

# BOEING DISTRIBUTION – GENERAL TERMS OF PURCHASE

## 1. FORMATION OF CONTRACT

- a. This proposed purchase contract, which incorporates by reference these General Provisions and all other terms and conditions set forth in this proposed purchase contract (collectively, "Contract"), is Buyer's offer to purchase the goods and any related services and/or other deliverables (collectively, the "Items") described in this offer. Acceptance is strictly limited to the terms and conditions in this offer. Unless specifically agreed to in writing by Buyer's Authorized Procurement Representative, Buyer objects to, and is not bound by, any term or condition that differs from or adds to this offer. Seller's commencement of performance or acceptance of this Contract in any manner shall conclusively evidence acceptance of this Contract as written. Seller's provision of Items shall be governed solely by this Contract. Buyer and Seller are referred to herein as a "Party" or collectively as the "Parties".
- b. Except as authorized herein, no amendment or modification of this Contract shall bind either Party unless it is in writing and is signed by the authorized representatives of the Parties.

## 2. SCHEDULE

- a. Time is and shall remain of the essence in this Contract and Seller shall strictly adhere to the shipment or delivery schedules specified in this Contract. Failure to deliver in accordance with such schedules, if unexcused, shall constitute a material breach of this Contract and all such Items will be non-conforming for purposes of this Contract. In the event of any anticipated or actual delay, including but not limited to delays attributed to labor disputes, Seller shall: (i) promptly notify Buyer in writing of the reasons for the delay and the actions being taken to overcome or minimize the delay; (ii) provide Buyer with a written recovery schedule; and (iii) if requested by Buyer, ship via air or other expedited routing, at no additional cost to Buyer, to avoid or minimize delay to the maximum extent possible.
- b. Seller shall not deliver Items prior to the scheduled delivery dates unless authorized in writing by Buyer.
- c. Buyer may, at no additional cost, retain Items furnished in excess of the specified quantity or in excess of any allowable overage unless, within 45 days of shipment, Seller requests return of such excess. In the event of such request, Seller shall reimburse Buyer for reasonable costs associated with storage and return of the excess.

## 3. PACKING AND SHIPPING

- a. Seller shall pack the Items to prevent damage, foreign object debris/damage ("FOD"), and deterioration. FOD creating packing materials such as vermiculite or packing peanuts are prohibited for shipment(s) against this Contract. Hose ends or exposed connectors on assemblies shall be capped. Parts shall be packaged in quantities specified in this Contract with identification to include Part Number, Manufacturer CAGE code, Manufacturer name, Manufacturer lot or batch or serial number(s) – i.e., if package requirement is 25 parts per pack, there shall be 25 parts in each package. Regardless of transportation mode, all Items shall be suitably packed and properly marked (including notice of hazardous substances) or otherwise prepared for shipment so as to secure the lowest transportation rates and to meet carrier's requirements (reference ATA-300). When shipping requires multiple containers, each container shall be marked externally with appropriate box number (for example, 1 of x, 2 of x, ... x of x) and required traceability documents shall be placed inside of box 1 on top of Items. No charge will be allowed for packing, crating or carriage unless stated in this Contract. Unless otherwise authorized by Buyer in writing (i) all surface shipments shall be declared at the lowest release valuation allowed by the carrier and (ii) domestic and international expedited air shipments shall be waived. If Buyer has agreed to pay for freight charges (e.g. Collect), the Seller shall ship by the carrier and service level designated by Buyer on this Contract. If not, Seller shall pay all costs of shipping.
- b. Risk of loss for the Items purchased hereunder shall be borne by Seller until the Items are delivered FCA (Incoterms® 2020) at the point specified in this Contract or, if no point is given, until delivery to Buyer, at Buyer's facility.
- c. Items that contain Electrostatic Discharge Sensitive Devices must be handled, packaged, marked, and labeled in accordance with ANSI/ESD20.20 or MIL-STS-1686.
- d. HAZMAT Items must be packaged, marked and labeled in accordance with applicable federal and international regulations, e.g. 49 CFR, ICAO, and IMO. Seller is responsible for handling and disposal fees for HAZMAT Items received damaged resulting in the Item being scrapped by the Buyer.
- e. Seller agrees to drop-ship Items to Buyer's customers at the request of Buyer. In such event, title to and risk of loss for the Items purchased hereunder shall be borne by Seller until the Items are delivered FCA (Incoterms® 2020) to Buyer's customer, at the Seller location. For drop-ship Items, the documentation specified in Section 12 of this Contract shall be delivered with the Items to the Buyer's customer.
- f. All Items, unless exempt from Section 304, Tariff Act of 1930 as amended (19 U.S.C. 1304), shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the Item (or container) will permit with the English name of the country of origin of the Item. Packages of Items shall be marked with the name of the country of origin. Some examples of marking the country of origin are: "Made in France", "Made in Germany" and "Made in Italy." Abbreviations or spelling variants may be used provided they unmistakably identify the country of origin to any person; however, the use of the full English name is recommended. The use of the two letter International Standards Organization ("ISO") country abbreviation is not permitted.
- g. A copy of the shipping paperwork will be forwarded to Buyer's purchasing agent before shipment.

## 4. QUALITY CONTROL AND QUALITY MANAGEMENT SYSTEM REQUIREMENTS

- a. Quality Control/Quality Management System: Seller shall establish and maintain a quality system acceptable to Buyer for the Items purchased under this Contract. For Sellers of hardware Items that will become part of an aviation system, AS9100 for manufacturers of Items or AS9120 for distributors of Items is required and must be demonstrated through third-party certification or external audit. For maintenance, repair, and overhaul activity, certification by the cognizant civil aviation authority ("CAA") is required. AS9110 certification is not a substitution for local CAA approvals. Where personnel training certification/licensing is required for service contracts such as an A&P license or NDT certifications, certification documents shall be made available for review within 3 working days of Buyer's written request. When third party certification(s) are required, Seller shall notify Buyer within 5 working days of any changes to certification(s). Seller shall permit Buyer to review procedures, practices, processes, and related documents to determine such acceptability, if requested.
- b. Quality Surveys: The Seller shall provide a response to any quality surveys provided by Buyer via email as directed by Buyer within 30 days of request. Buyer will have the right to suspend invoice payments in the event of a failure to timely respond to such requests. Seller shall have a continuing obligation to promptly notify Buyer of any violation of or deviation from Seller's approved inspection/quality control system and to advise Buyer of the quantity and specific identity of any Items delivered to Buyer during the period of any such violation or deviation.
- c. Record Retention: Seller is responsible for maintaining all records required to document Seller's manufacturer's certifications and configuration statuses including inspection data such as First Article Inspection reports. Records must be maintained for the length of time required by the relevant authority. If the relevant authority provides no time frame, the documents related to Items that will become part of an aircraft must be maintained for a minimum of 10 years after the contract completion and confirmation by the Buyer prior to destruction of any records related to this Contract. Record retention for Items that will not become part of an aircraft is 7 years.
- d. FOD Program: Seller shall maintain a FOD prevention program compliant with AS9146™ or as otherwise approved in writing by Buyer.
- e. Design & Development/Special Processes: Unless otherwise specifically stated in the related purchase order, Buyer seeks no involvement in product special requirements, critical items or key characteristics or involvement in Seller's design and development process. Unless otherwise specifically requested in the related purchase order, Buyer has no requirement for test specimens. When special processes are used by Seller, Seller shall maintain a system for validating processes performed internally or if external providers will be performing special processing, unless otherwise directed by Buyer, Seller shall use (i) an organization certified by NADCAP (see <https://www.eauditnet.com/>) (ii) a Boeing approved vendor listed at <http://active.boeing.com/doingbiz/d14426> or (iii) obtain written approval from Buyer.
- f. Seller shall ensure that the requirements of this Contract are met and will verify product and shipping documents against requirements of this Contract before shipment.
- g. Root Cause and Corrective Action: The Seller shall respond to all requests for root cause and corrective action within 30 days of request. Buyer may submit such requests through the Online Aerospace Supplier Information System or OASIS for certified organizations if Seller does not respond within the time frame required by this Contract. Additionally, Buyer will have the right to suspend all orders.

## 5. CHANGES

- a. Buyer may, without notice to any sureties and in writing, make changes in any one or more of the following: (i) drawings, designs, specifications, where the Items to be furnished are to be specially manufactured for the Buyer in accordance therewith; (ii) shipment or packing methods; (iii) place or time of inspection, delivery, or acceptance; (iv) reasonable adjustments in quantities or delivery schedules or both; (v) the amount of any Buyer furnished property; (vi) terms and conditions of this Contract required to meet Buyer's obligations under its customer prime contracts or subcontracts; and, if this Contract includes services, (vii) description of services to be performed; (viii) time of performance (e.g., hours of the day, days of the week, etc.); and (ix) place of performance. Seller shall comply promptly with such direction. Except for the rights granted to Buyer under this Article, a change pursuant to this Article shall not give rise to nor authorize any other modification of or amendment to the terms and conditions of this Contract.
- b. If such change increases or decreases the cost or time required to perform this Contract, Buyer and Seller shall negotiate an equitable adjustment in the price or schedule, or both, to reflect the increase or decrease. Buyer shall modify this Contract in writing accordingly. Unless otherwise agreed in writing, Seller must assert any claim for adjustment to Buyer's Authorized Procurement Representative in writing within 20 days and deliver a fully supported proposal to Buyer's Authorized Procurement Representative within 60 days, after Seller's receipt of such direction. Buyer may, at its sole discretion, consider any claim regardless of when asserted. If Seller's proposal includes the cost of property made obsolete or excess by the change, Buyer may direct the disposition of the property. Seller has the burden to support the amount of Seller's claim for equitable adjustment. Further, Buyer shall have the right to verify the amount of Seller's claim. Failure of the Parties to agree upon any adjustment shall not excuse Seller from performing in accordance with Buyer's direction.

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- c. If Seller considers that Buyer's conduct constitutes a change, Seller shall notify Buyer's Authorized Procurement Representative promptly in writing as to the nature of such conduct and its effect upon Seller's performance. Pending direction from Buyer's Authorized Procurement Representative, Seller shall take no action to implement any such change.
6. **INSPECTION, ACCEPTANCE, REJECTION AND OTHER REMEDIES FOR NONCONFORMANCE**
- a. At no additional cost to Buyer, Items and all related records shall be subject to inspection, surveillance and test by Buyer, its customers and regulatory authorities at reasonable times and places, including Seller's subcontractors' locations. Buyer has the right to visit Seller's and Seller's subcontractors' locations during operating hours to inspect, review and assess progress and performance under this Contract, including, but not limited to, production, schedule, and quality. Any Buyer representative will be allowed access to all areas used for the performance of this Contract. Buyer shall perform inspections, surveillance, reviews and tests so as not to unduly delay the work.
- b. Seller shall maintain an inspection system acceptable to Buyer for the Items purchased under this Contract.
- c. Unless otherwise specified elsewhere in the related purchase order, Seller shall maintain calibration system meeting the requirements of ISO 17025 for any Items purchased under this Contract requiring measurement.
- d. If Buyer performs an inspection, surveillance, review or test on the premises of Seller or its subcontractors, Seller shall furnish, and require its subcontractors to furnish, without additional charge, reasonable facilities and assistance for the safe and convenient performance of these duties.
- e. Buyer's rights to perform inspections, surveillance and tests and to review procedures, practices, processes and related documents related to quality assurance, quality control, flight safety and configuration control shall extend to customers of Buyer that are departments, agencies or instrumentalities of the United States Government, including but not limited to the United States Government Federal Aviation Administration and any successor agency or instrumentality of the United States Government. Buyer may also, at Buyer's option, by prior written notice from Buyer's Authorized Procurement Representative, extend such rights to other customers of Buyer and to agencies or instrumentalities of foreign governments equivalent in purpose to the Federal Aviation Administration. Seller shall cooperate with any such United States Government-directed or Buyer-directed inspection, surveillance, test or review without additional charge to Buyer. Nothing in this Contract shall be interpreted to limit United States Government access to Seller's facilities pursuant to law or regulation.
- f. Reviews, including program reviews, requirements consumption reviews, and production readiness assessments, shall be held at Seller's, Buyer's or Buyer's customers' facilities, as requested by Buyer. The topics of these reviews shall be specified by Buyer and may include Seller's or Seller's sub-tier suppliers' current and future capacity and capabilities, raw material and component part status, production status, Buyer-supplied components, inventory, Buyer's requirements, manufacturing plans, first article plans, changes, forecasts, disaster preparedness, and other issues pertinent to Seller's performance under this Contract.
- g. Seller shall obtain Buyer's approval for use of statistical techniques for item acceptance and provide any related instructions for acceptance by Buyer and advise of any other impact to Buyer's acceptance of items.
- h. Buyer shall accept the Items or give Seller notice of rejection due to any defect or nonconformance within a reasonable time after the date of delivery. No payment, prior test, inspection, passage of title, any failure to delay in performing any of the foregoing or failure to discover any defect or other nonconformance shall relieve Seller of any obligations under this Contract or impair any rights or remedies of Buyer including but not limited to revocation of acceptance. Buyer reserves the right of final approval of Items or services including related procedures, processes, and equipment.
- i. Seller shall not deliver substitute, superseded or alternate Items without the prior written approval of Buyer.
- j. If Seller delivers defective or non-conforming Items, Buyer may at its option and at Seller's expense (i) return the Items for credit or refund; (ii) require Seller to promptly correct or replace the Items; (iii) correct the Items; or (iv) obtain replacement Items from another source. Seller shall respond within 1 business day to Buyer's notification of receiving non-conformance. All Items delivered without any certificate, certification or other document or deliverable required by this Contract will be non-conforming Items for purposes of this Contract. When non-conformance is discovered by Buyer's customer/end user, Seller shall provide an authorization to return the material within 3 business days of Buyer's notification.
- k. Seller shall not redeliver corrected or rejected Items without disclosing the former rejection or requirement for correction. Seller will disclose any corrective action taken. Repair, replacement and other correction and redelivery must be completed within the original delivery schedule or such later time as Buyer may reasonably direct.
- l. All costs, including reasonable administrative costs, and expenses and loss of value incurred because of or in connection with nonconformance and repair, replacement or other correction or a non-conformance that is not capable of being corrected by Buyer may, in Buyer's discretion, be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this Contract or otherwise. Buyer may recover from Seller charges payable to a customer of Buyer that result from Seller's failure to deliver Items in accordance with the delivery schedule(s) specified herein.
7. **SELLER'S NOTICE OF DISCREPANCIES**
- Seller shall promptly notify Buyer in writing when discrepancies in Seller's process, including any violation of or deviation from Seller's approved inspection/quality control system, or Items are discovered or suspected regarding Items delivered or to be delivered under this Contract, including but not limited to the quantity and specific identity of any impacted Items. This notice shall be sent within 1 business day to both the Purchasing Agent issuing the affected purchase order and via email as directed by Buyer. Notification shall include all known data (such as part number, purchase order number, dates of past shipments, and lot/batch) to assist Buyer identifying and segregating Items shipped by Seller. Seller must continue to provide updates on its investigation until the issue is resolved and closed. Seller shall bear all costs associated with required recalls due to Seller nonconformance.
8. **COUNTERFEIT PARTS PREVENTION**
- a. Seller shall not furnish Counterfeit Parts, which defined as unauthorized copies, imitation, substitute, or modified parts (e.g., materials, parts, components, subassemblies) which are misrepresented as specified genuine parts of an original or authorized manufacturer. Counterfeit Parts can include the false identification of grade, serial number, lot number, date code, documentation, performance characteristics, or the representation of used parts as new. Counterfeit and Suspect Counterfeit Parts shall be deemed nonconforming to this Contract. A Suspect Counterfeit Part is a part for which there is objective and credible evidence indicating that it is likely counterfeit.
- b. Seller shall plan, implement and control processes appropriate to the organization and the products for the prevention of Counterfeit or Suspect Counterfeit Part use and their inclusion in Items. Seller's Counterfeit Parts prevention processes shall address the following:
- Training of appropriate persons in the awareness and prevention of Counterfeit Parts;
  - Application of a parts obsolescence monitoring program;
  - Controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources;
  - Requirements for assuring traceability of parts and components to their original or authorized manufacturers;
  - Verification and test methodologies to detect counterfeit parts;
  - Monitoring of counterfeit parts reporting from external sources;
  - Quarantining and reporting of suspect or detected counterfeit parts, including but not limited to preventing reentry into the supply chain.
- c. If Seller provides Electronic, Electrical or Electromechanical ("EEE") parts or assemblies containing EEE parts, Seller shall implement a counterfeit electronic parts detection and avoidance system compliant with the requirements of SAE standard AS5553 (revision as of the effective date of this Contract).
- d. If Seller becomes aware or suspects that it has furnished Counterfeit or Suspect Counterfeit Parts to Buyer, Seller promptly, but in no case later than 30 days from discovery, shall notify Buyer and replace, at Seller's expense, such Counterfeit Parts or Suspect Counterfeit Parts with Items that conform to the requirements of this Contract. Seller shall be liable for all costs related to the delivery or replacement of Counterfeit Parts or Suspect Counterfeit Parts, including but not limited to any testing or validation costs necessitated by the installation of Items in replacement of Counterfeit Parts or Suspect Counterfeit Parts.
- e. Seller bears responsibility for procuring authentic parts or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this Article. Seller shall include the substance of this Article, including but not limited to this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract.
9. **PRICES**
- This Contract shall be limited to the prices specified on this Contract, which are not subject to increase unless specifically authorized by a written agreement signed by both parties. If this Contract omits price terms, the price of the Items shall be the price last quoted or paid, whichever is lower. In no event shall Seller charge prices to Buyer that are higher than Seller charges to its other customers for goods of like grade and quality and in substantially the same quantities. Any price decrease announced by Seller for the same or similar Items prior to delivery shall automatically reduce the price of the Items purchased under this Contract by a comparable amount or percentage.
10. **INVOICES AND PAYMENT**
- SELLER MUST PROVIDE TO BUYER A COMMERCIAL INVOICE PRIOR TO OR IN CONJUNCTION WITH SHIPMENT OF THE ITEMS PURCHASED HEREUNDER, WHICH CONTAINS SUCH INFORMATION AS IS REQUIRED BY BUYER INCLUDING (A) NAME AND ADDRESS OF SELLER AND BUYER, (B) BUYER'S PURCHASE ORDER NUMBER, (C) DATE OF INVOICE, (D) ITEM NUMBERS, (E) COMPLETE AND CLEAR DESCRIPTION OF ITEMS, (F) SIZES, (G) QUANTITIES, (H) UNIT PRICES AND FINAL PRICE, (I) CURRENCY, (J) SHIPPING DATES, (K) INCOTERM, (L) COUNTRY OF ORIGIN, AND (M) IF APPLICABLE, TIME AND MATERIAL CHARGES AND SUBCONTRACT CHARGES. Unless freight or other charges are itemized, Buyer may take any offered discount on the full amount of the invoice. Payment due date, including discount periods, shall be computed from the later of the scheduled delivery date for the Items, the actual delivery date of the Items, or the date of receipt by Buyer of a corrected invoice. Payment will be deemed made on the date Buyer's check is mailed or payment is otherwise tendered. Buyer will make payment for the Items in accordance with the payment terms established by Buyer in Buyer's system.

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## 11. TERMINATION BY BUYER; SUSPENSION OF WORK

- a. Should Buyer's need for the Items be reduced or eliminated, Buyer may terminate this Contract in whole or in part. If Seller is unable to make other disposition of the Items, Buyer shall pay Seller the reasonable value of the work performed by Seller in respect of such Items up to the time of written notification of termination by Buyer, Buyer's liability under this paragraph shall never exceed the aggregate price specified in this Contract. Seller shall continue all work not terminated.
- b. Buyer may, by written order, suspend all or part of the work to be performed under this Contract for a period not to exceed 100 days. Within such period, Buyer will (i) cancel the suspension of work order; (ii) terminate this Contract pursuant to the provisions of this Contract; or (iii) extend the stop work period upon mutual agreement of the parties. Seller shall resume work whenever a suspension is cancelled or expires. Buyer and Seller shall negotiate an equitable adjustment in the price or schedule or both if (i) this Contract is not canceled or terminated; (ii) the suspension results in a change in Seller's cost of performance or ability to meet the Contract delivery schedule; and (iii) Seller submits a claim for adjustment within 20 days after the suspension is cancelled or expires.

## 12. CERTIFICATION; TRACEABILITY AND PART BUILD DATA

All traceability documentation and certifications shall be legible, in English or with a certified English translation, and reproducible through 2 additional reproductions. All handwritten data, including corrections, must be dated and initialed by an authorized person. A certificate of conformity is not interchangeable with an Authorized Release Certificate. The Items furnished under this Contract are intended for export as defined in paragraph 1.6(o) of the Technical Implementation Procedures ("TIP") for Airworthiness and Environmental Certification between the Federal Aviation Administration ("FAA") and the cognizant CAA (examples of CAA include European Aviation Safety Agency ("EASA"), Civil Aviation Authority of United Kingdom, Transport Canada, Civil Aviation Authority of China). As such the Items covered by this Contract must be accompanied by FAA Form 8130-3 as required by paragraph 5.0.1 of the TIP and section B., appendix 1, paragraph 10(k)(1)(i), (ii) and (vi) of the Maintenance Annex Guidance between the FAA and EASA. Specifically, (a) if the Item is FAA approved, the certificate must state that the Item was manufactured in accordance with applicable FARs (14 CFR §21, Subparts G, K, O, or N). PMA, TSO Items and critical components must be marked and labeled in accordance with 14 CFR § 45.15; (b) if the Item is EASA approved, the certificate must state that the Item was manufactured in accordance with EASA 21, Subpart G. For new engines, propellers, appliances and parts; an EASA Form 1 must be issued, for EASA Standard Parts a manufacturer's certificate of conformance may be issued (FAA/EASA TIP for Airworthiness and Environmental Certification); (c) for aerospace standard hardware Items, Seller must furnish a written certificate that such items conform to then applicable established U.S. Government or industry-accepted specifications for the items established by the manufacturer(s) thereof. In addition, each such Item must be manufactured in the United States unless specifically exempted in advance by the Buyer, and packed in a sealed container on which is plainly marked with Buyer's purchase order number, the manufacturer, the manufacturer's lot number, the quantity and cure date (if applicable); (d) for commercial type Item, the certification will state that the Item is supplied in accordance with the manufacturer's procedures as detailed below under (e) if the Item is hazardous, as defined by applicable regulation or triggers other hazardous communication requirements as specified by regulation; e.g. substance(s) with occupational exposure limits/workplace exposure limits; or industry best practice, Seller must provide a Safety Data Sheet ("SDS") that is compliant to the federal standards of the Buyer's ship-to location, along with the United Nations Hazardous Material Code (see 49 CFR 100 et., seq.) before or with the shipment as detailed in subsection c. below. SDS documentation available on the manufacturer's website is acceptable to fulfil this requirement.

- a. Packing List: Packing lists, when delivered with Items, shall include: Packing list number, Seller's name and address, Buyer's ship to address, Buyer purchase order number and purchase order line number, Part Number for all Items, country of origin for all Items, no pricing or cost information, item description(s), quantity shipped for each item, serial number if applicable, manufacturer's CAGE code if applicable, manufacturer's batch or lot number. If Items are shelf life controlled, packing list shall also include date of manufacture and expiration date.
- b. Certificate of Conformity: All manufacturer's certification(s) must be provided to evidence that each Item is new and unused and was manufactured in accordance with the drawings and specifications approved by the manufacturer and relevant authority. Certification shall include page (of pages), certificate number (if separate from packing list), packing list number (if separate document), date, seller's name and address, Customer name and address, Customer Purchase Order number and line item for each part number, Country of Origin for each item, Quantity of each part number, Material description/nomenclature for each part number, revision of each part number, traceability such as lot(s), batch(es) or serial number(s) for each part number, Remarks, Conformity Details (such as specs to which material is certified) for each part number, and Statement of Conformity for the shipment. Certification may be combined with packing list as long as all requirements for both are present. The certification statement when produced manually shall be legibly signed or stamped by an authorized person and may be at the bottom of the packing list or on a separate page referring to the packing list. Signature may be electronic. Signature may be omitted when a signed letter from Manufacturer has been submitted via email as directed by Buyer that states certification is ERP/MRP generated with traceability to an agent with authority to release material as part of an accredited QMS.
- c. Hazardous Items: Hazardous Items must be properly labeled per federal standards of the Buyer ship-to location (e.g. OSHA, CLP, WHMIS, or WHS) and align with the Section 1 and 2, respectively, of the SDS. Seller agrees to provide a SDS compliant to initial purchase location prior to initial purchase. Seller agrees to provide a SDS compliant to each region and language where the material will be sold or used, at any time after purchase. If Seller does not maintain a SDS in each required region and language format, Seller agrees to either create the required documents or assist Buyer in their creation by providing necessary information. Dangerous Items will be identified prior to purchase and shipped to Buyer in full compliance with regulations. If the material is or includes lithium batteries, a Test Summary Report will be included prior to purchase. If the Items include explosives, as defined by the Bureau of Alcohol Tobacco and Firearms ("ATF"), U.S. Department of Treasury (see 27 §CFR et. seq.), Seller must provide Buyer with an ATF Exemption Letter prior to shipment; (f) If Items contain substance of very high concern ("SVHC"), as defined by EU Directive EC No. 1907/2006, Registration, Evaluation and Authorization of Chemicals, identification must be included by Seller at time of purchase and include the SVHC chemical name, chemical weight, part weight and any applicable safe use or handling information. Seller acknowledges and agrees that Buyer is authorized to disclose such information to customers and any applicable regulatory agencies. Buyer reserves the right to request validation of SVHC information at any point after. Seller agrees to provide true, correct, and complete information with respect to the Items within 30 days of request by Buyer, or such other time period as is agreed to by Buyer, so as to enable Buyer to set up a parts record file in Seller's electronic systems including but not limited to environmental, health, safety, dangerous good, trade data and other additional information as Buyer reasonably requires for compliance and sales purposes.

## 13. WARRANTIES

Seller warrants that:

- a. Materials: Items furnished under this Contract shall be manufactured from NEW and UNUSED materials to the latest released/approved configuration and manufactured by the design authority or an approved licensee of the design authority, unless otherwise stated in the related purchase order, conforming to all specifications and requirements of this Contract and shall be free from defects in materials and workmanship;
- b. Minimum Shelf Life: For Items that have a shelf life, such Items shall have the greater of (i) 80% of manufacturer recommended shelf life or (ii) 2 years of shelf life remaining at the time of shipment from Seller or includes a statement on the shipping documents stating that shelf life begins when Buyer delivers the Item to a customer as an authorized distributor of the Item;
- c. Services: For purchases of services, Seller warrants such activity is performed by employees or agents of Seller who are experienced and skilled in their profession and in accordance with industry standards;
- d. Intellectual Property: The Items shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party;
- e. No Liens: The Items are free from liens or encumbrances;
- f. Asbestos: Items procured under this Contract do not contain any form of asbestos;
- g. Vermiculite: Items procured under this Contract do not contain raw vermiculite or any materials or products containing vermiculite. This representation applies to all types, amounts, forms or uses of vermiculite, including without limitation, vermiculite used as a packing material, a stand-alone product, part of a prepackaged kit (for example, spill cleanup material) or contained in any amount in any other material, product or process, such as soil additive.
- h. Mercury: If Items contain mercury or mercury compounds, Seller will notify Buyer of mercury compound name, CAS number, total part weight, and concentration of mercury compound, via email at [PRC@boeing.com](mailto:PRC@boeing.com) upon receipt of the related purchase order before shipment. Seller acknowledges and agrees that Buyer is authorized to disclose such information to customers and any applicable regulatory agencies;
- i. Cybersecurity: The Items shall not contain any viruses, malicious code, trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (a) damage, destroy or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; and the Items shall not contain any third-party software (including software that may be considered free software or open source software) that: (i) may require any software to be published, accessed or otherwise made available without the consent of Buyer; (ii) may require distribution, copying or modification of any software free of charge; (iii) may require disclosure, license or redistribution of source code; (iv) may require the grant of rights in excess of those granted by Buyer in its standard end user license agreements; (v) may require that others have the right to modify the code; or (vi) may impose additional requirements on redistribution such as inclusion of additional license agreements for specific code modules; and
- j. Personnel: Persons performing work which affects this Contract are aware of their contribution to Items or service conformity, their contribution to product safety and the importance of ethical behavior. Seller further warrants all work required by this Contract has been performed by qualified persons or was supervised and certified as conforming by qualified personnel.

This warranty shall begin upon Buyer's final acceptance of Items and shall survive inspection, test and payment for Items. The warranty shall extend for a period of 24 months after acceptance of the Items by a customer/end user or such other period as set forth elsewhere in this Contract, and Buyer shall give Seller notice after discovery of a defect or

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nonconformance in Items. The warranty shall run to Buyer and its successors, assigns and customers. In the event of any defect or nonconformance in Items, Buyer may, at its option and at Seller's expense: (i) require prompt correction or replacement of Items, or (ii) return Items for credit or refund. Return to Seller of defective or non-conforming Items and redelivery to Buyer of corrected or replaced Items shall be at Seller's expense and risk of loss. Items required to be corrected or replaced shall be subject to the requirements of this Contract in the same manner and to the same extent as Items originally delivered under this Contract, but only as to the corrected or replaced part or parts thereof. Even if the Parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Buyer's direction to: (i) repair, rework or replace Items, or (ii) furnish any materials or parts and installation instructions required to successfully correct the defect or nonconformance. If the Parties later determine that Seller did not breach this warranty, the Parties shall equitably adjust the price. The warranties set forth herein are in addition to and not in limitation of all expressed or implied warranties of Seller and all warranties provided by law.

### 14. CANCELLATION FOR DEFAULT

- a. Buyer may, by written notice to Seller, cancel all or part of this Contract: (i) if Seller fails to deliver the Items within the time specified by this Contract or any written extension; (ii) if Seller fails to perform any other provision of this Contract or fails to make progress, so as to endanger performance of this Contract, and, in either of these two circumstances, within 10 days after receipt of notice from Buyer specifying the failure, does not cure the failure or provide Buyer with a written detailed plan adequate to cure the failure if such failure reasonably cannot be cured within such 10 days and such plan is acceptable to Buyer; or (iii) in the event of Seller's bankruptcy, suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors.
- b. Seller shall continue all work not cancelled.
- c. Buyer may require Seller to transfer title and deliver to Buyer, as directed by Buyer, any completed Items. Upon direction from Buyer, Seller shall also protect and preserve property in its possession in which Buyer or its customer has an interest.
- d. Buyer shall pay the price for completed Items accepted. Buyer may withhold from any amount due under this Contract any sum Buyer determines to be necessary to protect Buyer or Buyer's customer against loss because of outstanding liens or claims of former lien holders.
- e. If, after cancellation, it is determined that Seller was not in default, the rights and remedies of the Parties shall be as if this Contract had been terminated according to the "Termination by Buyer" provision of this Contract.

### 15. FORCE MAJEURE

Seller shall not be liable for excess re-procurement costs pursuant to the "Cancellation for Default" provision of this Contract incurred by Buyer because of any failure to perform this Contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of Seller. Examples of these causes are: (a) acts of God or of the public enemy; (b) acts of the Government in either its sovereign or contractual capacity; (c) fires; (d) floods; (e) epidemics; (f) quarantine restrictions; (g) strikes; (h) freight embargoes; and (i) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of Seller. If Seller's failure is caused by the failure of a subcontractor of Seller and if such failure arises out of causes beyond the reasonable control of both, and if such failure is without the fault or negligence of either, Seller shall not be liable for excess re-procurement costs unless goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedules. Seller shall notify Buyer in writing within 10 days after the beginning of any such cause(s). In all cases, Seller shall use reasonable efforts to avoid or minimize all such failures, including but not limited to exercising work-around plans or obtaining the Items from other sources.

### 16. ASSIGNMENT AND CHANGE OF CONTROL

- a. Seller shall not and shall cause its affiliates not to, directly, indirectly, voluntarily or involuntarily, in each case, whether by transfer, operation of law, or otherwise, undergo a Change of Control (as defined in subparagraph b below) or otherwise assign this Contract, assign any of its rights or interest in this Contract, delegate any of its obligations under this Contract, or subcontract for all or substantially all of its performance of this Contract (each, a "Transaction"), without Buyer's prior written consent after advance written notice by Seller. No purported Transaction, with or without Buyer's consent, shall relieve Seller of any of its obligations under this Contract or prejudice any rights or claims that Buyer may have against Seller, whether such obligations, rights or claims, as the case may be, arise before or after the date of any purported Transaction; provided however, that Seller may assign its right to monies due or to become due under this Contract, and this Article does not limit Seller's ability to purchase standard commercial supplies or raw material in connection with its performance of this Contract.
- b. For purposes of this Contract, the term "Change in Control" shall mean any of the following, whether in a single transaction or a series of related transactions and whether or not Seller is a party thereto:
  - i. a sale, conveyance, transfer, distribution, lease, assignment, license or other disposition of all or substantially all of the assets of Seller;
  - ii. any consolidation or merger of Seller or its controlling affiliates, any dissolution of Seller or its controlling affiliates, or any reorganization of one or more of Seller or its controlling affiliates; or
  - iii. any sale, transfer, issuance, or disposition of any equity securities or securities or instruments convertible or exchangeable for equity securities (collectively, "securities") of Seller or its controlling affiliates in which the holders of all of the securities that may be entitled to vote for the election of any member of a board of directors or similar governing body of Seller or such controlling affiliate immediately prior to such transaction(s) hold less than fifty percent (50%) of the securities that may be entitled to vote for the election of any such member in such entity immediately following such transaction(s).

### 17. BUSINESS CONDUCT

- a. Compliance with Laws. Seller and the Items shall comply with all applicable statutes and government rules, regulations and orders including without limitation, (i) all applicable country laws relating to anti-corruption or anti-bribery, including but not limited to legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" or other anti-corruption/anti-bribery convention; and (ii) the requirements of the Foreign Corrupt Practices Act, as amended, ("FCPA") (15 U.S.C. §§78dd-1, *et. seq.*), regardless of whether Seller is within the jurisdiction of the United States, and Seller shall, neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.
- b. Gratuities. Seller warrants that neither it nor any of its employees, agents, or representatives have offered or given, or shall offer or give, any gratuities to Buyer's employees, agents or representatives for the purpose of securing this Contract or securing favorable treatment under this Contract.
- c. Supplier Code of Conduct. Buyer is committed to a set of core values that includes transparency, integrity, accountability and respect. In furtherance of this commitment, Buyer has adopted a Supplier Code of Conduct that outlines expected values and behaviors for all suppliers, including their employees, agents, or subcontractors. This code may be downloaded at [https://www.boeingsuppliers.com/principles/Boeing\\_Supplier\\_Code\\_of\\_Conduct.pdf](https://www.boeingsuppliers.com/principles/Boeing_Supplier_Code_of_Conduct.pdf). Buyer strongly encourages Seller to adopt and enforce concepts values and behaviors consistent with those embodied in the Supplier Code of Conduct. Seller shall include the substance of this provision, including but not limited to this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract.
- d. Environmental Health and Safety.
  - i. Environment, Health and Safety Performance. Seller acknowledges and accepts full and sole responsibility to maintain an environment, health and safety management system ("EMS") appropriate for its business throughout the performance of this Contract. Buyer expects that Seller's EMS shall promote health and safety, environmental stewardship, and pollution prevention by appropriate source reduction strategies. Seller shall convey the requirement of this provision to its suppliers. Seller shall not deliver Items that contain asbestos mineral fibers.
  - ii. Chemical Profile Declaration. If requested by Buyer, Seller shall provide to Buyer or its authorized third-party service provider, the chemical profile of Items (by part number) in accordance with the requirements defined by the most recent published versions of IPC-1754 (<https://www.iaeq.com/chemicalrpt/ipc1754/>) and IAEG@ Aerospace and Defense Declarable Substances List (<https://www.iaeq.com/chemicalrpt/addsl/>). A response (or a request for more time) shall be required within 25 days of the notification. If requested by Buyer, Seller shall provide updates when there is a change in regulatory requirements, supply of new goods, a new Seller manufacturing location, or a change in the composition of Items provided since the last chemical profile declaration was provided to Buyer.
- e. Work Transfer. Seller shall not and shall ensure its supply chain shall not, initiate a movement or transfer of the location for the work to be performed under this Contract to another facility without Buyer's prior written approval which must be obtained no less than 60 days prior to first article inspection or the earliest contractual ship date, whichever is earlier.
- f. Buyer Policies. Seller agrees that Buyer's internal policies, procedures and codes are intended to guide the internal management of the Buyer and are not intended to, and do not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by Seller against Buyer.
- g. Conflict Minerals. Seller shall, no later than 30 days following each calendar year in which Seller has delivered any Items to Buyer, under this Contract or otherwise, complete and provide to Buyer a single and comprehensive Conflict Minerals Reporting Template, using the form found at <https://www.boeingsuppliers.com>. Seller shall perform appropriate due diligence on its supply chain in order to fulfill the reporting obligations of this Article.
- h. Ethics and Compliance Program. Seller acknowledges and accepts full and sole responsibility to maintain an ethics and compliance program appropriate for its business throughout the performance of this Contract. Buyer strongly encourages Seller to model its program in accordance with the U.S. Sentencing Commission Guidelines, applicable guidance from enforcement authorities, and industry best practices. Seller shall publicize to its employees who are engaged in the performance of work under this Contract that they may report any concerns of misconduct by Buyer or any of its employees or agents by going to <https://www.boeing.com/principles/ethics-and-compliance.page>. Seller shall convey the substance of this provision to its suppliers.

## BOEING DISTRIBUTION – GENERAL TERMS OF PURCHASE

- i. Seller and Sub-Tier Supplier Information. In addition to requirements set forth elsewhere in this Contract, Seller shall, when reasonably requested by Buyer, provide sub-tier supplier information related to performance under this Contract. Such information may include but is not limited to Seller's subcontract management plans, Buyer programs supported, Seller assessment of sub-tier supplier's capability, including but not limited to financial health and performance issues.
  - j. Offset Credits/Industrial Participation
    - i. To the exclusion of all others, Buyer or its assignees shall be entitled to all industrial benefits or offset credits that might result from this Contract. Seller shall provide all information and assistance to Buyer that Buyer may reasonably request in support of Buyer's efforts to secure offset credits related to Items.
    - ii. In addition, Seller shall support Buyer in the fulfillment of offset, industrial participation, co-production or similar obligations that Boeing may have accepted as a requirement for the sale of end products to non-U.S. customers related to Items.
  - k. Utilization of Small Business Concerns. Seller agrees to actively seek out and provide the maximum practicable opportunities for small businesses, small disadvantaged businesses, women-owned small businesses, minority business enterprises, historically black colleges and universities and minority institutions, Historically Underutilized Business Zone small business concerns and U.S. Veteran and Service-Disabled Veteran Owned small business concerns to participate in the subcontracts Seller awards to the fullest extent consistent with the efficient performance of this Contract.
  - l. Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. 52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment is incorporated herein by reference. Except as may be otherwise stated, "Contractor," "Offeror" or any equivalent terms means Seller, "Government," "Contracting Officer" or any equivalent terms means Buyer, and all references to a "Disputes" clause shall mean the "Disputes" article of this Contract. Paragraph (b) is deleted and replaced with the following: "Seller is prohibited from providing Buyer with covered telecommunications equipment or services, or with any equipment, systems, or services that use covered equipment or services regardless of whether that use is in performance of work under a U.S. Government contract." Paragraph (c) is deleted in its entirety. Paragraph (d)(1) is deleted and replaced with the following: "In the event Seller identifies covered telecommunications equipment or services provided to Buyer during contract performance, or Seller is notified of such by a subcontractor at any tier or any other source, Seller shall report the information in paragraph (d)(2) of this clause via email to Buyer's Authorized Procurement Representative, with the required information in the body of the email." The effective version of this clause shall be the latest version published on the date this order is issued. The full text of this clause may be accessed electronically at <https://www.acquisition.gov/content/regulations>.
18. **TRADE CONTROL COMPLIANCE**
- a. The Parties shall comply with all export and import laws, regulations, decrees, orders, and policies (as amended) of the United States Government, the government of any country in which the Parties conduct business pursuant to this Contract and the government of any country which may exercise lawful jurisdiction over the controlled items, including but not limited to the Export Administration Regulations ("EAR") of the U.S. Department of Commerce, the International Traffic in Arms Regulations ("ITAR") of the U.S. Department of State, the U.S. Customs & Border Protection Regulations, the Harmonized Tariff Schedule, and the anti-boycott and embargo regulations and guidelines as set forth in the EAR and in the U.S. Department of the Treasury, Office of Foreign Assets Control (collectively, "Trade Control Laws").
  - b. Seller shall control the disclosure of, and access to, controlled items or technical data provided by Buyer related to performance of this Contract in compliance with all applicable Trade Control Laws. Seller shall not transfer (to include transfer to foreign persons employed by or associated with, or under contract to Seller, or Seller's sub-tier suppliers or Seller's non-U.S. subsidiaries) any export-controlled item, data or services, without providing advance notice to Buyer and obtaining the requisite export and/or import authority.
  - c. Subject to applicable Trade Control Laws, Seller shall provide Buyer with the trade data of any commodity or technology, including software. The Party providing Items under this Contract shall notify the other Party of the Item's trade data (e.g., the full Export Control Classification Numbers or United States Munitions List category and subcategory, country of origin, Harmonized Tariff Schedule, and Schedule B) as well as the trade data of any components or parts thereof if the same are different from the trade data of the item at issue. The Parties further agree that these trade data determinations shall be made by a qualified person (employee, consultant, advisor) empowered to act on behalf of the Party making the trade data and supported by bona fide evidence. Each Party agrees to reasonably cooperate with the other in providing, upon request documented evidence, proof or other supporting information that validates the trade data determination.
  - d. Seller shall promptly notify Buyer if Seller is, or becomes, listed in any Denied Parties List or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any governmental entity.
  - e. Seller shall timely inform Buyer of any actual or alleged violations of any applicable Trade Control Laws, including any suits, actions, proceedings, notices, citations, inquiries, or other communications from any government agency concerning any actual or alleged violations, in Seller's performance under any Contract and shall comply with all reasonable requests from Buyer for information regarding any such violations.
  - f. Seller shall incorporate into any contracts with its sub-tier suppliers' obligations no less restrictive than those set forth herein requiring compliance with all applicable Trade Control Laws.
  - g. If a Party engages in the export or import of a controlled item in support of its duties and obligations imposed under this Contract, then such Party conducting the export or import shall obtain all authorizations that are required under the applicable Trade Control Laws. Each Party shall cooperate and exercise reasonable efforts at its own expense to support the other Party in obtaining any necessary export and import authorizations required to perform its obligations under this Contract. Reasonable cooperation shall include providing necessary documentation, (e.g. import certificates, end-user and retransfer certificates).
  - h. For country of origin and preference processing purposes, Seller shall promptly complete and return any questionnaires, forms, or inquiries associated with country of origin, preference criterion, or any data associated with free trade within 30 days. Buyer may make requests for certification of country of origin electronically through email or by portal access. Data provided to Buyer will be used to produce free trade trade documentation, including but not limited to the United States-Mexico-Canada Agreement Certification. If Seller elects to provide hard-copy certificates to Buyer, Seller acknowledges and agrees that such certificates will be valid for an entire calendar year. Should the country of origin or trade data provided to Buyer change within the validity date range of the certification, Seller must notify Buyer of such changes either by sending a notice to via email as specified by Buyer or by portal access.
  - i. All international and US domestic shipments must be accompanied by the required shipping documentation to facilitate any clearance requirements. Items delivered to Buyer without such documentation will be non-conforming Items for purposes of this Contract. For US domestic shipments, packing list must include the country of origin of each part supported on the shipment, and for international shipments, the commercial invoice and the packing list must include the country of origin.
  - j. As this order is intended for export, Seller shall comply with the International Standards for Phytosanitary Measures ISPM15, regulating Wood Packaging Material in International Trade, as though the ship to address is international.
19. **CONFIDENTIAL, PROPRIETARY, AND TRADE SECRET INFORMATION AND MATERIALS**
- a. Buyer and Seller shall each keep confidential and protect from unauthorized use and disclosure all (i) confidential, proprietary and/or trade secret information of a Party or third party disclosed by a Party; (ii) software provided under this Contract in source code form or identified as subject to this Article; and (iii) tooling identified as subject to this Article: in each case that is obtained, directly or indirectly, from the other in connection with this Contract or Buyer's contract with its customer, if any, (collectively referred to as "Proprietary Information and Materials"). Proprietary Information and Materials excludes information that is, as evidenced by competent records provided by the receiving Party, known to the receiving party or lawfully in the public domain, in the same form as disclosed hereunder, disclosed to the receiving Party without restriction by a third party having the right to disclose it, or developed by the receiving Party independently without use of or reference to the disclosing Party's Proprietary Information and Materials.
  - b. Buyer and Seller shall use Proprietary Information and Materials disclosed by the other Party only to perform and for the purpose of this Contract, other contracts between the Parties, and Buyer's contract with its customer, if any and shall not disclose such Proprietary Information and Materials to any third party except as expressly set forth herein. Buyer may also, at any time use, reformat, copy or disclose Seller's Proprietary Information and Materials to: (i) to fulfill Buyer's obligations under this Contract, other contracts with Seller, and Buyer's contract with its customer, if any; (ii) test, certify, use, sell or support Items delivered under this Contract or Buyer's product containing such Items; (iii) evaluate Seller products and proposals, develop solicitations for Seller products and develop interfaces or parameters for Boeing products; (iv) perform or obtain data analysis or risk mitigation; (v) obtain data storage, hosting and other outsourced services and (vi) ensure regulatory or legal compliance. Any such disclosure by Buyer shall, when appropriate, include a suitable restrictive legend.
  - c. Seller may disclose Buyer Proprietary Information and Materials to its subcontractors as required to perform this Contract if Seller includes a suitable restrictive legend on such disclosures and if each such subcontractor has agreed in writing to obligations no less restrictive than those imposed upon Seller under this Article. Seller shall be liable to Buyer for any breach of such obligation by such subcontractor.
  - d. A Party may disclose received Proprietary Information and Materials in response to a subpoena or court order, if the receiving Party has used reasonable efforts to give the disclosing Party advance written notice of such requirement to allow the disclosing Party to: (i) seek a protective order or other remedy; (ii) consult with respect to resisting or narrowing the scope of such requirement; or (iii) modify or waive compliance with this Article. If such protective order or remedy is not timely obtained, the receiving Party shall use commercially reasonable efforts to disclose only Proprietary Information and Materials legally required to be disclosed and to require confidential treatment of such disclosure.
  - e. Upon Buyer's request, and in any event upon the completion, termination or cancellation of this Contract, Seller shall return to Buyer all of Buyer's Proprietary Information and Materials and all materials derived therefrom, unless Buyer specifically directs otherwise in writing. Seller shall not dispose of (as scrap or otherwise) any Items, parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Buyer Proprietary Information and Materials without rendering them unusable.

# BOEING DISTRIBUTION – GENERAL TERMS OF PURCHASE

Further, Seller shall not, without a separate license agreement or other written approval from Buyer, make, use, or sell any Items, parts or materials containing, conveying, embodying or made in accordance with or by reference to Buyer's Proprietary Information and Materials of Buyer except as required to perform this Contract.

- f. The provisions of this Article are effective notwithstanding of any restrictive legends or notices on Proprietary Information and Materials and shall survive the completion, termination or cancellation of this Contract. Buyer shall have the right to audit Seller's compliance with this Article.

## 20. INDEMNITY

Seller shall indemnify Buyer, its affiliates including its parent and all subsidiaries, and their directors, officers, employees and agents, and anyone buying or using any of the Items or any party to which Buyer provides services and shall defend and hold each of them harmless against all losses, liabilities, damages, costs, and expenses arising from (a) infringement or alleged infringement of any United States or foreign patent, copyright or other intellectual property right with respect to any of the Items delivered hereunder or their use, (b) claims made by reason of injury or death to person or damage to property suffered or claimed to have been suffered by any entity or person caused by or alleged to have been caused by defective Items furnished hereunder or by any act or omission, negligent or otherwise, of Seller or any subcontractor of Seller or any of their employees, workmen, servants, or agents, any customer of Buyer or any other third party, (c) labor or material liens arising out of or on account of the Items or their use or of any work performed by Seller or any subcontractor of Seller, (d) claims by any third party for any fee, commission or other compensation for services performed or allegedly performed on behalf of Seller in connection with this Contract, and (e) fines and civil or criminal penalties arising out of the manufacture or delivery or performance by Seller or Item hereunder. The negligence of Buyer, its customers or third parties shall not mitigate or otherwise invalidate Seller's liability under this paragraph. Promptly on Buyer's request, Seller shall pay all such losses, liabilities, damages, costs and expenses and all costs and expenses including without limitation reasonable attorney's fees for any claim, demand, suit, action, proceeding, litigation, or settlement relating thereto.

## 21. TAXES

The price of this Contract includes, and Seller is liable for and shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Contract except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

## 22. SELLER FINANCIAL REVIEW

If this Contract exceeds \$250,000 and extends for more than one year, and if requested, Seller shall provide financial data as specified below, on a quarterly basis, or as requested, to Buyer for credit and financial condition reviews. If Seller itself is publicly traded (not a subsidiary of a publicly-traded company) and is required to file reports with the Securities and Exchange Commission ("SEC"), Buyer shall obtain Seller financial data from information made available to the general public via 10-K and 10-Q reporting requirements. In the event that Seller does not submit financial statements to the SEC or is no longer required to do so during the term of this Contract, Seller shall provide financial data on a quarterly basis to Buyer if requested. Such data shall include but is not limited to, balance sheets, schedule of accounts payable and receivable, major lines of credit, creditors, income statements (profit and loss), cash flow statements, firm backlog, and headcount. Copies of such data are to be made available within 72 hours of any written request by Buyer. All such information shall be treated as confidential.

## 23. RECIPROCAL WAIVER OF CLAIMS – QUALIFIED ANTI-TERRORISM TECHNOLOGY

If this Contract involves the manufacture, sale, use, or operation of a Qualified Anti-Terrorism Technology and Seller is either Buyer's (i) contractor, (ii) subcontractor, (iii) supplier, or (iv) vendor of or for such technologies, then pursuant to 6 U.S.C. § 443(b) of the SAFETY Act and 6 C.F.R. § 25.5(e), the Parties agree to a Reciprocal Waiver of Claims and each Party shall be responsible for Losses, including business interruption losses, that such Party sustains (and for Losses that its employees sustain) resulting from an activity resulting from an Act of Terrorism when the Qualified Anti-Terrorism Technology has been deployed in defense against or response to or recovery from such Act of Terrorism. "Act of Terrorism," "Loss," "Qualified Anti-Terrorism Technology," and "Reciprocal Waiver of Claims," are defined in 6 U.S.C. §§ 443 – 444.

## 24. PUBLICITY

Without Buyer's written approval, Seller shall not, and shall require that its subcontractors at any tier shall not, release any publicity, advertisement, news release or denial or confirmation of same regarding Items or this Contract or the program to which it pertains. Seller shall be responsible to Buyer for any breach of such obligation by any subcontractor.

## 25. PROPERTY MANAGEMENT

Seller shall clearly mark, maintain an inventory of, and keep segregated or identifiable all of Buyer's and customer's supplied property and all property to which Buyer has acquired an interest. Seller assumes all risk of loss, deterioration, destruction or damage of such property and lost paperwork while in Seller's or its subcontractors' or suppliers' possession, custody or control. Deterioration does not include Items deteriorated due to the lapse of shelf-life or other inherent deterioration. Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss. Seller shall not use such property other than in performance of this Contract without prior written consent from Buyer. Seller shall promptly notify Buyer if Buyer's property is lost, damaged or destroyed. As directed by Buyer, upon completion, termination or cancellation of all or a portion of this Contract, Seller shall deliver such property, to the extent not incorporated in delivered end products, to Buyer in good condition subject to ordinary wear and tear and normal manufacturing losses. Nothing in this clause limits Seller's use, in its direct contracts with the government, of property in which the government has an interest.

## 26. INSURANCE AND PROTECTION OF PROPERTY

Where Seller is either entering or performing work at premises owned or controlled by Buyer or Buyer's customer or obtaining access electronically to Buyer systems or information, Seller shall comply with: (i) all the rules and regulations established by Buyer or Buyer's customer for access to and activities in and around premises controlled by Buyer or Buyer's customer; and (ii) Buyer requests for information and documentation to validate citizenship or immigration status of Seller's personnel or subcontractor personnel. In addition, Seller acknowledges that Buyer may perform routine background checks on Seller personnel. Seller shall include the substance of this clause, including this flow-down requirement, in all subcontracts awarded by Seller where subcontractors will be performing work at Buyer premises.

The following provisions shall only apply if and to the extent Seller's personnel enter or perform work at premises owned or controlled by Buyer or Buyer's customer:

- a. Commercial General Liability. Seller shall carry and maintain, and ensure that all subcontractors thereof carry and maintain, throughout the period when work is performed and until final acceptance by Buyer, Commercial General Liability insurance with available limits of not less than \$2,000,000 per occurrence for bodily injury and property damage combined. Such insurance shall contain coverage for all premises and operations, broad form property damage, contractual liability (including, without limitation, that specifically assumed under paragraph a herein) and goods and completed-operations insurance with limits of not less than \$1,000,000 per occurrence for a minimum of twenty-four (24) months after final acceptance of the work by Buyer. Such insurance shall not be maintained on a per-project basis unless the respective Seller or subcontractor thereof does not have blanket coverage.
- b. Automobile Liability. If licensed vehicles will be used in connection with the performance of the work, Seller shall carry and maintain, and ensure that any subcontractor thereof who uses a licensed vehicle in connection with the performance of the work carries and maintains, throughout the period when work is performed and until final acceptance by Buyer, Business Automobile Liability insurance covering all vehicles, whether owned, hired, rented, borrowed or otherwise, with available limits of not less than \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
- c. Workers' Compensation and Employers' Liability. Throughout the period when work is performed and until final acceptance by Buyer, Seller shall, and ensure that any subcontractor thereof shall, cover or maintain insurance in accordance with the applicable laws relating to Workers' Compensation (and Employers' Liability with limits not less than \$1,000,000 per incident) with respect to all of their respective employees working on or about Buyer's premises. If Buyer is required by any applicable law to pay any Workers' Compensation premiums with respect to an employee of Seller or any subcontractor, Seller shall reimburse Buyer for such payment.
- d. Certificates of Insurance. Prior to commencement of the work, Seller shall provide for Buyer's review and approval certificates of insurance reflecting full compliance with the requirements set forth in paragraphs b, c and d. Such certificates shall be kept current and in compliance throughout the period when work is being performed and until final acceptance by Buyer, and shall provide for 30 days advance written notice to Buyer in the event of cancellation. Failure of Seller or any subcontractor thereof to furnish certificates of insurance, or to procure and maintain the insurance required herein or failure of Buyer to request such certificates, endorsements or other proof of coverage shall not constitute a waiver of Seller's or subcontractor's obligations hereunder.
- e. Self-Assumption. Any self-insured retention, deductibles, and exclusions in coverage in the policies required under this Section shall be assumed by, for the account of and at the sole risk of Seller or the subcontractor which provides the insurance and, to the extent applicable, shall be paid by such Seller or subcontractor. In no event shall the liability of Seller or any subcontractor thereof be limited to the extent of any of the minimum limits of insurance required herein.
- f. Protection of Property. Seller assumes and shall ensure that all subcontractors thereof and their respective employees assume, the risk of loss or destruction of or damage to any property of such parties, whether owned, hired, rented, borrowed or otherwise, brought to a facility owned or controlled by Buyer or Buyer's customer. Seller waives and shall ensure that any subcontractor thereof and their respective employees waive, all rights of recovery against Buyer, its subsidiaries and their respective directors, officers, employees and agents for any such loss, destruction or damage. At all times, Seller shall, and ensure that any subcontractor thereof shall, use suitable precautions to prevent damage to Buyer's property. If any such property is damaged by the fault or negligence of Seller or any subcontractor thereof, Seller shall, at no cost to Buyer, promptly and equitably reimburse Buyer for such damage or repair or otherwise make good such property to Buyer's satisfaction. If Seller fails to do so, Buyer may do so and recover from Seller the cost thereof.

## 27. GOVERNING LAW

This Contract and any disputes arising out of, or relating to, this Contract shall be governed by the laws of the State of Delaware without regard to the conflict of law rules thereof. This Contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods.

(GTOP June 19, 2024)

# BOEING DISTRIBUTION – GENERAL TERMS OF PURCHASE

## 28. DISPUTES

Any dispute that arises under or is related to this Contract that cannot be settled by mutual agreement of the Parties may be decided by a court of competent jurisdiction. Pending final resolution of any dispute, Seller shall proceed with performance of this Contract according to Buyer's instructions so long as Buyer continues to pay amounts not in dispute.

## 29. NO WAIVER, RIGHTS AND REMEDIES

- a. Any failures, delays or forbearances of either Party in insisting upon or enforcing any provisions of this Contract, or in exercising any rights or remedies under this Contract, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.
- b. Except as expressly and affirmatively disclaimed in writing in this Contract, the rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the Parties may have at law or in equity. If any provision of this Contract is or becomes void or unenforceable by law, the remainder shall be valid and enforceable. Seller acknowledges and agrees that money damages would not be an adequate remedy for any actual, anticipatory, or threatened breach of this Contract by Seller with respect to its delivery of the Items to Buyer.
- c. Seller agrees that Buyer approvals of Seller's technical and quality specifications, drawings, plans, procedures, reports, and other submissions shall not relieve Seller from its obligations to perform all requirements of this Contract.
- d. Buyer may at any time deduct or set-off Seller's claims for money due or to become due from Buyer against any claims that Buyer has or may have arising out of this Contract or other transactions between Buyer and Seller.

## 30. NOTICE TO BUYER OF LABOR DISPUTES

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, Seller shall immediately give notice thereof, including all relevant information, to Buyer.

## 31. ORDER OF PRECEDENCE

All documents and provision in this Contract shall be read to be fully consistent. In the event of a conflict or inconsistency between the documents or provisions as incorporated into or attached to the Contract, (i) the terms of this Contract will prevail over all other attachments, exhibits, appendices, documents, or other terms incorporated by reference in or attached to this Contract, and (ii) specific text on the face of the purchase order will take precedence over general provisions contained in this Contract.

## 32. CONDITIONS APPLICABLE ONLY IF THIS CONTRACT IS PLACED UNDER GOVERNMENT CONTRACT OR SUBCONTRACT

If this Contract is placed pursuant to a government prime contract or subcontract referenced by a number or otherwise in this Contract, Seller must comply with all FAR or DFAR flow down clauses deemed necessary or advisable by Buyer including, but not limited to, the clauses listed below. The effective version of this clause shall be the latest version published on the date this Contract is issued. The full text of this clause may be accessed electronically at <https://www.acquisition.gov/content/regulations>. As appropriate to effectuate the intent of the clause, the word "Government" or the "United States" in the incorporated clauses shall mean "Buyer," the word "Contractor" shall mean "Seller," and the word "Contracting Officer" shall mean an authorized representative of Buyer. It is intended that the referenced clauses shall apply to Seller in such manner as is necessary to reflect the position of Seller as a subcontractor to Buyer and to ensure Seller will satisfy its obligations to its customer. Seller shall include all applicable regulations in each lower-tier subcontract under this Contract. In the event more than one clause applies to a particular situation, the most restrictive one shall govern, unless the parties agree in writing to the contrary. The following clauses are incorporated:

**14 CFR 21.303, Parts Manufacturing Approval (PMA) under FAA regulations (including FAA Order 8110.42 and 14 CFR Part 21, Subpart K)**

**14 CFR 39.13, Airworthiness Directives (including FAA Order 8110.4)**

**15 CFR 700, Defense Priorities and Allocation System (DPAS) regulations for rated orders**

**FAR 52.203-13, Contractor Code of Business Ethics and Conduct**

**FAR 52.203-17, Contractor Employee Whistleblower Rights**

**FAR 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions))**

**FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities**

**FAR 52.204-27, Prohibition on a ByteDance Covered Application**

**FAR 52.204-30, Federal Acquisition Supply Chain Security Act Orders – Prohibition (B) Alternate I**

**FAR 52.219-8, Utilization of Small Business Concerns** (If this Contract offers subcontracting opportunities). If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

**FAR 52.222-21, Prohibition of Segregated Facilities**

**FAR 52.222-26, Equal Opportunity**

**FAR 52.222-35, Equal Opportunity for Veterans**

**FAR 52.222-36, Equal Opportunity for Workers with Disabilities**

**FAR 52.222-37, Employment Reports on Veterans**

**FAR 52.222-40 Notification of Employee Rights Under the National Labor Relations Act**

**FAR 52.222-41, Service Contract Labor Standards**

**FAR 52.222-50, Combating Trafficking in Persons**

**FAR 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration or Repair of Certain Equipment**

**FAR 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services**

**FAR 52.222-54, Employment Eligibility Verification**

**FAR 52.222-55, Minimum Wages for Contractor Workers under Executive Order 14026**

**FAR 52.222-62, Paid Sick Leave (E.O.13706)**

**FAR 52.224-3, Privacy Training**

**FAR 52.225-26, Contractors Performing Private Security Functions Outside the United States**

**FAR 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations**

**FAR 52.232-40, Providing Accelerated Payments to Small Business Subcontractors**

**FAR 52.247-64, Preference for Privately Owned US Flag Commercial Vessels**

**DFAR 252.204-7018, Prohibition of the Acquisition of Covered Defense Telecommunications Equipment or Services**

**DFAR 252.223-7008, Prohibition of Hexavalent Chromium**

**DFAR 252.225-7007, Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies**

**DFAR 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals**

**DFAR 252.225-7012, Preference for Certain Domestic Commodities**

**DFAR 252.225-7048, Export-Controlled Items**

**DFAR 252.225-7051, Prohibition on Acquisition of Certain Foreign Commercial Satellite Services**

**DFAR 252.225-7052, Restriction on the Acquisition of Certain Magnets, Tantalum and Tungsten**

**DFAR 252.225-7060, Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region**

**DFAR 252.246-7003, Notification of Potential Safety Issues**

**DFAR 252.246-7007, Contractor Counterfeit Electronic Part Detection and Avoidance System**

**DFAR 252.246-7008, Sources of Electronic Parts**

Further, if Items purchased under this Contract are to fulfill a contract or subcontract with the U.S. government, **Seller understands and expressly agrees to abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a). These regulations prohibit discrimination against qualified individuals on the basis of race, creed, color, national origin, religion, sex, sexual orientation, gender identity, protected veteran status, or disability; require affirmative action by covered prime contractors and subcontractors to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin; require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities; and to treat qualified individuals without discrimination on the basis of their physical or mental disability.**

## 33. FASTENER QUALITY ACT

To the extent it is applicable to Seller's Items, Seller shall at all times be in compliance with the Fastener Quality Act (Public Law 101-592 as amended by Public Law 105-234) as amended from time to time (the "Act"). Seller shall defend (with counsel of Buyer's choosing), indemnify, and hold harmless Buyer from any and all claims, demands and causes of action brought by Buyer or by any third party against Buyer in any manner relating to Seller's failure to comply with the Act. Seller's indemnity shall include, but not be limited to, reimbursement of any costs associated with any return, recall or retrofit of parts sold under this Contract which are not in compliance with the Act.

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## 34. SUPPLY CHAIN SECURITY

For those Items that are warehoused and/or shipped by the Seller to/from the United States and its insular possessions on Buyer's behalf where Buyer is the US Importer or Exporter of Record (also known as "US Principal Party in Interest – PPI"), Seller agrees to comply with the supply chain security requirements from the Point of Origin as provided below. The Point of Origin is the site where such Items are assembled, manufactured, packaged and shipped. Seller shall include this provision with applicable Subcontractors. For purposes of this provision, Subcontractors shall be defined as those sub-tier manufacturers or suppliers from which the shipment of Items is shipped directly from said manufacturers or supplier's facilities to Buyer's agreed upon Consignee, including any direct or sub-tier suppliers engaged in packaging or transport of Buyer shipments (including but not limited to freight forwarders, third-party logistic companies, packagers). Seller shall be responsible to Buyer for any breach of such requirement by its subcontractor.

1. **Supply Chain Security Program Participation:** Seller is encouraged to participate in national supply chain security programs including, but not limited to the Customs-Trade Partnership Against Terrorism ("C-TPAT"), Authorized Economic Operator and equivalent programs. Seller shall notify Buyer to the extent it participates in such programs and the countries of participation and initiate monitoring when applicable. Seller shall provide Buyer with prompt notice of any changes to its supply chain security program status at [supplychainsecurity@boeing.com](mailto:supplychainsecurity@boeing.com).
2. **Subcontractor Selection Process:** Seller shall have documented processes for the selection of its Subcontractors. The process shall ensure that such Subcontractors maintain adequate security controls and procedures and verify subcontractor compliance to the identified security controls.
3. **Security Awareness Program:** Seller will implement a Security Awareness Program including awareness and understanding of the U.S. C-TPAT program, recognizing internal conspiracies, maintaining cargo integrity, and determining and addressing unauthorized access. The Security Awareness Program should encourage active employee participation in security controls. Seller shall ensure that key personnel receive regular training which shall be no less than once per year on security procedures and requirements. Seller shall submit evidence of such Security Awareness training upon Buyer's request.
4. **Security Controls and Procedures:** Seller will maintain adequate security controls and procedures.
  - a. **Physical Security:** Seller must protect facilities against unauthorized access including but not limited to cargo handling and storage facilities which shall have physical security deterrents. Seller will ensure that:
    - i. All entry and exit points for vehicles and personnel are controlled.
    - ii. All external and internal windows, gates, and doors through which unauthorized personnel could access the facility or cargo storage areas are secured with locking devices.
    - iii. Areas within and around the facility are adequately illuminated to deter unauthorized access.
    - iv. Private passenger vehicles are prohibited from parking in or adjacent to cargo handling and storage areas, and conveyances.
    - v. Where security technology is utilized (including alarms, access control devices, and video surveillance systems such as Closed Caption Television Cameras (CCTVs)) appropriate and written policies governing the use, maintenance, and protection of such technology is in place.
  - b. **Access controls:** Seller will prevent unauthorized entry into facilities using access controls which may include but are not limited to badge readers, locks, key cards, or guards
    - i. Seller will positively identify all persons at all points of entry to facilities.
    - ii. Seller will maintain adequate controls for the issuance and removal of employee, visitor and vendor identification badges, if utilized.
    - iii. Upon arrival, Seller will require photo identification verification for all non-employee visitors.
  - c. **Personnel Security and Verification:** Seller will screen prospective employees consistent with local regulations and verify employment application information prior to employment.
  - d. **Ocean Container and Truck Trailer Security:** Seller will maintain container and trailer security to protect against the introduction of unauthorized material and/or persons into shipments. Loading/stuffing of cargo should be supervised by security officer or designated personnel.
    - i. **Ocean Container and Truck Trailer Inspection:** Seller will inspect all ocean containers or truck trailers prior to stuffing.
      1. Inspections must include:
        - a. Review of the reliability of the locking mechanisms of all doors and external hardware
        - b. Examination for visible agricultural pests
        - c. Confirmation that structures have not been modified to conceal contraband
      2. Inspections should be documented on a checklist including:
        - a. Container/Trailer/IIT number
        - b. Date of Inspection
        - c. Time of Inspection
        - d. Name of employee conducting inspection
        - e. Specific areas of the IIT that were inspected
        - f. Signature of personnel supervising the inspection of container
    - ii. **Ocean Container and Truck Trailer Seals:** Properly seal and secure shipping containers and trailers at the point of stuffing using the VVTT process (that is, View, Verify, Tug, Twist). Seller will affix a high security seal to all access doors on truck trailers (from Canada or Mexico) and ocean containers bound for the U.S.
      1. Seals must meet or exceed the current PAS ISO 17712 standard for high security seals
      2. When containers or trailers are picked up or stopped, the seal number must be confirmed to match what is on the shipping documentation
      3. If a seal is broken, Seller will immediately notify Buyer and indicate when it was broken, who broke it, and the replacement seal number
      4. Any seal broken, altered or tampered with must be held in order to aid investigation
    - iii. **Ocean Container and Truck Trailer Storage:** Seller will store empty or stuffed ocean containers and truck trailers in a secure area to prevent unauthorized access and/or manipulation.
  - e. **Information Technology ("IT") Security:** Seller will maintain IT security measures to ensure all automated systems are protected from unauthorized access.
    - i. Seller will use individually assigned accounts that require a periodic change of password for all automated systems.
    - ii. Seller will maintain a system to identify the abuse of IT resources including but not limited to improper access, tampering or altering of business data and will discipline violators.
    - iii. Seller will install and maintain updated software/hardware protection sufficient against common cybersecurity threats.
  - f. **Procedural Security:** Seller will maintain, document, implement and communicate to all employees the following security procedures
    - i. Procedures for the issuance, removal and changing of access devices.
    - ii. Procedures to identify and challenge unauthorized or unidentified persons
    - iii. Procedures to remove identification, facility, and system access for terminated employees.
    - iv. Procedures for IT security and standards.
    - v. Procedures governing the use, maintenance and protection of security technology.
    - vi. Procedures to verify application information for potential employees.
    - vii. Procedures for employees to report security incidents and/or suspicious behavior.
    - viii. Procedures for the inspection of ocean containers or truck trailers, including policies for agricultural and security inspections, prior to stuffing.
    - ix. Procedures to secure cargo staging areas including protection from unauthorized access and prevention of pest contamination as well as inspection for visible pest contamination on a regular basis
    - x. Procedures to control, manage and record the issuance and use of high security bolt seals for ocean containers and truck trailers. Such procedures must stipulate how seals are to be controlled and affixed to loaded containers and shall include procedures for recognizing and reporting compromised seals or containers to US Customs or the appropriate foreign authority and Boeing at [supplychainsecurity@boeing.com](mailto:supplychainsecurity@boeing.com).
    - xi. Procedures to identify any party on denied party lists maintained by the Department of Commerce/Bureau of Industry and Security ("BIS"), the Department of State/Directorate of Defense Trade Controls ("DDTC"), and the Department of Treasury/Office of Foreign Assets Control ("OFAC").
    - xii. Procedures for ensuring that information transmitted/received to/from service providers, subcontractors and agents, is reported accurately and timely
    - xiii. Procedures for ensuring that all information used in the preparation of merchandise/cargo for export (EEL or other required export form), is legible, complete, accurate, and protected against the exchange, loss or introduction of erroneous information
  - g. **Conveyance Security:** When Seller is performing or subcontracting conveyance services, conveyance and container integrity shall be maintained while the conveyance is in route transporting cargo from origin to destination, including, but not limited to, tracking and monitoring activity logs, a documented verification process, and driver notification of any abnormalities with the conveyance and/or container.
5. Seller will complete and return to Buyer any Security Questionnaires requested by Buyer within 30 days of receipt.

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6. Seller will, within 30 days of Buyer's request, provide Buyer with a detailed mapping for planned routings and identify any subcontractors involved in the transport of Buyer shipments. If there are any long-term changes to supply chain routings or routing subcontractors, Seller shall communicate such changes to Buyer within 10 business days of such change.
7. Seller and its subcontractors and agents shall be subject to periodic site assessments by Buyer during normal operating hours, to confirm compliance with C-TPAT Security Guidelines. Seller and its subcontractors and agents shall provide a corrective action plan within 30 days of Buyer's request.
8. Seller shall notify Buyer at [supplychainsecurity@boeing.com](mailto:supplychainsecurity@boeing.com) of any actual or suspected breach of security involving Buyer's cargo in Seller or subcontractor's control within 24-hours of incident discovery. This shall include cargo theft or tampering by unauthorized third parties with the cargo and/or manifests. When applicable, Seller and its subcontractors and agents will verify that their business partners and parties involved in export transactions are not listed as denied parties. Entities identified as denied parties on prohibited lists maintained by BIS, DDTC, and OFAC must be reported immediately to Buyer within 24 hours of discovery.

In the event Buyer identifies new or increased threats or risks to the supply chain, Buyer may request additional security measures from the Seller to ensure the security of the supply chain.

### 35. ENTIRE AGREEMENT

This Contract, together with all purchase orders, change orders, attachments, exhibits, supplements, specifications, schedules and other terms referenced in or attached to this Contract, contains the entire agreement of the Parties and supersedes any and all prior agreements, understandings and communications between Buyer and Seller related to the subject matter of this Contract.