GENERAL PURCHASE ORDER PROVISIONS

1. Acceptance - A confirmation of sale from Seller shall be regarded as acceptance of these conditions, irrespective of any condition that might be laid down by Seller in conflict with these conditions, except when reference is made to Seller’s condition of sale in the confirmation of sale or acknowledgment of this order, or in any of the documents relating to Buyer’s order, unless said conditions are expressly accepted in writing by Buyer.

2. Specifications - All articles ordered to Government or Buyer’s specifications must comply with such specifications current as of the date of this order, unless otherwise specified by Buyer. Seller shall not incorporate any changes in design, material, or processes without written approval by Buyer. Buyer’s approval in no way relieves Seller from responsibility for meeting all requirements of the drawing and specifications governing this purchase order.

3. a. Deliveries - Buyer’s production time is of the essence; the schedules are based upon the agreement that materials will be delivered to Buyer by the date specified on the face of the purchase order. If deliveries are not made by the time agreed upon, Buyer reserves the right to cancel or to purchase elsewhere and hold Seller accountable for the additional costs thereof. Buyer may impose late fees to underperforming suppliers whose on time delivery is less than 85% based on a rolling 6 month period. Seller will be liable to any penalties imposed by Buyer’s customer due to Seller’s non-conformance or lateness.

   b. Payment - Invoices shall be mailed to Buyer’s Accounting Department when items are shipped. The time for payment of Seller’s invoices shall commence with date of actual receipt if items are in complete accordance with the requirements of this order. Any delay in such payment due to Seller’s non-conformance or lateness, Buyer will be liable to any penalties imposed by Buyer’s customer due to Seller’s non-conformance or lateness.

   c. Shipping - Seller will deliver the material and equipment described herein in good condition with a Certificate of Conformance and properly packaged at the F.O.B. point stated on the face of this order at no additional cost to Buyer, unless otherwise stated herein. If this order specifies delivery of material or equipment F.O.B. destination, Seller shall bear all risk of loss and damage thereof until arrival and acceptance at destination, and such risk of loss or damage shall continue notwithstanding any payment by the Buyer of any part of the purchase price thereof. Buyer’s court will be accepted as final and conclusive on all shipments not accompanied by packing slips. Buyer’s order number and Seller’s packing slip number, description and count must appear on all invoices, packages, and bills of lading.

4. Inspection and Rejection - Final inspection shall be made on Buyer’s premises unless otherwise agreed in writing. Materials rejected, as not conforming to this order shall be returned at Seller’s expense, including transportation and handling costs. Buyer reserves the right to rework or repair nonconforming items at the Seller’s expense including, but not limited to, material and labor costs.

5. a. Quantities - Shipments must equal exact amount ordered unless otherwise agreed in writing by Buyer.

   b. Prices - Seller warrants that each price for articles sold to Buyer under this order is no less favorable than that extended during the term of this order to any other customer for the same or like articles in equal or lesser quantities on the same or similar terms, conditions, and delivery dates. In no event, no unallowable costs in accordance with the applicable Government regulations are to be included in the prices. The Seller shall refund the excess to the Buyer and hold Buyer harmless from any defective pricing practices.

   c. Taxes - All sales taxes of any nature which are billed to Buyer shall be separately stated in Seller’s Invoices. Any and all tax exemption certificates will be accepted by Seller. All other taxes of any nature shall be the Seller’s responsibility.

6. a. Overtime - Seller shall not perform or charge for overtime work in connection with this order unless prior written approval is obtained from Buyer. In the absence of such approval, premium compensation payments shall not be recognized by Buyer for any purpose.

   i. Certificate of Conformance - When specified on the face of the purchase order a signed and dated statement must accompany each shipment stating that material furnished for the purchase order meets all purchase order, drawing, and other applicable specifications, and that all verified objective evidence of quality, such as test reports, data sheets and inspection records are on file and available for review by the Buyer or their customers.

   j. Change - Buyer reserves the right at any time to make changes in drawings and specifications as to any material and/or work including delivery covered by this order. Any change in price, time or performance resulting from such changes shall be equitably adjusted and the contract shall be modified in writing accordingly.

   k. Seller must notify Buyer, in writing, and obtain Buyer’s authorization for any, and all, changes or anticipated changes, to the product or process definition specified by Buyer’s purchase order.

7. a. Termination - Buyer may terminate this order in whole or in part at any time by written or telegraphic notice stating the extent and effective date of such termination. In such event the parties shall be governed by the provisions of the Government regulations as in effect on the date of this order. Buyer shall have the right to audit all elements of any termination claim and Seller shall make available to Buyer or Buyer’s representative on request all books, records and papers relating thereto.

   b. Buyer reserves the right to terminate this order in whole or from time to time in part for Buyer’s default (i) if Seller fails to perform in accordance with any of the requirements of this order or to make progress so as to endanger performance hereunder or (ii) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any State or Federal law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed articles offered at the time of this order and effective date of such termination. In such event the rights of the parties shall be as provided in the F.O.B. point. Seller’s property. Where materials are furnished by Buyer, title to such material in all stages of construction shall be and remain to Buyer. Seller’s use of Buyer’s tools and inspection equipment does not relieve Seller of meeting all specifications.

8. Warranty - In addition to any warranties, which may be prescribed by law, Seller warrants to Buyer, its successors and customers that all articles furnished will be free from defects in material and workmanship for a period of 12 months. Seller's standard warranty for similar articles offered at the time of this order, apply. Seller warrants that the articles will conform to applicable drawings, specifications, specified performance requirements, samples and other descriptions furnished or specified by Buyer, will be merchantable, suitable for the intended purposes and free from all other defects, including defects in design, to the extent such articles are not of a description designed by Buyer.

9. Patent, Trademarks and Copyright indemnity - To the extent that the articles or materials covered by this order are not manufactured to designs furnished by Buyer, Seller agrees to save Buyer and/or its customers from any loss, damage, expense or liability which may be incurred on account of infringement or alleged infringement of any patents by reason of the manufacture, use or sale of such articles of materials, and that it will, at its own expense defend any action, suit, or claim that shall be brought against Buyer or its customers. Buyer assumes and will hold Seller harmless against patent liability arising from design furnished by Buyer to Seller and manufactured by Seller from this purchase order.

10. ASSIGNMENT - Seller may not assign this purchase order, or any portion thereof, or any claims for monies due, or to become due hereunder, without the prior written approval of Buyer.

11. a. Audit - Seller agrees that its facility, books and records shall at all reasonable times be subject to audit by any authorized representative of the United States Government.


   c. Notice of Delays - Whenever Seller has knowledge of any actual or potential delaying or threatened delay to the timely performance of this order, Seller shall immediately give notice thereof including all relevant information with respect thereto to Buyer.

   d. Laws - Seller agrees that all items will be manufactured or furnished in compliance with all applicable provisions of the Federal, State and local laws, executive orders, rates and regulations as herebefore or hereafter amended, known as the Fair Labor Standards Act, Walsh-Healey Act, Eight-Hour Law, American Act, Vinson-Trimble Act, Royalty Adjustment Act, Anti-Kickback Act And the Espionage Act, and statutes relative thereto and all applicable regulations, rulings and interpretations thereunder.

   e. Employment of Aliens - No aliens employed by Seller shall be permitted to have access to these plans, specifications or the work unless written consent of the Secretary of the Department concerned with the Government contract not having been first obtained from an authorized representative, has first been obtained.

   f. Non-Discrimination - In connection with the performance of the order, Seller shall not discriminate against any employee or applicant for employment because of sex, race, creed, color or national origin, age, handicap and Seller certifies that they are in full compliance with the laws and regulations of Equal Opportunity and Affirmative Action Programs.

   g. Secrecy - Seller agrees to keep all proprietary information of Buyer confidential and comply with all applicable laws concerning the safeguarding of secret, confidential, or restricted matters, which may be disclosed or developed in connection with the work under this contract, and furthermore the Seller shall not make any release of information concerning this order without written permission from the Buyer. Seller shall require a similar compliance of all subcontractors, suppliers or agents of the Seller to whom any work or duty relating to such work may be allotted.

   h. Disputes - Except as otherwise specifically provided in this order, any dispute concerning a question of fact and/or law arising under this order is not disposed of by agreement of the parties shall be decided by a court of competent jurisdiction. Pending the final decision of any such dispute, Seller shall proceed diligently with the performance of this order in accordance with the directions of the Buyer.

12. Seller’s Conditions - The provisions of this order shall be deemed to control, irrespective of any conditions specified in Seller’s order in conflict therewith unless expressly accepted in writing by the Buyer.

13. Force Majeure - Buyer shall not be liable, nor shall it be considered in breach of contract due to any failure to perform its obligations as a result of a cause beyond its control, including any act of God or a public enemy, act of war, riot, civil disorder, pestilence, fire, blood, earthquakes, global pandemics, storm or any other like event which could have been avoided with reasonable care. In the event a “Force Majeure Event” occurs, Skurka will notify its suppliers in writing.

13. Vendor Quality Assurance Requirements - Requirements of S.A.I.G. POSP 235 are made a part of this purchase order.
14. **Right of Access** – Seller shall grant right of access to Seller's facilities and applicable records, and Seller’s sub-tier supplier’s facilities and applicable records, for the purposes of reviewing product and processes for Buyer’s purchase orders, to Buyer, Buyer’s customers, and regulatory authorities after receiving reasonable notice of such visitations.

15. **Flow Down Requirements** – Seller shall flow down the applicable requirements of Buyer’s purchase orders, including key characteristics, when identified, to its sub-tier suppliers.

16. **Delegation of Verification** – Where Seller, or its sub-tier supplier performs or subcontracts processes that cannot be verified through nondestructive inspections techniques at Buyer, Seller shall be, or utilize only, approved NADCAP processors.

17. **Conflict Minerals** – Buyer is committed to sourcing minerals from conflict-affected and high-risk areas in accordance with Buyer’s corporate policies, legal obligations and existing international standards, and Seller agrees to provide Buyer with supply chain data as and when Buyer reasonably requests to enable Buyer and its customers to fulfill their legal obligations under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Specifically, on an on-going basis, Buyer will request data from Seller concerning the so-called “conflict minerals” used in Seller’s products, the origin of such minerals in Seller's supply chains, and whether trade in these minerals may support conflict in the Democratic Republic of the Congo (DRC) and its adjoining countries. Buyer expects Seller to pass these data requests up Seller’s supply chain in order to determine the source of such minerals. Buyer may be required, and may require Seller, to perform due diligence on the chain of custody of conflict minerals in the supply chain. In addition, Seller may be required to make certifications to Buyer with respect to the use of conflict minerals. Buyer will evaluate and may terminate the ongoing business relationship with Seller if Seller’s supply chain is determined to include the purchase of minerals that support conflict in this region, or if Seller fails to timely provide relevant data or certifications upon Buyer’s requests.

18. **DPAS 700 – US Government rated contracts priority requirements** – Seller is required to follow all provisions to DPAS 700 when a US government contract with a DPAS rating is shown on the purchaser order. Seller is required to accept or reject such orders in writing to Skurka Aerospace Inc. within 10 working days after receipt of a "DX" rated order and within 15 working days after receipt of a "DO" rated order. If seller accepts a rated order and subsequently finds that the shipment or performance will be delayed, the seller must notify Skurka Aerospace Inc. immediately, give the reason(s) for delay and advise of the new shipment or performance date.

19. **Governing Law** - This purchase order is made and entered into and shall be governed by the laws of the State of California.