



Terms and Conditions of Purchase

Capewell Aerial Systems LLC Terms and Conditions of Purchase

These Terms and Conditions of Purchase (these “**Terms**”) are the only terms which govern the purchase of material and other goods (the “**Goods**”) and services (the “**Services**”) by Capewell Aerial Systems LLC and its affiliates (collectively, “**Capewell**”) from the seller or vendor named on the applicable purchase order (the “**Supplier**”). The applicable purchase order issued by Capewell (the “**Purchase Order**”) and these Terms (collectively, this “**Agreement**”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral except to the extent a separate confidentiality agreement has been entered into by the parties. In the event of a conflict between these Terms and the Purchase Order, the Purchase Order shall prevail. These Terms prevail over any of Supplier’s general terms and conditions of sale including any requirements related to U.S. Government contracting or clauses from Supplier’s customer contracts, regardless of whether or when Supplier has submitted its sales confirmation or such terms, and any such additional terms are expressly rejected. This Agreement expressly limits Supplier’s acceptance to the terms of this Agreement. Fulfillment of the Purchase Order constitutes acceptance of these Terms. Capewell may, in its sole discretion and at any time for any reason, change these terms or any policies, instructions or guidelines without the consent of the Supplier so long as such revisions are made publicly available. These Terms and any updates thereto are posted on Capewell’s website (<https://www.capewell.com/>). It is the Supplier’s responsibility to review, understand and comply with these Terms and any related policies, instructions or guidelines which may be updated from time to time and posted on Capewell’s website (<https://www.capewell.com/>).

Standard Clauses S1 through S34 are incorporated as part of all Purchase Orders issued by Capewell. Clauses A1 through E2 are incorporated as part of Purchase Orders where they are specifically imposed as additional requirements of a Purchase Order. Clauses F1 through F8 are incorporated as part of Purchase Orders if the Purchase Order is issued by Capewell in connection with a United States Government Department of Defense (“**DoD**”) contract in which Capewell is either the Prime Contractor or Subcontractor.

In case of any conflict with this Agreement and any other requirements, the order of precedence is as follows:

1. Purchase Order;
2. These Terms; and
3. Drawings, specifications, and/or electronic files, including all referenced documents, that the parties agree define the Purchase Order or Goods or Services thereunder.

S1. Changes by Supplier. Purchase Order changes that affect the requirements defined in the Purchase Order shall be formally communicated from the Supplier to Capewell via a Purchase Order change request, which may be approved or denied by Capewell at its sole discretion. No change in specification, materials, or manufacturing process that may affect fit, form or function is allowed to Goods without prior written approval from Capewell.

S2. Changes by Capewell. Capewell may at any time, by written instructions and/or drawings issued to Supplier (each a “**Change Order**”), order changes to the Goods, Services, or

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drawings or specifications in connection with same. Supplier shall within seven (7) days of receipt of a Change Order submit to Capewell a firm cost proposal for the Change Order or inform the Supplier that there are no cost adjustments required for the Change Order. If Capewell accepts such cost proposal, Supplier shall proceed with the changed services subject to the cost proposal and the terms and conditions of this Agreement. A Change Order may or may not entitle Supplier to an adjustment in the Supplier's compensation or the performance deadlines under this Agreement.

S3. Flowdown Requirements. All applicable requirements that are invoked or applied to the Purchase Order, including this clause, shall flow down to the Supplier and Supplier's sub-tier suppliers. *See* FAR, DFARS, and additional Flowdown Clauses/Provisions below.

S4. Packaging/Preservation Not Specified. When specific packaging is not referenced in the Purchase Order and/or specifications or drawings, the Supplier shall package Goods in such a manner as to prevent damage during shipment and subsequent storage at Capewell.

S5. Delivery Date and Location; Shipping. Supplier shall deliver the required quantity of Goods and/or perform the Services and on the date(s) specified in the applicable Purchase Order or as otherwise agreed to in writing by the parties (the "**Delivery Date**"). Time is of the essence with respect to Seller's obligations hereunder and the timely delivery of the Goods and Services. If Supplier fails to deliver the Goods in full on the Delivery Date, Capewell may terminate the Purchase Order immediately by providing written notice to Supplier and Supplier shall indemnify Capewell against any losses, claims, damages, and reasonable costs and expenses directly attributable to Supplier's failure to deliver the Goods on the Delivery Date. Capewell has the right to return any Goods delivered prior to the Delivery Date at the Supplier's expense and Supplier shall redeliver such Goods on the Delivery Date. All Goods shall be delivered to, and Services shall be performed at, the address specified in the Purchase Order (the "**Delivery Location**") during Capewell's normal business hours or as otherwise instructed by Capewell. Delivery shall be made FOB Delivery Location, Incoterms® 2020, unless otherwise specified in the Purchase Order. Supplier shall give written notice of shipment to Capewell when the Goods are delivered to a carrier for transportation. Supplier shall provide Capewell all shipping documents, including the commercial invoice, packing list, air waybill/bill of lading and any other documents necessary to release the Goods to Capewell after Supplier delivers the Goods to the transportation carrier.

S6. Rights of Access.

(a) Capewell's Premises. As to the performance of Services, Capewell will grant to Supplier access to the Delivery Location as is necessary for the provision of the Services hereunder. Supplier shall be required to follow any and all standard access requirements of Capewell as to access to the Delivery Location, including any safety requirements. Supplier acknowledges that if it or any of its Representatives enter the Delivery Location or any other location owned or operated by Capewell, they do so at Supplier's own risk and shall hold Capewell harmless as to same. "**Representatives**" means with respect to any person, its directors, officers, employees, agents, subcontractors, independent contractors, and other representatives.

(b) Supplier's Premises. Work under this Agreement is subject to Government

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and/or Capewell surveillance/inspection at Supplier's plant or Supplier's sub-tier supplier's facility during normal business hours. The Supplier will be notified in advance if a surveillance/inspection is to be conducted and shall grant access to Supplier's plant for same.

S7. Suspension of Contract Deliveries. In addition to any remedies that may be provided under these Terms, if there is evidence of unacceptable quality procedures, Capewell may, in its sole reasonable discretion, suspend contract deliveries pending demonstration of appropriate corrective actions by Supplier acceptable to Capewell.

S8. Inspection; Nonconforming Material. Capewell has the right to inspect the Goods on or after the Delivery Date (as defined below). Capewell, at its sole option, may inspect all or a sample of the Goods and may reject all or any portion of the Goods if such Goods are nonconforming or defective. If Capewell rejects any portion of the Goods, Capewell has the right, effective upon written notice to Supplier, to: (a) rescind this Agreement in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Capewell requires replacement of the Goods, Supplier shall, at its expense and no later than fifteen (15) days after receiving notice from Capewell, replace the nonconforming or defective Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective material and/or goods and the delivery of replacement Goods. Repair dispositions on nonconforming or defective Goods must be approved in advance by Capewell. A copy of the approval shall be enclosed with each shipment made pursuant to this Agreement. If Supplier fails to timely deliver replacement Goods, Capewell may replace them with goods from a third party and charge Supplier the cost thereof and terminate this Agreement for cause pursuant to Clause S24. Any inspection or other action by Capewell under this Clause shall not reduce or otherwise affect Supplier's obligations under the Agreement, and Capewell shall have the right to conduct further inspections after Supplier has carried out its remedial actions.

S9. Price; Payment. The price of the Goods is the price stated in the Purchase Order (the "Price"). Unless otherwise specified in the Purchase Order, the Price includes all packaging, transportation costs to the Delivery Location, insurance, customs duties and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor, transportation costs, or otherwise, without the prior written consent of Capewell. Applicable payment terms will also be set forth in the Purchase Order. If no payment terms are included in the Purchase Order, Capewell will pay all properly invoiced amounts due to Supplier within sixty (60) days after Capewell's receipt of such invoice, except for any amounts disputed by Capewell in good faith. All payments hereunder must be in U.S. dollars. Notwithstanding anything to the contrary in this Agreement, and without prejudice to any other right or remedy it has or may have, Capewell reserves the right to set off at any time any amount owed to it by Supplier against any amount payable by Capewell to Supplier, whether such amount is matured or unmatured or arises under this Agreement or otherwise.

S10. Quality System. Supplier compliance and/or certification to AS9100, IS09001, ISO 17025, or equivalent recognized quality management system is preferred. At a minimum, there shall be adequate process controls to ensure the Supplier can meet Capewell's Purchase Order requirements.

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S11. Supplier Reporting. The Supplier shall provide for timely reporting of nonconformities that may affect already delivered Goods or performed Services. Notification shall include, as applicable, a clear description of the discrepancy, identification of suspect parts (to include manufacturing dates, serial numbers, quantity, etc.) and material affected by the deficiency, dates delivered, and any information to the root cause/corrective action steps initiated to address the defective condition and to prevent recurrence.

S12. Foreign Object Control. The Supplier shall have sufficient foreign object controls within their facilities/operations to prevent foreign objects from entering into the Goods.

S13. Certificate of Compliance (C of C). The Supplier shall furnish certification that Goods shipped comply with all requirements of the Purchase Order, drawings, and specifications. The certificate shall state:

- (a) Supplier's name and address;
- (b) Manufacturer's name and address (if different from Supplier);
- (c) Date certificate is issued;
- (d) Capewell's Purchase Order number;
- (e) Identification of Goods by serial number, lot number, production date or other identifiable means;
- (f) Description of Goods;
- (g) Drawing/specification number and revision;
- (h) A statement certifying that all materials used are in accordance to the applicable specifications, all prescribed processes have been met and all inspections and test were successful and passed;
- (i) Signature and title of Supplier's authorized quality representative; and
- (j) If a covered item (unless excepted), Certificate of Conformance stating all items shipped pursuant to this Agreement are in compliance with the Berry Amendment, 10 U.S.C. § 2533a.

S14. Certificate of Compliance - Raw Materials. For any Goods constituting raw materials, Supplier shall comply with the following:

(a) The Supplier will include with each shipment the raw material manufacturer's test report (e.g., mill test report) that states that the lot of material furnished has been tested, inspected, and found to be in compliance with the applicable material specifications. The test report will list the specifications, including revision numbers or letters, to which the material has been tested and/or inspected and the identification of the material lot to which it applies.

(b) When the material specification requires quantitative limits for chemical, mechanical, or physical properties, the test report will contain the actual test and/or inspection values obtained. For aluminum mill products (except castings), certifications for chemistry may indicate compliance within the allowed range. Certifications for physical properties will show actual values.

(c) When Supplier provides converted material produced by a raw material manufacturer, Supplier shall submit all pre- and post-conversion chemical/physical tests reports.

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S15. Certificate of Manufacturing Date. For Goods constituting any product, substance or material delivered pursuant to this Agreement requires a certificate for shelf life of age/environmental sensitive materials submitted. Any product, substance or material that has a limited life shall have a minimum of ninety percent (90%) of its certified shelf life remaining upon delivery to Capewell. The limited life period shall be identified on the product or support documentation. A Material Safety Data Sheet (MSDS) is to be provided with each shipment of Goods.

S16. Material Lot Control, and Traceability. Any Goods hereunder constituting material delivered pursuant to this Agreement requires material lot control, and traceability. Manufacturing lots shall be traceable and identified to manufacturing documents. Lot date codes, manufacturing lot numbers, or unique job numbers are acceptable means of identification and must be referenced on certification of compliance and traceable to the Supplier's manufacturing documents. Lot date codes shall not exceed three (3) years from date of manufacture. As applicable, for assemblies and subassemblies, lot date codes shall not exceed three (3) years from date of assembly.

S17. Record Retention. The Supplier shall maintain records for review by Capewell or the customer/regulatory agency, as applicable, for a minimum of ten (10) years from the date of delivery of product to Capewell. Records shall include, but not be limited to:

1. Evidence of inspection to assure adherence to applicable drawings or specifications and revisions;
2. First article inspection report;
3. Test reports;
4. Periodic inspection and control of inspection media;
5. Records to indicate control of special tooling and special test equipment;
6. Test data records of all qualification and acceptance test performed;
7. Certification of personnel as required by specification and/or contract;
8. Raw material and process certifications; and
9. Material review reports.

S18. Counterfeit Goods.

(a) Supplier shall not furnish Counterfeit Goods to Capewell. “**Counterfeit Goods**” are defined as goods or separately-identifiable items or components of goods that: (i) are an unauthorized copy or substitute of an Original Equipment Manufacturer or Original Component Manufacturer (collectively, “**OEM**”) item; (ii) are not traceable to an OEM sufficiently to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re-worked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OEM design but not disclosed as such or are represented as OEM authentic or new; or (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes. Notwithstanding the foregoing, goods or items that contain modifications, repairs, re-work, or re-marking as a result of Supplier's or its subcontractor's design authority,

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material review procedures, quality control processes or parts management plans, and that have not been misrepresented or mismarked, shall not be deemed Counterfeit Goods. Counterfeit Goods shall be deemed nonconforming to the applicable Purchase Order for which they were delivered.

(b) Supplier shall implement and/or maintain an appropriate strategy to ensure that goods furnished to Capewell under this Agreement are not Counterfeit Goods. Supplier's strategy shall include, but is not limited to, the direct procurement of items from OEMs or authorized suppliers, conducting approved testing or inspection to ensure the authenticity of items, and, when items are to be procured from non-authorized suppliers, obtaining from such non-authorized suppliers appropriate certificates of conformance that provide one or more of the following: (i) the OEM's original certificate of conformance for the item; (ii) sufficient records providing unbroken supply chain traceability to the OEM; or (iii) test and inspection records demonstrating the item's authenticity.

(c) If Supplier becomes aware or suspects that it has furnished Counterfeit Goods to Capewell under this Agreement, Supplier promptly, but in no case later than thirty (30) calendar days from discovery, shall notify Capewell and replace, at Supplier's expense, such Counterfeit Goods with OEM or Capewell-approved goods that conform to the requirements of the applicable Purchase Order. Supplier shall be liable for all costs related to the replacement of Counterfeit Goods and any testing or validation necessitated by the installation of authentic goods after Counterfeit Goods have been replaced.

(d) Supplier bears responsibility for procuring authentic goods or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this provision.

S19. Warranties.

(a) Supplier warrants to Capewell that Goods shipped pursuant to this Agreement shall be free of dents, gauges, burrs, scratches, sharp edges, foreign matter, or any other evidence of poor workmanship standards that shall create a condition that renders said part unsatisfactory for its intended use. In addition, Supplier warrants to Capewell that for a period of twenty-four (24) months from the Delivery Date (or for a longer period if specifically set forth in the Purchase Order or by mutual agreement of the parties), all Goods will: (i) be free from any defects in workmanship, material and design; (ii) conform to applicable specifications, drawings, designs, samples, and other requirements specified by Capewell; (iii) be fit for their intended purpose and operate as intended; (iv) be merchantable; (v) be free and clear of all liens, security interests or other encumbrances; and (vi) not infringe or misappropriate any third-party's patent or other intellectual property rights.

(b) Supplier warrants to Capewell that it shall perform the Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with best industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.

(c) These warranties survive any delivery, inspection, acceptance, or payment of

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or for the Goods by Capewell. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Capewell's discovery of the noncompliance of the Goods with the foregoing warranties. If Capewell gives Supplier notice of noncompliance with this Clause, Supplier shall, at its own cost and expense and within fifteen (15) days of such notice, (i) replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Supplier and the delivery of repaired or replacement Goods to Capewell and, if applicable, (ii) repair or re-perform the applicable Services.

S20. Supplier's Obligations.

(a) Supplier's contributions to product or service conformity is vital to the success of both organizations, as well as Capewell's customers. Goods and services must meet all the requirements of this Agreement including, for the avoidance of doubt, the applicable Purchase Order.

(b) Supplier's contribution to product safety is paramount. Supplier acknowledges and agrees that the Goods provided to Capewell under this Agreement are included in products and services which our customers utilize in human life support and crucial aerial delivery applications.

(c) Supplier's contribution to ethical behavior is a vital component of the Supplier's performance.

(d) Supplier shall ensure that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of the Supplier, are properly licensed, certified or accredited as required by applicable law and are suitably skilled, experienced and qualified to perform the Services.

(e) Supplier shall ensure that all of its equipment used in the provision of the Services is in good working order and suitable for the purposes for which it is used, and conforms to all relevant legal standards and standards specified by the Capewell.

(f) Supplier shall comply with all rules, regulations and policies of Capewell at its premises, including security procedures concerning systems and data and remote access thereto, building security procedures, including the restriction of access by Capewell to certain areas of its premises or systems for security or confidentiality reasons, and general health and safety practices and procedures.

S21. Compliance with Laws. Supplier is in compliance with and shall comply with all applicable laws, regulations, and other legal requirements. Supplier has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under the Purchase Order. Supplier shall comply with all export and import laws of all countries involved in the sale of Goods under this Agreement. Supplier assumes all responsibility for shipments of Goods requiring any government import clearance. Capewell may

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terminate this Agreement/Purchase Order if any government authority imposes antidumping or countervailing duties, or any duties or penalties on the Goods.

S22. Indemnification.

(a) Supplier shall indemnify, and hold harmless Capewell and Capewell's subsidiaries, affiliates, successors or assigns and their respective directors, officers, shareholders and employees and Capewell's customers (collectively, "**Indemnitees**") against any and all losses, injuries, death, damages, liabilities, claims, deficiencies, actions (threatened or actual), judgment, interest, award, penalties, fines, costs, expenses (including actual attorneys' fees and professional's fees), liability and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "**Losses**") resulting or arising out of or occurring in connection with the Goods purchased from, or Services performed by, Supplier or Supplier's negligence, willful misconduct or breach of this Agreement. Supplier shall not enter into any settlement without Capewell's or Indemnitee's prior written consent.

(b) Supplier shall, at its expense, indemnify and hold harmless Capewell and any Indemnitee against any and all Losses arising out of or in connection with any claim that Capewell's or Indemnitee's use or possession of the Goods infringes or misappropriates the patent, copyright, trade secret, or other intellectual property right of any third party. In no event shall Supplier enter into any settlement without Capewell's or Indemnitee's prior written consent.

S23. Insurance. During the term of this Agreement and for a period of one (1) year thereafter, Supplier shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$5,000,000 with financially sound and reputable insurers. Upon Capewell's request, Supplier shall provide Capewell with a certificate of insurance from Supplier's insurer evidencing the insurance coverage specified in these Terms. The certificate of insurance shall name Capewell as an additional insured. Supplier shall provide Capewell with ten (10) days' advance written notice in the event of a cancellation or material change in Supplier's insurance policy. Except where prohibited by law, Supplier shall require its insurer to waive all rights of subrogation against Capewell's insurers and Capewell.

S24. Termination.

(a) Termination for Convenience. Capewell may terminate the Purchase Order, in whole or in part, at any time with or without cause, by delivering to Supplier a notice of termination specifying the extent of termination and the effective date. In the event of such termination, Supplier shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Supplier shall continue all work not terminated. Subject to the terms of the Purchase Order, Supplier shall be paid a percentage of the Purchase Order price reflecting the percentage of the work performed prior to the notice of termination, after using its best efforts to mitigate such costs and referred to herein as the "**Termination Fee**"). If Supplier determines in good faith that it is due a Termination Fee, Supplier must submit such claim to Capewell, along with documentation to support such claim, within thirty (30) days from the effective date of termination. If Supplier fails to submit a claim within such thirty (30) day

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period, Supplier shall have forfeited its right to a Termination Fee or the right to make any claim with respect to damages or losses incurred as a result of any termination by Capewell under this Clause 24(a). The parties acknowledge and agree that the Termination Fee shall not include, nor shall Supplier be paid or otherwise compensated for any work performed or costs incurred which reasonably could have been avoided, or for which Supplier is able to recuperate, or otherwise mitigate. In no event shall the Termination Fee exceed the full Price for the Goods to be provided or Services to be rendered. The parties intend the Termination Fee to be liquidated damages constituting compensation, and not a penalty. The parties acknowledge and agree that damages resulting from termination pursuant to this Clause 24(a) would be impossible or very difficult to accurately estimate, and that the Termination Fee is a reasonable formula to determine anticipated or actual harm that may arise from such termination. Capewell's payment of the Termination Fee to Supplier is Capewell's sole liability and entire obligation, and Supplier's exclusive remedy for any termination by Capewell. For the avoidance of doubt, in no event shall Capewell be liable for any funds other than the Termination Fee, including, without limitation, for lost or anticipated profits or revenue, or any indirect or incidental costs or liabilities, or for any consequential, special, exemplary, or punitive damages.

(b) Termination for Default.

(i) Capewell may, by written notice to Supplier, cancel all or part of the Purchase Order: (A) if Supplier fails to deliver the Goods within the time specified by the Purchase Order or any written extension executed by the parties, if applicable, and such failure continues for five (5) days after Supplier's receipt of written notice; (B) if Supplier fails to perform any other provision of the Purchase Order so as to endanger performance of the Purchase Order, and such failure continues for five (5) days after Supplier's receipt of written notice; or (C) in the event of Supplier's bankruptcy, suspension of business, insolvency, appointment of a receiver for Supplier's property or business, or any assignment, reorganization or arrangement by Supplier for the benefit of its creditors. Supplier shall continue all work not terminated.

(ii) Upon termination of this Agreement pursuant to either Clause 24(a) or 24(b), Capewell may require Supplier to transfer title and deliver to Capewell, as directed by Capewell, any (A) completed Goods, and (B) any partially completed Goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and Purchase Order rights (collectively, "**Manufacturing Materials**") that Supplier has specifically produced or acquired for the canceled portion of the Purchase Order. Upon direction from Capewell, Supplier shall also protect and preserve property in its possession in which Capewell or its customer has an interest.

(iii) Upon termination of this Agreement pursuant to Clause 24(b)(i), Capewell shall pay the Price solely for completed Goods accepted, if applicable. In addition, any payment for Manufacturing Materials accepted by Capewell and for the protection and preservation of Capewell's property shall be at a price determined reasonably by the parties, except that Supplier shall not be entitled to profit.

(iv) If, after termination pursuant to Clause 24(b)(i), it is determined that Supplier was not in default, the rights and remedies of the parties shall be as if the Purchase Order had been terminated for convenience in accordance with Clause 24(a).

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S25. Waiver. No waiver by any party of any of the provisions of the Purchase Order shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Purchase Order, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Purchase Order shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

S26. Confidential Information. All non-public, confidential or proprietary information of Capewell (the “**Confidential Information**”), including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Capewell to Supplier, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential,” in connection with the Purchase Order is confidential, solely for the use of performing the Purchase Order and may not be disclosed or copied unless pre-authorized by Capewell in writing. Supplier shall use the Confidential Information solely for the Purpose and shall not disclose or permit access to Confidential Information other than to Representatives who: (a) need to know such Confidential Information solely for the use of performing the Purchase Order and (b) are bound by confidentiality obligations no less protective of the Confidential Information than the terms contained herein. Supplier shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Supplier shall promptly notify Capewell of any unauthorized use or disclosure of Confidential Information and take all reasonable steps to prevent further use or disclosure. Supplier shall fully cooperate with the Capewell in any effort undertaken by the Capewell to enforce its rights related to any such unauthorized disclosure. Supplier will be responsible for any breach of this Clause caused by its Representatives. Upon Capewell’s request, Supplier shall promptly return all documents and other materials received from Capewell. Capewell shall be entitled to injunctive relief for any violation of this Clause. This Clause shall not apply to information that is: (a) in the public domain; (b) known to the Supplier at the time of disclosure; or (c) rightfully obtained by the Supplier on a non-confidential basis from a third party. The parties agree that Capewell would be irreparably damaged and may have no adequate remedy at law for Supplier’s breach of this Clause. Accordingly, Supplier hereby: (a) consents to the entry of an immediate ex-parte injunction, temporary restraining order, and/or permanent injunction to enforce the provisions of this Clause, in addition to any other remedies available at law or in equity; and (b) waives in any legal proceeding the defense that Capewell has adequate remedies available at law.

S27. Assignment. Supplier shall not assign, transfer, delegate, or subcontract any of its rights or obligations under the Purchase Order without the prior written consent of Capewell. Any purported assignment or delegation in violation of this Clause shall be null and void. No assignment or delegation shall relieve the Supplier of any of its obligations hereunder. Capewell may at any time assign, transfer or subcontract any or all of its rights or obligations under the Purchase Order without Supplier’s prior written consent.

S28. Relationship of the Parties. The relationship between the parties is that of

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independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from this Agreement.

S29. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express, or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

S30. Governing Law. All matters arising out of or relating to this Purchase Order shall be governed by and construed in accordance with the internal laws of the State of Connecticut, United States of America, without regard to the conflict of law provisions thereof (whether of the State of Connecticut or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Connecticut.

S31. Venue and Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this Order shall be instituted in the federal courts of the United States of America or the courts of the State of Connecticut in each case located in the City of Hartford and County of Hartford, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

S32. Cumulative Remedies. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

S33. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

S34. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “**Notice**”) shall be in writing and addressed to the parties at the addresses set forth on the face of the Purchase Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), electronic mail (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Clause.

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Additional Purchase Order Provisions - These Clauses apply if specifically referenced in the Purchase Order.

A1. Supplier Inspection Data. Supplier shall provide their inspection data with each delivery of Goods.

A2. First Article Inspection. The Supplier is required to complete a first article inspection to verify compliance to all product requirements and specifications of the Goods pursuant to the below requirements. The Supplier shall provide the results to Capewell at the time of shipment. (Note: AS9102, first article inspection, shall be used as guideline).

(a) The first article unit may be one item or a representative sample from the initial lot, batch, run, or the first ten (10) units produced from production tooling for this Purchase Order.

(b) The first article inspection shall provide supporting data to verify one hundred percent (100%) of the product drawing requirements, specifications, and notes.

(c) The first article inspection shall consist of all records and inspection/test data related to build history, failures, repairs, acceptance test results, and other pertinent configuration documentation.

(d) Capewell reserves the right to witness the first article inspection at the Supplier's facility.

A3. First Piece Inspection. The Supplier shall provide first piece dimensional inspection data. The first piece shall be from the initial lot, batch, or run. One hundred percent (100%) of the dimensions shall be measured as part of the first piece inspection. Data sheet shall depict dimension, tolerance, and actual measurement (with variables data recorded), and be traceable to the Capewell part number and revision. First piece inspection data shall be sent to Capewell at least once for each Purchase Order. Subsequent Purchase Orders shall require another first piece inspection datasheet. Any revision or change to a drawing that affects any dimensions shall necessitate additional first piece inspection data for an open Purchase Order.

A4. Critical/Key Dimensions Inspection. The Supplier shall provide critical/key dimension inspection results with each shipment. Critical/key dimensions are identified either on the drawing or as part of the Purchase Order notes. Data shall be supplied on one hundred percent (100%) of the identified dimensions, to one percent (1%) Acceptable Quality Level (AQL) of the production lot.

A5. Inspection and Test Plan. The Supplier shall submit an Inspection and Test Plan to Capewell. Changes are not allowed to the Inspection and Test Plan without approval from Capewell. The Inspection and Test Plan should include the following:

1. A flow chart that includes a brief word description of the type of operation, inspection, or test performed at the steps provided in the chart; and

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2. An identification of the applicable test procedure numbers, process specifications, or other documents utilized in the performance of operations listed.

B1. Government Source Inspection (GSI). U.S. Government Source Inspection (GSI) is required prior to delivery to Capewell. Upon receipt of this Purchase Order, Supplier shall promptly notify the U.S. Government representative who normally services the Supplier's plant, in order that the U.S. Government representative can accomplish appropriate planning for conducting Government Source Inspection at the Supplier's facilities. If the Supplier cannot locate the U.S. Government representative to arrange for the required Source Inspection, the Supplier shall notify Capewell immediately. Upon request, the Supplier shall make available to the U.S. Government representative any measuring and test equipment, facilities, records, and personnel to facilitate the U.S. Government Source Inspection.

B2. FAA Source Inspection. During the performance of this Purchase Order, Supplier's quality control or inspection system and manufacturing processes are subject to review, verification, and analysis by the Federal Aviation Administration (FAA). FAA inspection or release of product prior to shipment is not required unless Supplier is otherwise notified.

C1. Certificate of Compliance (C of C) Calibration. The Supplier shall submit for each item calibrated one reproducible record of actual calibration results, including applicable graphic and tabular data. Records shall be traceable to the individual item tested by part number, serial number, and Capewell's Purchase Order number for the item shipped. The Supplier's calibration certificate shall include a unique calibration tracking number, tolerance range, and environmental conditions at the time each parameter was calibrated. The certificate shall also state the operating error per specification, the degree of correction of out of tolerance condition and remaining uncorrected out of tolerance condition, if applicable.

C2. Special Process Certification. Articles on this Purchase Order require special processes such as, but not limited to: soldering, painting, welding, heat-treating, electroplating, anodizing, chemical films, or nondestructive testing. These processes shall be validated by the Supplier and under proper process controls to ensure conformance to product and process specifications/parameters. The Supplier shall furnish certification to the processes (include process specification number, type, class, color, etc.). See Standard Purchase Order Clause S13 for the contents of a C of C.

C3. Nondestructive Examination (NDE)/Nondestructive Testing (NDT) Certification. The Supplier shall furnish with each shipment, and affixed to the product/material, a copy of the NDE/NDT certification for materials requiring any of the following non-destructive tests/inspections (see Purchase Order for NDE/NDT requirements):

- Liquid Penetrant
- Magnetic Particle
- Eddy Current
- Ultrasonic
- Radiographic

D1. Electrostatic Discharge (ESD), Handling, and Package Control. The Supplier is required to provide ESD protection as identified by the specification or drawing on this Purchase Order. The Supplier shall have documented procedures for protection of ESD sensitive

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devices during all phases of manufacture, handling, packaging, testing, storage, and shipment. The Supplier's ESD program shall be in accordance as applicable: MIL-STD-1686, MIL-HDBK-263, ANSI/ESD-S20-20, or Capewell approved equivalent. An ESD identification label shall be affixed to each package noting "ESD SENSITIVE."

D2. Electrical and Electronic Components. The supplied product shall have manufacturer lot date code identification and shall be packaged to provide segregation to assure traceability to unique lot codes and quantities can be maintained.

E1. Calibration System. The Supplier shall have a documented calibration system that meets either the requirements of ISO 17025, "General Requirements for the Competence of Testing and Calibration Laboratories," the American National Standard Institute (ANSI)/National Conference of Standards Laboratories (NCSL) Z540-1, "General Requirements for Calibration Laboratories and Measuring and Test Equipment", or ISO 10012, "Measurement management systems - Requirements for measurement processes and measurement equipment."

E2. Foreign Object Damage (FOD) Prevention. The Supplier is required to establish and maintain a FOD prevention program in compliance with AS9146 Foreign Object Damage (FOD) Prevention Program-Requirements for Aviation, Space, and Defense Organizations.

F1. FAR/DFARS Flow Down. This Purchase Order is issued under a United States Government prime contract or subcontract, and the clauses identified in F5 below and set forth in the Federal Acquisition Regulations (FAR) or DoD FAR Supplement (DFARS) are incorporated herein by reference, it being understood that as used therein, (a) the terms "Government" and "Contracting Officer" shall be deemed to mean Capewell, (b) the term "Contractor" means Supplier, and (c) the term "Contract" means this Purchase Order or subcontract. The identified requirements also apply to the Supplier's sub-tier suppliers and sub-contractors.

F2. SPECIALTY METALS - DFARS 252.225-7009. The Contractor/Supplier shall include (flow down) to all their suppliers of specialty metals and items containing specialty metals as defined by DFARS 252.225-7009. This clause prohibits the contractor (including its suppliers at every tier) from incorporating into parts, components, and/or end item deliverables to the Department of Defense "specialty metals" which have been melted or produced outside the United States, its outlying areas, or a qualifying country, as listed at DFARS 225.003, unless an exception applies pursuant to paragraph (c) of the clause. Supplier must maintain raw material certifications/proof of compliance on file and provide them upon request within five (5) business days.

F3. BUY AMERICAN ACT. Capewell makes representations that its products sold under U.S. Government contracts are domestic end products as defined by FAR 52.225-1, Buy American – Supplies, in effect as of the date of an order incorporating these terms and conditions. By accepting an order incorporating these terms and conditions, Supplier is representing that the products it delivers to Capewell under the order meet the definition of domestic end products as defined by FAR 52.225-1, Buy American – Supplies, in effect as of the date of an order

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incorporating these terms and conditions. If Supplier's products do not meet the definition of domestic end products, Supplier must notify Capewell prior to acceptance of the order and identify the country of manufacture of each non-domestic product. Supplier's failure to comply with this Clause, including prior notification of non-domestic product, shall be considered a material breach of contract.

F4. EXPORT CONTROL COMPLIANCE. The information contained may be subject to International Traffic Arms Regulations (ITAR) or Export Administration Regulations (EAR) Controls and may not be disclosed to any foreign person(s) or firm, including persons employed by or associated with your firm, without first complying with all requirements of the ITAR, 22 C.F.R. §§120-130 and the EAR, 15 C.F.R. §§730-774.

Capewell Suppliers are hereby notified of the following International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR) Compliance Requirements.

- Capewell Suppliers are also notified that any technical data (i.e. specification, drawings, etc.) provided by Capewell is considered to be export controlled and may not be provided to any foreign person. Foreign persons is a category of persons defined in 22 CFR Section 120.16.

- Capewell Suppliers may also **not** provide any of the export controlled technical data provided by Capewell to foreign suppliers or affiliates, regardless of the nature of the relationship to the U.S. supplier, for any reason, without prior specific export authorization secured from the Directorate of Defense Trade Controls (for ITAR Controlled data) or the Bureau of Industry and Security (for EAR Controlled data).

- Capewell Supplier is also notified that it may not transfer any export controlled technical data provided by Capewell to any U.S. sub-contractor/vendor without first notifying the subcontractor/vendor of the export compliance requirements as stated above.

By this notification, Supplier, as a Capewell supplier, has been so advised of Supplier's compliance obligations under the ITAR and EAR.

F5. FAR/DFARS FLOWDOWN CLAUSES. To the extent this Order is in support of a U.S. Government prime contract, the FAR and DFARS clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text and are applicable in performance of this Contract. Flowdown clauses are identified by reference below in accordance with their most recent published date; in the event of conflict between the version of the clause listed below and the version that is in Capewell's customer contract, the version in Capewell's customer contract shall take precedence. The Contracts Disputes Act shall have no application to the subcontract, and nothing in the purchase order grants Supplier a direct claim or cause of action against the U.S. Government. The full text of FAR clauses can be found at [FAR | Acquisition.GOV](https://www.far.gov), and the full text of DFARS clauses can be found at [DPC | Defense Acquisition Regulations System | DFARS/PGI \(osd.mil\)](https://www.dpc.osd.mil/).

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FAR CLAUSES REQUIRED FOR ALL ORDERS:

1. 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017);
2. 52.204-21 Basic Safeguarding of Covered Contractor Information Systems (NOV 2021);
3. 52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (NOV 2021);
4. 52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (NOV 2021) (paragraph (b)(2) does not apply);
5. 52.204-27 Prohibition on a ByteDance Covered Application (JUN 2023);
6. 52.211-5 Material Requirements (AUG 2000);
7. 52.219-8 Utilization of Small Business Concerns (SEP 2023);
8. 52.222-4 Contract Work Hours and Safety Standards - Overtime Compensation (MAY 2018);
9. 52.222-21 Prohibition of Segregated Facilities (APR 2015);
10. 52.222-26 Equal Opportunity (SEP 2016);
11. 52.222-50 Combating Trafficking in Persons (NOV 2021);
12. 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (JUN 2020);
13. 52.225-1 Buy American – Supplies (OCT 2022);
14. 52.225-13 Restrictions on Certain Foreign Purchases (FEB 2021);
15. 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (SEP 2016);
16. 52.244-6 Subcontracts for Commercial Products and Commercial Services (SEP 2023);
and
17. 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (NOV 2021).

DFARS CLAUSES REQUIRED FOR ALL SUBCONTRACTS:

1. 252.203-7002 Requirement to Inform Employees of Whistleblower Rights (DEC 2022);
2. 252.204-7000 Disclosure of Information (OCT 2016);
3. 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (JAN 2023);
4. 252.204-7014 Limitations on the Use or Disclosure of Information by Litigation Support Contractors (JAN 2023);
5. 252.204-7015 Notice of Authorized Disclosure of Information for Litigation Support (JAN 2023);
6. 252.204-7018 Prohibitions on the Acquisition of Covered Defense Telecommunications Equipment or Services (JAN 2023);
7. 252.204-7020 NIST SP 800-171 DoD Assessment Requirements (JAN 2023);
8. 252.211-7003 Item Unique Identification and Valuation (JAN 2023);
9. 252.223-7008 Prohibition of Hexavalent Chromium (JAN 2023);
10. 252.225-7001 Buy American and Balance of Payments (JAN 2023);
11. 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (JAN 2023);
12. 252.225-7007 Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies (DEC 2018);
13. 252.225-7012 Preference for Certain Domestic Commodities (APR 2022);

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14. 252.225-7048 Export-Controlled Items (JUN 2013);
15. 252.225-7056 Prohibition Regarding Business Operations with the Maduro Regime (JAN 2023);
16. 252.227-7013 Rights in Technical Data – Other Than Commercial Products and Commercial Services (MAR 2023);
17. 252.227-7015 Technical Data – Commercial Products and Commercial Services (MAR 2023);
18. 252.227-7016 Rights in Bid or Proposal Information (JAN 2023);
19. 252.227-7037 Validation of Restrictive Markings on Technical Data (JAN 2023);
20. 252.228-7001 Ground and Flight Risk (MAR 2023);
21. 252.244-7000 Subcontracts for Commercial Products or Commercial Services (Jan 2023);
22. 252.246-7003 Notification of Potential Safety Issues (JAN 2023); and
23. 252.247-7023 Transportation of Supplies by Sea (JAN 2023).

FAR AND DFARS CLAUSES REQUIRED *WHEN APPLICABLE AS INDICATED IN THE NOTE FOLLOWING EACH CLAUSE:*

1. 52.203-6 Restrictions on Subcontractor Sales to the Government (JUN 2020) (If subcontract exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation 2.101 on the date of the subcontract);
2. 52.203-7 Anti-Kickback Procedures (JUN 2020) (If subcontract exceeds the threshold specified in Federal Acquisition Regulation [3.502-2\(i\)](#) on the date of the subcontract. Paragraph (c)(1) does not apply.);
3. 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 2020) (If subcontract exceeds the threshold specified in FAR 3.808 on the date of the subcontract);
4. 52.203-13 Contractor Code of Business Ethics and Conduct (NOV 2021) (If the subcontract exceeds the threshold specified in FAR [3.1004\(a\)](#) on the date of the subcontract and a performance period of more than 120 days);
5. 52.203-17 Contractor Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights (JUN 2020) (If subcontract exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation [2.101](#) on the date of the subcontract);
6. 52.209-6 Protecting the Government’s Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment (NOV 2021) (If subcontract exceeds the threshold specified in FAR [9.405-2\(b\)](#) on the date of the subcontract);
7. 52.211-15 Defense Priority and Allocation Requirements (APR 2008) (If DPAS rating is cited on the face of the order);
8. 52.215-14 Integrity of Unit Prices (NOV 2021) (If subcontract is not for commercial products and exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation 2.101 on the date of the subcontract. Paragraph (b) does not apply.);
9. 52.219-9 Small Business Subcontracting Plan (SEP 2023) (If subcontract exceeds the applicable threshold specified in FAR [19.702\(a\)](#) on the date of the subcontract);
10. 52.222-35 Equal Opportunity for Veterans (JUN 2020) (If subcontract is valued at or above the threshold specified in FAR [22.1303\(a\)](#) on the date of the subcontract);
11. 52.222-36 Equal Opportunity for Workers with Disabilities (JUN 2020) (If subcontract exceeds the threshold specified in Federal Acquisition Regulation (FAR) [22.1408\(a\)](#) on the

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- date of the subcontract);
12. 52.222-37 Employment Reports on Veterans (JUN 2020) (If subcontract is valued at or above the threshold specified in FAR [22.1303](#)(a) on the date of the subcontract);
 13. 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (If the subcontract exceeds \$10,000 and will be performed wholly or partially in the United States);
 14. 52.222-54 Employment Eligibility Verification (MAY 2022) (If the subcontract exceeds \$3500 and is for services performed in the United States (except for services performed on a commercial-off-the-shelf item));
 15. 52.223-3 Hazardous Material Identification and Material Safety Data (FEB 2021) (If hazardous material will be delivered under the subcontract);
 16. 52.223-7 Notice of Radioactive Materials (JAN 1997) (If the subcontract is for radioactive materials meeting the criteria in paragraph (a) of the clause);
 17. 52.227-1 Authorization and Consent (JUN 2020) (If subcontract exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation 2.101 on the date of the subcontract);
 18. 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (JUN 2020) (If subcontract exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation 2.101 on the date of the subcontract);
 19. 52.227-3 Patent Indemnity (APR 1984) (If the subcontract is for commercial products);
 20. 52.227-9 Refund of Royalties (APR 1984) (If the amount of royalties reported during negotiation of the subcontract exceeds \$250);
 21. 52.227-11 Patent Rights – Ownership by the Contractor (MAY 2014) (If the Supplier is a small business);
 22. 52.230-2 Cost Accounting Standards (JUN 2020) (In subcontracts in excess of \$2,000,000);
 23. 52.230-3 Disclosure and Consistency of Cost Accounting Practices (JUN 2020) (In subcontracts in excess of \$2,000,000, but less than \$50,000,000, if the Supplier provides written representation that the Supplier is subject to modified CAS coverage);
 24. 52.232-39 Unenforceability of Unauthorized Obligations (JUN 2013) (If the subcontract includes the delivery of software or items subject to an End User License Agreement (EULA) or Terms of Service (TOS) agreement);
 25. 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (MAR 2023) (If the Supplier is a small business); 52.246-11 Higher-Level Contract Quality Requirement (DEC 2014) (If the order cites a higher-level quality requirement);
 26. 252.215-7010 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (JAN 2023) (If subcontract exceeds the simplified acquisition threshold as defined in Federal Acquisition Regulation 2.101 on the date of the subcontract. Paragraph (c) only applies if the subcontract exceeds \$2M.);
 27. 252.223-7001 Hazard Warning Labels (DEC 1991) (If hazardous material will be delivered under the subcontract);
 28. 252.225-7013 Duty-Free Entry (DEC 2022) (If the subcontract is for qualifying country components or non-qualifying country components for which the duty will exceed \$200 per unit);
 29. 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools (JUN 2005) (If subcontract is for hand or measuring tools);

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30. 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (JAN 2023) (Applies except if subcontract is for commercial products or items that do not contain ball or roller bearings);
31. 252.225-7046 Exports by Approved Community Members in Response to the Solicitation (JUN 2013), excluding paragraph (g), and 252.225-7047 Exports by Approved Community Members in Performance of the Contract (JUN 2013) (Applies if the subcontract is in support of a U.S. DoD Treaty-eligible requirement, the subcontractor is a member of the Approved Community, and the subcontractor uses the Defense Trade Cooperation (DTC) Treaties for responding to the solicitation or for exports or transfers of qualifying defense articles, as such terms are defined in 252.225-7047)
32. 252.227-7038 Patent Rights – Ownership by the Contractor (Large Business) (JUN 2012) (If the Supplier is a large business);
33. 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System (JAN 2023) (If the subcontract is for electronic parts or assemblies containing electronic parts);
34. 252.246-7008 Sources of Electronic Parts (JAN 2023) (If the subcontract is for electronic parts or assemblies containing electronic parts); and
35. 252.249-7002 Notification of Anticipated Contract Termination or Reduction (DEC 2022) (If subcontract is equal to or exceeds the threshold specified in DFARS [249.7003\(c\)\(1\)](#) for first-tier subcontracts and the threshold specified in DFARS [249.7003\(c\)\(2\)](#) for all other tiers).

FAR CERTIFICATIONS AND REPRESENTATIONS REQUIRED WHEN APPLICABLE AS INDICATED IN THE NOTE FOLLOWING EACH CERTIFICATION:

Supplier acknowledges that Capewell will rely upon Supplier's certifications and representations, including representations as to business size and socio-economic status as applicable, contained in these terms and conditions and in any written offer, proposal or quote, or company profile submission, which results in award of a contract to Supplier. By entering into such contract, Supplier makes the certifications and representations set forth below. Supplier shall immediately notify Capewell of any change of status regarding any certification or representation.

1. FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Applicable to subcontracts exceeding the threshold specified in FAR 3.808 on the date of the subcontract)

(a) Definitions. As used in this provision--

"Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8).

The terms "agency," "influencing or attempting to influence," "officer or employee of an agency," "person," "reasonable compensation," and "regularly employed" are defined in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12).

(b) Prohibition. The prohibition and exceptions contained in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12) are hereby incorporated by reference in this provision.

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(c) Certification. Supplier hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract.

(d) Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the offeror with respect to this contract, Supplier shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Supplier need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.

(e) Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

2. FAR 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Applies if the subcontract exceeds the threshold specified in FAR 9.405-2(b) on the date of the subcontract)

(a)(1) Supplier certifies, to the best of its knowledge and belief, that--

(i) Supplier and/or any of its Principals--

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency.

(2) Principal, for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division, or business segment; and similar positions).

(b) Supplier shall provide immediate written notice to Capewell if, at any time, Supplier learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

3. FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (If subcontract is a first-tier subcontract valued at or above the threshold specified in FAR 4.1403(a) on the date of the subcontract)

In the Supplier's preceding fiscal year, the Supplier did not receive (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; AND (B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance.

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4. FAR 52.222-22 Previous Contracts and Compliance Reports (If Supplier has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26))

(a) Supplier represents that: (1) Supplier has filed all required compliance reports and (2) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(b) Paragraph (a) applies only to the extent (1) Supplier performs work in the United States, or (2) recruits employees in the United States to work on this subcontract.

5. FAR 52.222-25 Affirmative Action Compliance (All subcontracts)

(a) Supplier represents: (1) that Supplier has developed and has on file at each establishment, Affirmative Action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) that in the event such a program does not presently exist, Supplier will develop and place in operation such a written Affirmative Action Compliance Program within one-hundred twenty (120) days from the award of this subcontract.

(b) Paragraph (a) applies only to the extent (1) Supplier performs work in the United States, or (2) recruits employees in the United States to work on this subcontract.

F6. Mercury Free Statement. The Supplier (including their sub-tier Supplier) shall provide a statement on the Certification of Conformance stating that the products, materials and/or services performed did not come in contact and/or were not produced with Mercury.

F7. Conflict Minerals. The Supplier's (including their Sub-tier Supplier's) procurement practices shall be compliant to Conflict Minerals, as defined in Securities and Exchange Commission's final rule on Conflict Minerals, 17 CFR Parts 240 and 249(b), promulgated pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protections Act ("the Rule"), and if required, will make good faith inquiries reasonably designed to determine whether any Conflict Mineral that is included in any product delivered to Capewell Aerial Systems LLC pursuant to this Purchase Order originated in the Democratic Republic of the Congo (DRC) or an Adjoining Country. Reference the Conflict Minerals Map <https://ipisresearch.be/home/conflict-mapping/>.