any event or condition beyond its reasonable control including, without limitation, acts of God, war, rebellion, insurrection, terrorism, labor disputes or any act of governmental or military authorities (each, a "*Force Majeure Event*"). Any party who is delayed in or prevented from performing because of the occurrence of a Force Majeure Event shall immediately notify the other party of the occurrence of such Force Majeure Event and the length of the anticipated delay. In addition, a party shall notify the other party of any event, condition or circumstance that could potentially result in the occurrence of a Force Majeure Event. During the term of any Force Majeure Event affecting Supplier's ability to supply the Goods and/or Services in accordance with the P.O. and these Terms, Buyer may purchase Goods or Services ordered under this Agreement from other source(s) and, at Buyer's option, the quantities of the Goods and Services so purchased shall be deducted from the quantities of Goods and Services covered by the P.O. or delivered to Buyer after the Force Majeure Event is completed. In addition, if a Force Majeure Event only reduces Supplier's ability to supply the Goods and Services (as opposed to completely preventing such supply), Supplier shall supply Buyer with as much of the Goods and Services as it can, which in no event shall be less than a share of its available supply of Goods and Services that is equal to its available supply multiplied by a fraction the numerator of which is the quantity of the affected Goods and Services that remain outstanding under the P.O. at the time Supplier declares a Force Majeure Event and the denominator of which is the total quantity of the affected Goods and Services that remain outstanding under all open purchase orders held by Supplier for the affected Goods and Services at the time Supplier declares the Force Majeure Event.

14. COMPLIANCE WITH LAW. (a) Supplier warrants that the materials to be furnished and the services to be rendered under this P.O. shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Supplier certifies that with respect to the production of the articles and/or the performance of the services covered by this P.O., it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable. Supplier further acknowledges that it may be subject to the provisions of: 41 CFR Section 60-250.5 and/or Section 60-300.5; 41 CFR Section 60-741.5; 41 CFR Section 60-1.4(a) and (c); 41 CFR Section 60-1.7(a); 48 CFR Section 52.2254(e); and 29 CFR Part 471, Appendix A to Subpart A with respect to affirmative action program and posting requirements.

(b) Supplier warrants that it (i) has complied with the United States Anti-Kickback Act; the United States Foreign Corrupt Practices Act; the UK Bribery Act; and other applicable legislation in any country where performance under these Terms will occur; and (ii) has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the applicable legislation. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Supplier.

(c) When materials, products or services furnished hereunder are for use in connection with a U.S. Government Prime Contract or higher-tiered subcontract, the Federal Acquisition Regulation (FAR) clauses listed in Attachment A shall apply as required by the terms of the Buyer's Contract or by operation of law or regulation. The effective date of each FAR provision is that set forth in the Buyer's Contract and are incorporated herein by reference. The terms "Government", "Contracting Officer" and "Contractor" shall be revised to identify the contracting parties herein and to affect the proper intent of the clause or provision.

(d) When materials, products or services furnished hereunder are for use in connection with a U.S. Government Department of Defense Prime Contract or higher-tiered subcontract, the FAR clauses listed in Attachment A and/or the Defense Federal Acquisition Regulation Supplement (DFARS) or other related clauses listed in Attachment B shall apply as required by the terms of the Buyer's Contract or by operation of law or regulation. The effective date of each clause is that set forth in the Buyers Contract and are incorporated herein by reference. The terms "Government", "Contracting Officer" and "Contractor" shall be revised to identify the contracting parties herein and to affect the proper intent of the clause or provision.

(e) Pursuant to this P.O., Supplier agrees to maintain such records required by the applicable laws and regulations and to provide all written assurances required by Buyer in connection with Buyer's Contract.

(f) When materials, products or services furnished under Buyer's Contract or a subcontract thereunder meets the FAR definition of a commercial item, the clauses set forth below and in the FAR or the DFARS in effect as of the date of said Buyer's Contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties hereunder.

1. Utilization of Small Business Concerns	52.219-8
2. Equal Opportunity	52.222-26 (b)
3. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-35
4. Affirmative Action for Workers with Disabilities	52.222-36
5. Notification of Employee Rights Concerning Payment of Union Dues or Fees	52.222-39
6. Buy American Act - Supplies	52.225-1
7. Trade Agreements	52.225-5
8. Subcontracts for Commercial Items	52.244-6
9. Preference for Privately Owned U.S.-Flag Commercial Vessels	52.247-64
10 Buy American Act and Balance of Payments Program	252.225-7001
11. Preference for Domestic Specialty Metals and Alternate 1 (DoD Contracts)	252.225-7014 and Alt. 1
12. Preference for Domestic Specialty Metals (DEVIATION No. 2007-00011) and Alternate 1 (DEVIATION No. 2007-00011) (These deviations apply to Subcontracts under prime contracts entered into after October 25, 2007.) and Alt. 1	252.225-7014 (Deviation No. 2007-00011)
13. Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	252.244-7000
14. Notification of Potential Safety Issues	252.246-7003
15. Transportation of Supplies by Sea (DoD Contracts)	252.247-7023
16. Notification of Transportation of Supplies by Sea (DoD Contracts)	252.247-7024
17. Combating Trafficking in Persons and Alternate 1 (Include Alternate 1 if it is included in the prime contract.)	52.222-50 and Alt 1
18. Excessive pass-through charges-identification (Applicable only to Solicitations and Task Orders other than firm-fixed price Task Orders and fixed price Task Orders with economic price adjustment.)	252.215.7003
19. Excessive pass-through charges (Not applicable to firm-fixed price Task Orders with economic price adjustment.)	252.215.7004

(g) Buyer and Supplier, at the sole discretion of Buyer, may agree that Buyer shall accept various duties and responsibilities (i.e., MilSpec labeling and packaging

standards), previously the obligation of the Supplier, in return for a discounted price for the commercial item in question and perform those tasks necessary to ensure compliance with certain applicable MilSpec standards.

(h) Supplier agrees, upon request, to furnish Buyer with a certificate or certificates in such form as Buyer may require certifying that Supplier is in compliance with all applicable Flow-Down Clauses. Upon request, Buyer will make available to Supplier copies of or the cite to the Flow-Down Clauses. Supplier will impose the Flow-Down Clauses on each of its subcontractors involved in performing under this Agreement.

(i) (i) Supplier agrees to comply with all applicable U.S. export control laws and economic sanctions laws and regulations, specifically including but not limited to the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, the International Traffic in Arms Regulations (ITAR), 22 C.F.R. 120 et seq., the Export Administration Regulations, 15 C.F.R. 730-774, and the Foreign Assets Control Regulations, 31 C.F.R. 500-598 (collectively, "Trade Control Laws"); including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, Supplier agrees that it will not transfer any export controlled item, data, technology or services, to include transfer to foreign persons employed by or associated with, or under contract to Supplier or Supplier's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception. (ii) Furthermore, Supplier agrees to notify Buyer if any deliverable under this Agreement, or any specification related to any deliverable under this Agreement, is restricted by export control laws or regulations. Before providing Buyer any item or data controlled under any of the Trade Control Laws, Supplier shall provide in writing to the Buyer representative the export classification of any such item or controlled data (i.e. the export classification under the EAR, ITAR, EU list of Dual Use Items and Technology, Wassenaar Agreement's List of Dual-Use Goods and Technologies or other applicable export control list) and shall notify the Buyer representative in writing of any changes to the export classification information of the item or controlled data. Supplier represents that an official authorized to bind the Supplier has determined that the Supplier or the designer, manufacturer, supplier or other source of the Goods and/or Services has properly determined their export classification. Supplier shall, on the first shipment to Buyer, provide to Buyer a Certificate of Origin or a Manufacturer's Affidavit for each Good. Supplier shall also provide to Buyer a Certificate of Origin or a Manufacturer's Affidavit upon request. (iii) Supplier hereby represents that neither Supplier nor any parent, subsidiary or affiliate of Supplier is included on any of the restricted party lists maintained by the U.S. Government, including the Specially Designated Nationals List administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), Denied Parties List, Unverified List or Entity List maintained by the U.S. Commerce Department's Bureau of Industry and Security ("BIS"), or the List of Statutorily Debarred Parties maintained by the U.S. State Department's Directorate of Defense Trade Controls, or the consolidated list of asset freeze targets designated by the United Nations, European Union, and United Kingdom (collectively, "Denied Parties List"). Supplier shall immediately notify the Buyer representative if Supplier or any parent, subsidiary or affiliate of Supplier becomes listed in any Denied Parties List or if Supplier's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency. (iv) If Supplier is engaged in the business of exporting manufacturing (whether exporting or not) or brokering defense articles or furnishing defense services, Supplier represents that it is and will continue to be registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program. (v) Supplier shall include subparagraphs (i) through (d) and this paragraph (vi) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or delivered as Goods and/or Services to Buyer. Supplier shall immediately notify Buyer upon learning that any lower tier subcontractor with which it engages has become listed on the Restricted Parties list. (vii) Supplier shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Supplier, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

(j) Supplier agrees to comply with all applicable local, country, and international laws regarding material content for the materials supplied to Buyer. At Buyer's request, Supplier shall provide Buyer reports on the occurrence of substances in any materials supplied to Buyer that may be restricted by, or require disclosure to, governmental bodies, customers and/or recyclers. Supplier agrees to supply materials to Buyer that are "DRC conflict-free." "DRC conflict-free" means (1) any "conflict minerals" (gold, columbite-tantalite, also known as coltan, cassiterite, wolframite, or their derivatives tin, tantalum or tungsten (collectively the "3TGs")) necessary to the functionality or production of supplied materials do not directly or indirectly finance armed groups through mining or mineral trading in the Democratic Republic of Congo or an adjoining country, or (2) any 3TGs in supplied materials are from recycled or scrap sources. Supplier agrees to adopt policies and management systems with respect to conflict minerals and to require their suppliers to adopt similar policies and systems.

(k) Supplier shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expenses (including attorneys' fees, all expense of litigation and/or settlement and court costs) arising from any act or omission of Supplier, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause. Supplier will flow down the obligations in the preceding sentence to its subcontractors.

15. INSURANCE. Supplier shall maintain and shall cause all of its subcontractors to maintain during the period of performance of this Agreement and for three (3) years thereafter the following insurance policies with insurers with an AM Best rating of B+ or better: (a) Commercial General Liability (including endorsements or riders for Completed Operations and Products Liability) with a \$5,000,000 combined single limit each occurrence; (b) automobile liability (including hired and non-owned autos and a MCS-90 endorsement) with a \$5,000,000 combined single limit each occurrence; (c) workers compensation compliant with statutory requirements; (d) employers liability with a \$1,000,000 limit per occurrence; (e) professional negligence/errors and omissions with a \$5,000,000 limit per occurrence; and (f) if requested by Buyer, environmental pollution with a \$5,000,000 limit per occurrence. Supplier shall name Buyer as an additional insured or loss payee, as the case may be, on each of the aforementioned insurance policies. Supplier shall, on request from Buyer from time to time, supply Buyer with certificates of insurance evidencing that Supplier has the required insurance and such certificates shall state that the insurer will give Buyer at least thirty (30) days prior notice of any cancellation of such policies.

16. INDEMNIFICATION. Supplier shall indemnify, defend and hold harmless Buyer and its customers and their respective affiliates and the directors, officers, employees, agents, successors and assigns of each of the foregoing from and against any and all claims, suits, causes of action, proceedings, damages, judgments, settlements, liabilities, fines, penalties, costs and expenses including attorneys' fees made, filed, suffered or incurred in respect of, arising out or resulting from any one or more of the following: (a) Supplier's breach of any covenant, agreement, representation or warranty set forth in this Agreement; (b) the negligence or willful misconduct of Supplier or any of its employees, subcontractors or agents; (c) events or conditions for which Supplier has strict liability; and (d) any claim that the import, offer for sale, sale or use of the Goods and/or Services (and the deliverables resulting therefrom) infringe or misappropriate any intellectual property or proprietary right of any third party. Without limiting any other right or remedy that Buyer may have under this Agreement, in the event that Buyer believes that it will be precluded from using or selling any Goods or Services (or related deliverables) as a result of any claim described in Article 16(d), Supplier will, on request of Buyer, (i) attempt to negotiate a license that permits Buyer to use and sell the Goods and Services (and related deliverables) without any further cost to Buyer or (ii) promptly modify or replace the infringing Goods or Services (and related deliverables) such that they are non-infringing but still meet all the requirements of this Agreement. If the foregoing are not possible or if Supplier is not able to accomplish either action set forth in clauses (i) or (ii) of this Article 16 within sixty (60) days after Buyer's request, then Supplier shall accept Buyer's return of all Goods and Services (and related deliverables) affected by the claim of infringement or misappropriation and refund to Buyer the purchase price paid therefor and reimburse Buyer for the packing, insurance and shipment costs incurred in connection with such return, in each case within ten (10) days after delivery of the Goods and Services (and related deliverables) to Supplier.

17. ASSIGNMENT. Supplier may not assign any of its rights or delegate any of its obligations under this Agreement without Buyer's prior written consent; provided that Supplier may use subcontractors as it deems necessary or desirable in performing its obligations under this Agreement.

18. APPLICABLE LAW; DISPUTE RESOLUTION; JURISDICTION AND VENUE. (a) This Agreement and its performance shall be construed in accordance with and governed by (i) the laws of the Commonwealth of Pennsylvania, U.S.A. for orders placed by Buyer or any entity controlled by Buyer and having its principal place of business in the U.S.A., Canada or Mexico; (ii) the laws of Argentina for orders placed by any entity controlled by Buyer and having its principal place of business in Argentina; (iii) the laws of Brazil for orders placed by any entity controlled by Buyer and having its principal place of business in Brazil; (iv) the laws of England for orders placed by any entity controlled by Buyer and having its principal place of business in the European Union; (v) the laws of Germany for orders placed by an entity controlled by Buyer and having its principal place of business in Germany; and (v) the laws of the Republic of Singapore for orders placed by any entity controlled by Buyer and having its principal place of business in any Asian-Pacific country; excluding, however, the United Nations Convention on Contracts.

(b) In the event of any dispute or controversy between the parties in connection with this Agreement, which the parties are unable to resolve by negotiation, the parties shall with the assistance of (i) where Pennsylvania law applies, the American Arbitration Association, Commercial Mediation Rules, Philadelphia, PA, (ii) where English law applies, the Center for Dispute Resolution in London,

England, and (iii) where Singapore law applies, the Singapore Mediation Centre, seek to resolve the dispute or difference amicably using an alternative dispute resolution ("ADR") procedure acceptable to both parties before pursuing any other remedies available to them.

(c) If either party fails or refuses to agree to or participate in the ADR process or if in any event the dispute or difference is not resolved to the satisfaction of both parties within 90 days after it has arisen, then either party shall have the right to initiate legal proceedings against the other but only in a court located in Pennsylvania, England, or Singapore, as applicable, it being the intent of the parties that such court shall have exclusive jurisdiction over any legal proceedings initiated by either party against the other in connection with this Agreement. The prevailing party in any litigation between Buyer and Supplier concerning this Agreement shall be entitled to an award of its costs and expenses incurred in connection with such litigation including its attorneys' fees and costs and expenses of experts.

19. NOTICES. All correspondence and other notices under this Agreement (each, a "Notice") shall be in writing and shall be hand delivered or sent either by first class mail, postage prepaid, or by facsimile to the recipient's address or facsimile number set forth in the P.O. or such other address and/or facsimile number as a party may specify by giving notice to the other party in accordance with this Article 19. A Notice shall be deemed to have been given and received for all purposes of this Agreement upon the earlier of actual receipt by the intended recipient or, in the case of first class mail, three (3) business days after depositing the Notice with the U.S. postal service or, in the case of facsimile, upon successful transmission of all pages of the Notice; provided that the party sending the Notice by facsimile also sends a confirming copy of the Notice by first class mail that includes a copy of the report generated by the transmitting facsimile machine showing successful transmission of all pages of the Notice to the correct facsimile number.

20. ACCIDENT OR CHEMICAL SPILL; OTHER NOTICES. Supplier shall immediately notify Buyer of any accident or chemical spill occurring at any facility owned or operated by Buyer or any of its customers caused by Supplier or any its carriers or subcontractors. Supplier shall also immediately notify Buyer of: (a) any action taken by any governmental authority which restricts or otherwise regulates the manufacture, processing, distribution in commerce, use or disposal of any of the Goods; (b) Supplier becoming aware that the Goods are non-conforming; and (c) any change in the Goods, process of manufacture, site of manufacture and/or quality control procedures.

21. NOTIFICATION OF DEBARMENT/ SUSPENSION STATUS. Supplier shall provide immediate notice to Buyer if it or any of its subcontractors receive any notice concerning any proposed or actual debarment, suspension or restricted eligibility of Supplier or its subcontractors under any government contracting program. Supplier shall not use any subcontractor who is subject to any proceeding concerning debarment, suspension or eligibility under any government contracting program or has been debarred, suspended or ruled ineligible under any such program.

22. INDEPENDENT RELATIONSHIP. Nothing herein contained shall be deemed to create an employment, agency, joint venture or partnership relationship between Buyer and Supplier or any of their agents or employees, or any other legal arrangement that would impose liability upon one party for the act or failure to act of the other party. Neither party shall have any power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other party, or to bind the other party in any respect whatsoever.

23. ENTIRE AGREEMENT; MODIFICATIONS. The P.O., the Flow-Down Clauses, if any, these Terms and, to the extent expressly incorporated by reference in the P.O., Supplier's bid or quotation materials constitute the final, complete and fully integrated agreement between Buyer and Supplier with respect to the supply of the Goods and Services specified in the P.O. and supersedes all prior and contemporaneous discussions, agreements, negotiations, understandings and documents with respect to the supply of the Goods and Services specified in the P.O. This Agreement may not be amended except by a writing signed by authorized representatives of Buyer and Supplier; provided that Buyer may at any time make changes to the P.O. without Supplier's consent so long as such changes do not materially increase Supplier's cost of performing, or obligations under, this Agreement. Supplier must notify Buyer in writing within five (5) days following receipt of any change to the P.O. if such change materially increases Supplier's cost of performing, or obligations under, this Agreement, and if Supplier fails to supply Buyer with such notification within such five (5) day period, then Supplier shall be deemed to have accepted the change without condition. If, on the other hand, Supplier supplies Buyer with such notification within such five (5) day period, then Buyer and Supplier shall promptly negotiate in good faith an equitable adjustment in the price payable under this Agreement that compensates Supplier for its increased cost.