

TERMS AND CONDITIONS OF PURCHASE

Of

Aero Engine Solutions, Inc.
(hereinafter referred to as AESI)

Effective December 12th, 2023

1. ACCEPTANCE AND ENTIRE AGREEMENT. The attached Purchase Order (herein referred to as the “Order”) is neither an expression of acceptance of any offer made to AESI by Seller nor a confirmation of any contract or agreement between AESI and Seller; this Order is an offer to the Seller to contract on the terms set forth herein, and such offer expressly limits acceptance by Seller to the terms set forth herein, and any additional or different terms proposed by Seller are specifically rejected, unless expressly agreed to in a subsequent writing signed by an authorized representative of the AESI. The accompanying Order and these Terms & Conditions of Purchase comprise the entire agreement between the parties and may herein be referred to collectively as the “Agreement”.

2. SPECIFICATION, CERTIFICATION AND TRACEABILITY (APPLICABLE TO AESI’S PURCHASE OF AIRCRAFT AND/OR ENGINE MATERIAL, PARTS, EQUIPMENT AND AVIATION RELATED PRODUCTS AND SERVICES). All material, parts, equipment or items supplied by Seller shall comply with the applicable part numbers and other specifications stipulated on this Order. No substitutes are permitted except upon the prior written consent by an authorized representative of AESI, any material, parts, equipment or items subject to Federal Aviation Regulations must have been manufactured in accordance with FAR Part 21 Sub part F, G, K or O and must be certified accordingly, material, parts, equipment or items manufactured outside the U.S.A. which are to be fitted to a U.S. type certificated product shall be imported into the USA in accordance with FAR part 21 Sub-part N, under a certificate of airworthiness. Material, parts, equipment or items manufactured outside the United States under EASA, JAA or other approved Civil Aviation Authority shall be certified by EASA from One, JAA Form 1 or approved equivalent Authorized Released Certificate/Airworthiness Approval Tag. All material, parts, equipment or items in new, overhauled, modified, repaired or serviceable condition shall be appropriately certified in accordance with FAA, EASA, and JAA or approved Civil Aviation Authority airworthiness requirements. All material, parts, equipment or items shall be traceable in accordance with the FAA Advisory Circular 20-62, latest revision. All standard parts shall be accompanied by a certificate from the OEM and distributor stating that the parts fully comply with the applicable published national, international, or industry specification stated on this Order, and include a Non – Incident /Non- Accident letter stating that the parts have not been involved in an incident or accident.

3. PURCHASING INFORMATION. The purchasing information shall describe the product to be purchased, including where appropriate, (a) quality management system requirements, (b) the name/product description or other positive identification, and applicable issues of specifications, drawings, process requirements, inspection instructions and other relevant technical data (e.g. revision level), (c) requirements relative to supplier notification to organization of nonconforming product, (d) requirements for the supplier to notify the organization of changes in product definition, (e) right of access by the organization, their customer, and regulatory authorities to all facilities involved in the order and to all applicable records, and (f) requirements for a certificate of conformity, test reports, and/or airworthiness approval from the approved manufacturer or approved repair station, (g) Requirements for the Seller to flow down to the supply chain all applicable requirements, including customer requirements.

4. UNAPPROVED PARTS. As soon as an Unapproved Parts Notification is issued and provided that such Unapproved Parts Notification is applicable to the Unapproved Parts delivered by Seller to AESI, Seller will inform AESI promptly in writing about such Unapproved Parts Notification and the Unapproved Parts concerned. Seller shall be liable to AESI for all costs related to the replacement of any Unapproved Parts, including but not limited to any costs for removal of any Unapproved Parts and any installation, shipment, testing or validation costs necessitated by the installation of products in replacement of Unapproved Parts.

5. SELLER’S NOTICE OF DISCREPANCIES. Seller shall promptly notify AESI in writing when discrepancies in Seller’s process, including any violation of or deviation from Seller’s approved inspection/quality control system, or the products are discovered or suspected regarding the products delivered or to be delivered under this Agreement, including but not limited to the quantity and specific identity of any impacted products. Seller shall be liable for all costs related to the replacement including removal, reinstallation and shipment costs of products affected by such discrepancies.

6. PACKING AND PACKAGING. Seller shall pack the products to prevent damage and deterioration. All products will be packed and marked (including notice of hazardous substances) in accordance with industry standards and will comply with applicable laws and carrier requirements. All products will be packed in accordance with ATA 300. Each container will be marked with

applicable Order number and be accompanied by one copy of the shipping papers. Any special regulations for the shipment of the purchased Items shall be observed by Seller. Seller shall not charge AESI for standard or special packaging of the products. AESI may charge Seller for damage to or deterioration of any Goods resulting from improper packing or packaging.

7. TITLE AND RISK OF LOSS. Title and risk of loss of products purchased hereunder will be borne by Seller until products are physically received by AESI, in accordance with the terms hereof, at the delivery point specified in the Agreement at which time title and risk of loss shall transfer to AESI.

8. TERMINATION OF CONVENIENCE. AESI may at any time prior to delivery terminate this Order for its convenience, in whole or in part, by written, telegraphic or verbal notice confirmed in writing to Seller. If Seller has specifically manufactured the products to fill this order and is unable to make other commercially reasonable disposition of the products, AESI will pay Seller the cost incurred for the line of work performed by Seller in respect of such products at the time of written notification by AESI. Sellers will mitigate such costs to the extent it is reasonably possible. AESI's liability under this paragraph will not exceed the aggregated price specified in this Order.

9. RETURNS. AESI may, in its sole discretion, at any time and from time to time, within (60) days after acceptance of the products, return to Seller any part or all products and receive full credit on such return.

10. INSPECTION. All services or products ordered will be subject to inspection and acceptance at destination by AESI or its authorized representative within a commercially reasonable time. AESI, at its sole option, may inspect all or a sample of the services or products, and may reject all or any portion of the services or products if it determines the services or products are nonconforming or defective. If AESI rejects any portion of the services or products, AESI has the right, effective upon written notice to Seller, to: (a) rescind the Order in its entirety; (b) accept the services or products at a reasonably reduced price; or (c) reject the services or products and require replacement of the rejected services or products. If AESI requires replacement of the services or products, Seller shall, at its expense, within five (5) business days replace the nonconforming or defective services or products and pay for all related expenses, including, but not limited to, shipping and transportation charges for the return of the nonconforming and defective services or products and the delivery of replacement services or products. If Seller fails to timely deliver replacement services or products, AESI may replace them with services or products from a third party and charge Seller the increased cost thereof and terminate this Order for cause. Any inspection or other action by AESI under this Section shall not reduce or otherwise affect Seller obligations under the Order, and AESI shall have the right to conduct further inspections after Seller has carried out its remedial actions.

11. LEAD TIME. Seller hereby unconditionally undertakes to use commercially reasonable efforts to deliver the products or services within the relevant agreed Lead Time in respect of each individual item. The Lead Time is measured in Days from the date of receipt of the Purchase Order by Seller until the delivery of the products or services to AESI. If AESI requests an earlier delivery date on a Purchase Order, Seller shall use commercially reasonable efforts to comply with AESI's request and deliver the products or services within the requested time frame.

12. DELAYS. Time is of the essence for performance of this Agreement. If any products or services are not delivered within time specified by AESI, Seller shall immediately inform AESI in writing as soon as Seller becomes aware of any circumstances causing the agreed Lead Time to be exceeded. Such notification shall include a description of the circumstances causing the Lead Time to be exceeded and shall advise AESI of a new delivery date. In the event that the Lead Time is exceeded for any reason, AESI may refuse to accept all or any part of such products or services and cancel this Order in addition to any other remedies provided at law or in equity. Notwithstanding the foregoing, neither party will be liable for delays in delivery caused by force majeure which shall include Acts of God, war, fire, flood, explosion or earthquakes or any other cause beyond such party's reasonable control.

13. PRICES. The prices set forth in the Order are all inclusive, including, but not limited to taxes, the cost of packing, crating, materials, and delivery to the delivery point. In the event that AESI rejects the purchase price initially offered by Seller and a revised purchase price is subsequently agreed between Seller and AESI, Seller will send a revised offer containing the mutually agreed revised purchase price prior to the Order being placed by AESI. Prices are not subject to revision.

14. QUALITY CONTROL AND AUDIT. Seller shall establish and maintain a quality control system acceptable to AESI for products and/or services. Seller shall permit AESI to review procedures, practices, processes and related documents to determine such acceptability. AESI may request a visit or an audit at Seller's facility anytime or from time to time.

15. WARRANTIES. Seller warrants that (a) all products and services when delivered will be merchantable and free from defects in workmanship and material, will conform strictly to the specifications, drawings, samples, or other description specified herein or furnished herewith, and will be fit for their ordinary intended purpose and any special purpose specified by AESI; (b) it has good title to the products free from all encumbrances and that it will defend such title against demands of

all persons whomsoever arising; (c) all products of Seller's design or production will be free from defects in design or production; and (d) it has all required authority and approvals to sell the products to and perform the services for AESI. All warranties shall run to AESI, its successor's assigns, and all persons to whom the products may be resold.

16. INDEMNITY. Seller hereby agrees to release, Indemnify, defend and hold AESI, its subsidiaries, affiliates and shareholders, and all of their respective officers, directors, managers, members, employees, agents, successors and assigns (collectively referred to as the "AESI Indemnitees") harmless against any and all proceedings, actions, claims, litigation, investigations, fines, penalties, losses, liabilities, damages, costs, and expenses and reasonably attorneys' fees and costs (collectively, "Claims") resulting or arising (directly or indirectly) from (a) infringement or alleged infringement of any United States or foreign patent or any other intellectual property right by the services provided hereunder or by any of the products delivered hereunder which were designed or manufactured by Seller; (b) for deaths of or injuries to any persons whomsoever, and for loss of, damage to delay in delivery or destruction of any property and other losses of any kind or nature which arise out of or are in any way connected with the services performed or products sold hereunder; (c) Claims alleged or asserted against any AESI Indemnitee by any third-party with respect to any Unapproved Part supplied by Seller to AESI, except to the extent that such Claim is caused solely by the willful misconduct of any AESI Indemnitee. Promptly on a AESI Indemnitee's request or demand Seller will defend and indemnify the AESI Indemnitees against such actual or alleged claims, actions, proceedings and litigation and further pay any and all such losses, liabilities, costs, and expenses arising from any such actual or alleged Claims.

17. ASSIGNMENT. Seller may not assign any rights or obligations arising under this Agreement without the prior written consent of AESI.

18. MODIFICATIONS. No modifications of this Agreement will be binding on AESI unless in writing and signed by a duly authorized officer of AESI. Usage of trade, course or performance any course of dealing cannot supplement or modify this Agreement. AESI reserves the right to make, and Seller agrees to accept, reasonable changes to this Agreement, including changes as to packing, leasing, destinations, specifications, designs, and delivery schedules but changes will be authorized by AESI's written instructions. If such instructions affect delivery or price, Seller will notify AESI Immediately, and an equitable adjustment in prices or other terms hereof will be agreed upon in a written amendment to this Order. AESI's (a) failure to insist on strict performance of any term or condition hereof; or (b) failure or delay to exercise any right or remedy provided herein or by law or property to notify Seller in the event of breach; or (c) acceptance of or payment for services or products hereunder ; or (d) approval of any design will not release Seller from any of the warranties or obligations of this order and will not be deemed a waiver of any right of AESI to insist upon strict performance here of or any of its rights or remedies as to any prior subsequent default hereunder; nor will any purported oral modification or rescission of this Agreement by AESI operate as a waiver of any term or condition hereof.

19. SET-OFF. Seller agrees that AESI may, at any time and from time to time, set-off, recoup or credit any amounts owed by Seller to AESI hereunder against any amounts owed by AESI or any affiliate of AESI to Seller under this or any other agreement. For the purposes hereof, "affiliated" means any parent corporation, subsidiary corporation, or corporation or other entity under common ownership or control with AESI.

20. CONTROLLING DOCUMENT. If there is an express conflict between the terms of this Agreement and the provisions of any current written agreement between Seller and AESI also intended expressly to apply to the products and/or services ordered herein, those provisions will control only for those products and services contemplated both by this Agreement and the agreement (as expressly stated therein). In performing this Agreement, Seller and any subcontractors will comply with all applicable federal, state and local laws and the rules and regulations and shall furnish evidence of such compliance as required by AESI.

21. GOVERNING LAW AND JURISDICTION. This Agreement shall be constructed and governed according to the laws of the State of Florida and the state and federal courts situated in Palm Beach County shall have non-exclusive jurisdiction to hear any claims arising hereunder. If the Seller is from a country which has ratified the 1980 U.N. Convention on the Contracts for the international Sale of products (the "Convention"), the rights and obligations of the parties shall not be governed by such Convention, but shall be governed by the law of the State of Florida. Seller agrees to pay all costs and expenses, including reasonable attorney's fees incurred by AESI in any action to enforce its rights hereunder. To the fullest extent permissible under applicable law, Seller and AESI each hereby waives; (a) the right to jury trial in any and all proceedings; (b) any and all objections to venue and inconvenient forum in the state and federal courts, referred to in this section and (c) any and all objections to service of process by certified mail, return receipt requested or by internationally recognized courier.

22. COMPLIANCE. Seller understands that any products, technology, or products manufactured from the technology furnished by AESI pursuant to this Agreement are subject to export controls under the laws of the United States, including but not limited to: (i) U.S. exports regulations governing the export, transfer, or re-export of U.S. manufactured products, and

products containing U.S. components, software, or technology as set forth in the U.S. Export Administration Regulations (EAR), 15 C.F.R. §§ 772 et seq.; (ii) U.S. export regulations and laws restricting U.S. companies and their foreign affiliates and subsidiaries from doing business with certain embargoed countries and entities as set forth in the U.S. Foreign Asset Control Regulations (FACR), 31 C.F.R. §§ 500 et seq.; and (iii) the International Traffic in Arms Regulations, 22 C.F.R. §§ 120 et seq. Seller agrees, warrants and represents that it will not export or re-export any products, technology, or products manufactured from the technology that are the subject of this Agreement in violation of the export laws of the United States.

23. SURVIVAL. Provisions of these Terms & Conditions which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following Sections: Section 12 (Indemnity); Section 17 (Governing Law & Jurisdiction); and Section 18 (Compliance).