



THE GILL CORPORATION

HIGH PERFORMANCE COMPOSITE PRODUCTS SINCE 1945

THE GILL CORPORATION TERMS & CONDITIONS OF PURCHASE

(Rev. October 2020)

- 1. DEFINITIONS & ORDER OF PRECEDENCE.** Whenever used in this Order (a) "Buyer" means the Gill Company issuing this Order whether it is The Gill Corporation or one of its subsidiaries; (b) "Customer" means any customer of Buyer, any subsequent owner, operator or user of the Products and any other individual, partnership, corporation or person or entity which has or acquires any interest in the Products from, through or under Buyer; (c) "Products" means all the goods, services, data, software and other items furnished or to be furnished to Buyer under this Order; and (d) "Order" means this purchase order, which incorporates by reference these Terms & Conditions of Purchase and all of the specifications, technical descriptions, statements of work, drawings, designs, documents, and other requirements and provisions attached to, incorporated into, or otherwise made a part of this purchase order by Buyer. In the event of any conflict between the Order and these Terms & Conditions of Purchase, the Order shall prevail.
- 2. FORMATION.** This Order, together with these Terms and Conditions of Purchase, constitutes Buyer's offer to Seller and becomes a binding contract on the terms set forth herein when it is accepted by Seller either by acknowledgment or the commencement of performance hereof. This Order expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by the Seller are rejected by Buyer unless expressly agreed to in writing by an authorized representative of the Buyer.
- 3. RESPONSIBILITY FOR PERFORMANCE.** Unless otherwise agreed to by the parties in writing, Seller shall supply, at no cost to Buyer, all materials, equipment, tooling and facilities required to perform this Order.
- 4. DELIVERY.** Deliveries of Products shall be made in quantities and at the times specified in the Order and the parties hereby acknowledge and agree that time is hereby expressly made of the essence of this Order. Buyer reserves the right to reject or return to Seller, at Seller's risk and expense, all Products shipped later than or in advance of the time specified for delivery, or to defer payment for advance deliveries until the scheduled delivery date. Buyer reserves the right at any time, by written notice to Seller, to change the delivery schedules, or to direct temporary suspension of scheduled shipments or work, without any additional charge.

Seller shall promptly notify Buyer, in writing, of any anticipated or actual delay, the reasons therefore and the actions being taken by Seller to overcome or minimize delay. If requested by Buyer, Seller shall, at Seller's expense, ship via air or expedite routing to avoid or minimize the delay to the maximum extent possible. In the event of a delay, Buyer

may terminate this Order, in whole or in part, without liability to Seller. In addition to any rights which Buyer may have hereunder, at law, or in equity, Seller shall pay liquidated damages to Buyer for delay in the delivery of the Product or any part thereof, which is the subject of an Order. Liquidated damages will be calculated from the first day of the delay until the day the Product is received. The amount of the liquidated damages will equal one percent (1%) per day of the value of the delayed Product and shall accrue from the first day of the delay, up to a maximum of fifteen percent (15%) of the value of the delayed Product. However, for delays exceeding fifteen (15) days, Buyer shall have the right to claim actual damages from Seller in lieu of the liquidated damages. In such case, Seller shall pay upon Buyer's demand the full amount of all damages suffered by Buyer on account of Seller's failure to meet the delivery schedule, including, but not limited to, the cost of acquiring the Products from another source that exceeds the price specified hereunder, Buyer's acquisition costs, and liability to Buyer's Customer, arising out of the delay in delivery.

Seller shipments from manufacturers in foreign countries, and distributors/brokers/freight forwarders/carriers must be with transportation companies that are CTPAT (Customs-Trade Partnership Against Terrorism) validated by the U.S. Customs Service.

- 5. TITLE/RISK OF LOSS.** Title to the Products shall pass upon delivery to Buyer, or to a common carrier appointed by Buyer at the delivery point. Seller shall bear all risk of loss on Products covered by this Order until Buyer's final acceptance of the Products.
- 6. INSPECTION.** All Products delivered by Seller pursuant to the Order will be subject to final inspection and approval at destination by Buyer, or at Seller's plant if Buyer so desires. No payment, prior test, inspection, passage of title, any failure or delay in performing any of the foregoing, or failure to discover any defect or other nonconformance shall relieve Seller of any obligations under this Order or impair any rights or remedies of Buyer, including revocation of acceptance. If Seller delivers Products that do not comply with the warranties set forth herein ("Nonconforming Products"), Buyer may at its option and at Seller's expense: (i) require Seller to promptly correct or replace the Nonconforming Products; (ii) return the Nonconforming Products for credit or refund; (iii) correct the Nonconforming Products itself; or (iv) obtain replacement Products from another source. Return to Seller of Nonconforming Products and redelivery to Buyer of corrected or replaced Products shall be at Seller's expense. Seller shall be liable to Buyer for all costs and expenses incurred by Buyer as a result of Nonconforming

Products including, but not limited to, damages due to Buyer's Customers. If any Products fabricated by Seller from material furnished by Buyer is rejected by Buyer as Nonconforming Products, Seller shall pay Buyer the replacement cost of the material used therein.

7. **WARRANTY OF SELLER.** Seller expressly warrants that all Products covered by this Order (i) will conform to all of the specifications, technical descriptions, statements of work, drawings, designs, samples, documents, and other requirements specified by Buyer, (ii) will be merchantable, (iii) are of good material and workmanship and free from defect; and (iv) be free of any liens, encumbrances, and clouds on title. Seller expressly warrants that all Products covered by this Order that are of Seller's design or are Seller's standard product, or in accordance with Seller's specifications, will be fit and sufficient for the purpose intended. Such warranties, together with Seller's service warranties and guarantees, if any, shall survive inspection, test, and acceptance of, as well as payment for, the Products and shall run to Buyer, its successors, assigns and Customers. This warranty shall extend for a period of one (1) year (or such other period as agreed upon in writing by the parties) and Buyer shall give Seller notice after discovery of a Nonconforming Product.
8. **PATENTS, ETC.** By accepting this Order, Seller guarantees that (a) Products delivered to Buyer that are not "build-to-print" pursuant to the Order (i.e. Products designed by Seller); and (b) the sale or use of such Products will not infringe on any United States or foreign letters patent, copyright trademark or other proprietary right of any third party or misappropriate any trade secret of any third party. Seller agrees to defend, indemnify and hold harmless Buyer, its successors, assigns, Customers and users of such Products, against all suits at law or in equity and from all costs, expenses, damages, claims and demands resulting from actual or alleged infringement of any patent, copyright, trademark or other intellectual property right by reason of the sale or use of such Products. Seller agrees to obtain like protection from suppliers of materials or items incorporated in the Products covered by this provision.
9. **BUYER'S DATA.** No specifications, technical descriptions, statements of work, drawings, designs, samples, documents, information or other data of whatsoever kind, supplied by Buyer to Seller (herein called "Data"), shall be (i) used by Seller, directly or indirectly, for any purpose other than for the fulfillment of Seller's obligations under this Order; or (ii) disclosed by Seller to a third party, without the prior written consent of Buyer. Upon completion of Seller's work hereunder, Seller shall promptly return or destroy—at Buyer's option—all Data, together with all copies or reprints thereof, in Seller's possession or control. All Data shall be and remain the sole and exclusive property of Buyer. Seller shall have only the limited license to utilize such Data in connection with the performance of its obligations hereunder.

10. **ADVANCE MANUFACTURE AND PROCUREMENT.** Seller shall not manufacture Products in advance of time reasonably required to meet deliveries set forth in the Order. Unless expressly authorized in writing by Buyer, Buyer shall not be responsible for Seller's procurement of materials in excess of what is reasonably necessary under the Order.

11. **TOOLS AND MATERIALS.** Title to and the Buyer's right of immediate possession of all tooling, jigs, dies, molds, designs, patterns, drawings and materials paid for by Buyer or furnished by Buyer to Seller for use hereunder (collectively "Tools") shall remain in Buyer, in all stages of production, except that title to any Tools furnished by Buyer which are stamped or marked as U.S. Government Property or the property of another Customer shall be and remain with the U.S. Government (or with the Customer as applicable). In the absence of any provision in the Order to the contrary, all Tools furnished by Buyer to Seller for use hereunder including all U.S. Government Property or Customer Property, shall be returned to Buyer—upon Buyer's request or Buyer's termination or cancellation of the Order—in as good condition as when received, except for reasonable wear and tear or for the utilization of the property in accordance with the provisions of the Order. Buyer does not guarantee or warrant the accuracy of any Tools furnished by it. All Tools must be permanently marked or identified as property of Buyer (or of the U.S. Government or Customer as applicable) and with the number designated by Buyer, if any. Seller shall keep an inventory of all Tools in its possession, and shall furnish copies of such inventory to Buyer as may be required. While in Seller's possession, Seller shall bear (and shall be liable to Buyer for) all risk of loss or damage to the Tools and maintain adequate insurance to cover risk to the Tools. In the event of any damage to or loss of any Tools in Seller's possession, Seller shall immediately notify Buyer. Seller will not use Tools to manufacture parts for anyone other than Buyer without the prior written authorization of Buyer.

Seller shall absorb all costs associated with non-accountable tooling manufactured and/or purchased by Seller necessary for the manufacture and delivery of the Products including but not limited to rework, repair, replacement and maintenance of the tooling.

12. **PAYMENT.** The Parties expressly agree that payment shall not constitute final acceptance. Provided that Seller's invoice is accurate and correct, payment will be made by Buyer thirty (30) days from the date the shipment is received by Buyer unless an early payment discount is offered and taken, in which case payment shall be made in accordance with the terms of the offered discount. In making payments, debits or charges against Seller for returns or rejections may be deducted by Buyer whether against this Order or not.

- 13. ASSIGNMENT & SUBCONTRACTING.** Seller shall not assign any right or delegate any duty under this Order without the prior written consent of Buyer, and any attempted assignment or delegation without such written consent shall be void for all purposes and will constitute a breach of this Order. Seller shall also not subcontract all or a substantial portion of its performance of this Order to one or more third parties, without Buyer's prior written consent. No assignment, delegation, or subcontracting by Seller, with or without Buyer's consent, shall relieve Seller of any of its obligations under this Order or prejudice any of Buyer's rights against Seller.
- 14. CANCELLATION FOR INSOLVENCY.** In addition to any rights of cancellation or termination elsewhere set forth in this agreement, if at any time, Seller's financial condition shall be such as, in the sole judgment of Buyer, to endanger performance hereunder, Buyer shall forthwith have the unrestricted right to cancel or terminate this Order. Such termination shall be deemed for default. No cancellation or termination of this Order by either party for any cause shall pass title to any of the Tools mentioned in Paragraph 11, nor shall such cancellation or termination constitute a waiver of any claim under this Order, or for damages for the breach thereof.
- 15. TERMINATION.** (*Applicable for Commercial Orders Only, i.e. Orders That Are Not Placed Under Government Contracts or Subcontracts.*) Buyer may terminate work under this Order in whole or in part at any time by written notice to Seller. Upon termination in whole or in part of the work under this Order by Buyer pursuant to this Paragraph 15, Seller will, as to the terminated portion of the Order, stop work immediately, notify subcontractors to stop work and protect property in Seller's possession in which Buyer has or may acquire an interest. Except where such termination is occasioned by default or delay of Seller, Seller may claim reimbursement—on forms that Buyer will furnish on request—for Seller's actual costs incurred up to and including the date of termination which are properly allocable to or apportionable under recognized accounting practices to the terminated portion of the Order, including liabilities to subcontractors which are so allocable, and acceptable finished units at contract price not previously billed or paid for, but excluding any charge for interest or any materials which Seller may be able to divert to other orders or customers. Seller may also claim a reasonable profit on work actually done by Seller prior to such termination, the rate of which shall not exceed the rate used in establishing the original Order price. Under no circumstances shall the total value of such claim exceed the cancelled value of this Order.
- 16. REPRODUCTION RIGHTS.** Buyer does not grant or convey to Seller by virtue of this Order (a) any reproduction rights in or to the Products called for hereunder, or (b) any right to use Tools or Data belonging to Buyer (or Buyer's Customer) or supplied by or on behalf of Buyer for use in the performance of this Order, in the production, manufacture or design of any articles or materials for anyone other than Buyer.
- 17. PRICE CHANGES.** Prices specified on any Order accepted by Seller shall not be subject to change without the prior written consent of Buyer.
- 18. CHANGES BY BUYER.** Buyer may at any time by written change Order (a) make changes in or additions to the Product specifications, descriptions, statements of work, drawings, designs, etc.; (b) issue additional instructions; (c) require additional work; or (d) direct the omission of work ordered hereunder. If any such change causes a variation in the cost of, or the time required for performance, Seller will notify Buyer to obtain an equitable adjustment. Any claim by Seller for equitable adjustment under this Paragraph 18 must be submitted in writing to Buyer's authorized representative within thirty (30) days from the date notice of any such change is received by Seller in order for Seller to receive any equitable adjustment. Changes to costs will be limited to direct costs solely attributed to the out of scope changes and Seller shall provide documented evidence substantiating such cost, which Buyer shall have the right to audit. Nothing in this clause shall relieve Seller from proceeding, without delay, in the performance of this Order as changed.
- 19. CHANGES BY SELLER.** Seller shall not make any modification to or deviation from the Product specifications, descriptions, statements of work, drawings, designs, etc. unless specifically authorized in writing by a duly authorized Buyer representative or specified by Buyer in writing on the Order. If the Seller wishes to propose a design change to Product specifications, descriptions, statements of work, drawings, designs, etc., it shall be submitted via a form specified by Buyer. In no event shall the Seller implement any change to the Product without Buyer's prior express written authorization. Where Products are manufactured pursuant to Seller's design or specification, no changes shall be made to the Product, its specification, detail drawings or manufacturing processes at any level without prior written approval of Buyer's duly authorized representative. Seller shall inform Buyer in writing of any and all proposed changes to the Product, processes and/or tools used to make the Product, or specifications, descriptions, statements of work, drawings, designs, etc. defining the Product, prior to implementing a change. Buyer's prior written consent is required for all changes to the Product, regardless of whether they affect form, fit, function, qualification documentation, top assembly drawings, etc.
- 20. OBSOLESCENCE.** Seller shall proactively monitor all items and material used in the performance of this Order for impending obsolescence issues. Seller will provide immediate written notification to Buyer as soon as a pending obsolescence issue or event is known to Seller, describing the obsolete item, reason for obsolescence, estimated date the item will no longer be available, and any proposed alternatives. Seller shall provide Buyer timely notification to allow sufficient time to identify alternates for the affected

parts, and perform any necessary certifications, which may involve Customers and airline regulatory agencies. Seller will use diligent efforts to minimize cost and operational impact, including the effects of interchangeability to Buyer and Customers.

21. INDEMNITY/INSURANCE. Seller agrees to indemnify, defend, and hold Buyer and/or Customers harmless from all claims, suits, actions, proceedings, awards, liabilities, damages, costs and expenses, including attorneys' fees, by reason of property damage, death and/or personal injury of whatsoever nature or kind, arising out of, as a result of, or in connection with Seller's performance of this Order. If Seller is performing work on Buyer's or Customer's premises, Seller shall (a) comply with Buyer's (or Customer's as applicable) rules, policies and procedures regarding visitors and on-site supplier activity including requirements relating to health, safety and the environment; and (b) maintain insurance for general liability, property damage, automobile liability, worker's compensation and employer's liability covering all employees engaged in the performance of this Order, with each such insurance coverage having a policy limit of at least \$1,000,000.

22. COMPLIANCE WITH LAWS. Seller shall perform all work hereunder in accordance with all applicable laws, statutes rules, regulations and orders including, but not limited to, all applicable export and import laws.

Each Party represents that (i) the Products and the parts and components thereof, it is providing under this Order are not "defense articles" as that term is defined in 22 C.F.R. § 120.6 of the ITAR and (ii) the services it is providing under this Agreement are not "defense services" as that term is defined in 22 C.F.R. § 120.9 of the ITAR. The Parties acknowledge that this representation means that an official capable of binding the Party providing such Items knows or has otherwise determined that such Items, and the parts and components thereof, are not on the ITAR's Munitions List at 22 C.F.R. §121.1. Each Party agrees to reasonably cooperate with the other in providing, upon request of the other Party, documentation or other information that supports or confirms this representation. To the extent that such Products, or any parts or components thereof, were specifically designed or modified for a military end use or end user, the Party responsible for design of such Items shall notify the other Party of this fact and shall also provide the other Party with written confirmation from the United States Department of State that such Products, and all such parts or components thereof, are not subject to the jurisdiction of the ITAR. For those Products specifically identified in SBP Attachment 1A, each Party represents that such Products are "defense articles" as that term is defined in 22 C.F.R. § 120.6 of the ITAR. and (ii) the services it is providing under this SBP as it relates to those Products set forth in SBP Attachment 1 A are "defense services" as that term is defined in 22 C.F.R. § 120.9 of the ITAR. The Parties acknowledge that this representation means that an official capable of binding the Party providing such Items knows or

has otherwise determined that such Items, and the parts and components thereof, are on the ITAR's Munitions List at 22 C.F.R. §121.1. Each Party agrees to reasonably cooperate with the other in providing, upon request of the other Party, documentation or other information that supports or confirms this representation. If Seller is a U.S. company or is subcontracting to a U.S. company for ITAR controlled work, Seller and/or its subcontractor shall be registered with the U.S. Department of State in accordance with 22 C.F.R. §122.

The Seller agrees, as a condition of payment, to attach to or stamp on each invoice, the following statement: "We hereby certify that these goods were produced in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof."

23. CONDITIONS APPLICABLE TO ORDERS PLACED UNDER U.S. GOVERNMENT CONTRACTS OR SUB-CONTRACTS. If a U.S. government contract number (or other notation stating it is an order placed pursuant to a government contract or subcontract) appears on the face of this Order, the following provisions will apply: Seller understands that the work covered by this Order relates to a prime contract with a department or agency of the United States of America ("U.S. Government"). If any of the provisions in this Paragraph 23 are in conflict with the provisions of any other Paragraph hereof, the provisions in this Paragraph 23 shall prevail.

A. Title to Government Property. Seller acknowledges and agrees that (i) all Products and services covered by this Order shall vest in the U.S. Government upon delivery to the U.S. Government at any point within the continental United States; and (ii) title to all tools, dies, jigs, fixtures and similar items furnished on behalf of the U.S. Government for the performance of work under this Order shall be in the U.S. Government and full title to such items will pass to the U.S. Government upon completion of work under this Order.

B. Subcontracts. Seller shall not, without the prior written approval of the Buyer, make any contract with any other for (i) furnishing any of the completed or substantially completed Products, spare parts, or work ordered herein, or (ii) furnishing articles or services relating to this Order to be paid for on time and material or labor hour basis.

C. Termination of Fixed-Price Subcontracts. (*This Sub-Paragraph 23.C is only applicable if this Purchase Order is a fixed-price type contract.*)

i. Termination for Convenience. Buyer may terminate work under this Order in whole or in part at any time by written notice to Seller. Upon termination of this Order by Buyer for any reason other than default or delay of Seller (except when due to causes beyond Seller's

control and without Seller's fault or negligence) the respective rights and duties of Buyer and Seller shall be determined by, and settlement shall be made in accordance with either FAR 52.249-1 or FAR 52.249-2—which are incorporated herein and made a part hereof by reference—as the applicable section may be amended, modified, and in effect as of the date of such termination.

- ii. Termination for Default. Buyer may at any time cancel this Order in whole or in part for default by written notice to Seller, in accordance with the terms and provisions of FAR 52.249-8—which is incorporated herein and made a part hereof by reference—as it may be amended, modified and in effect as of the date of such termination.

All terms and provisions of FAR subpart 49 that are applicable to the termination of a fixed price contract shall be deemed to be incorporated into and made a part of this Paragraph 23C. Where necessary to understand the context of the FAR provisions incorporated in this Paragraph 23C, the terms "Government," "Contracting Officer" and equivalent shall mean Buyer; the term "Contractor" shall mean Seller; and the term "Contract" shall mean this Order.

D. Compliance with Statutes and Regulations. All work hereunder will be performed by Seller in accordance with all applicable laws, statutes, rules, regulations and orders, including but not limited to all applicable export and import laws. Applicable provisions of the Federal Acquisition Regulation ("FAR") and of any agency FAR supplements such as the Defense Federal Acquisition Regulation Supplement ("DFAR") are incorporated herein by reference, including but not limited to the following: FAR 52.203-3 (Gratuities); FAR 52.203-7 (Anti-Kickback Procedures); FAR 52.203-13 (Contractor Code of Business Ethics and Conduct); FAR 52.204-2 (Security Requirements); FAR 52.204-21 (Basic Safeguarding of Covered Contractor Information Systems); FAR 52.209-06 (Protecting The Government's Interest When Subcontracting With Contractors Debarred, Suspended, Or Proposed For Debarment); FAR 52.212-4 (Contract Terms and Conditions -- Commercial Items); FAR [52.212-5](#) (Contract Terms and Conditions Required to Implement Statutes or Executive Orders -- Commercial Items); FAR 52.215-2 (Audit and Records – Negotiation); FAR 52.219-8 (Utilization of Small Business Concerns); FAR 52.222-1 (Notice to the Government of Labor Disputes); FAR 52.222-41 (Service Contract Labor Standards); 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 52.227-1 (Authorization and Consent); FAR 52.227-2 (Notice and Assistance Regarding Patent and Copyright Infringement); FAR 52.227-3 (Patent Indemnity); FAR 52.227-10 (Filing of

Patent Applications -- Classified Subject Matter); FAR 52.227-23 (Rights to Proposal Data (Technical)); FAR 52.244-6 (Subcontracts for Commercial Items); FAR 52.246-1 (Contractor Inspection Requirements); FAR 52.246-2 (Inspection of Supplies -- Fixed-Price); FAR 52.247-64 (Preference for Privately-Owned U.S. Flag Commercial Vessels); DFARS 225.204-7018 (Prohibitions on the Acquisition of Covered Defense Telecommunications Equipment or Services); DFAR 252.223-7008 (Prohibition of Hexavalent Chromium); DFARS 252.225-7007 (Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies); DFAR 252.227-7015 (Technical Data - Commercial Items); DFAR 252.227-7037 (Validation of Restrictive Markings on Technical Data); DFAR 252.244-7000 (Subcontracts For Commercial Items and Commercial Components); DFAR 252.246-7003 (Notification of Potential Safety Issues).

Where necessary to understand the context of the applicable FARs or FAR agency supplements incorporated herein, the terms "Government," "Contracting Officer" and equivalent shall mean Buyer, the term "Contractor" shall mean Seller, and the term "Contract" shall mean this Order.

E. Employment Regulations. The following employment regulations are incorporated herein by specific reference: FAR 52.222-3 (Convict Labor); FAR 52.222-17 (Nondisplacement of Qualified Workers); FAR 52.222-21 (Prohibition of Segregated Facilities); FAR 52.222-22 (Previous Contracts and Compliance Reports); FAR 52.222-25 (Affirmative Action Compliance); FAR 52.222-26 (Equal Opportunity); FAR 52.222-35 (Equal Opportunity for Veterans); and FAR 52.222-36 (Compliance with Veterans' Employment Reporting Requirements); FAR 52.222-40 (Notification of Employee Rights Under the National Labor Relations Act); FAR 52.222-50 (Combating Trafficking in Persons); FAR 52.222-51 (Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements); and FAR 52.222-54 (Employment Eligibility Verification).

F. PROTECTION OF GOVERNMENT INFORMATION.

- i. Covered Defense Information. Seller shall handle and protect all Covered Defense Information that may be disclosed or developed in connection with the work under this Order in accordance with DFAR 252.204-7012.
- ii. Classified Information. Seller shall be responsible for the safeguarding of all classified materials and information that may be disclosed or developed in connection with the work under this Order in accordance with all pertinent espionage laws including but not limited to Title 18 U.S.C. Section 793; Title 18 U.S.C. Section 795; Executive Order 8381 (22 March

1940) and FAR 25.204-2 (Security Requirements). Seller shall immediately submit to Buyer a confidential report concerning existing or threatened espionage, sabotage or subversive activities at any place at which classified work under this Order is being performed or at which material acquired and used in connection with the performance of any classified portion of this Order is stored, and shall submit such additional pertinent information as may be required.

24. RIGHT TO EXAMINE AND RIGHT OF ENTRY. Buyer, Customers and/or pertinent government agencies such as the Federal Aviation Administration, reserve the right to conduct audits, inspections, surveillance and/or tests at Seller's facilities relating to Seller's performance of the Order or to the Products. Representatives of Buyer, its Customers, and/or pertinent government agencies may inspect and evaluate Seller's facilities, system, data, equipment, testing, personnel, works-in-process or completed Products. Additionally, Seller shall make available all records, books, documents, accounting procedures and practices, and other data (regardless of form) relating to the Order or the Products at reasonable times at its facility for Buyer's, Customer's and/or pertinent government agencies' examination, audit, or reproduction, until at least ten (10) years after the last delivery of Products under the Order (or such other longer period agreed to in writing by the parties). Seller shall insert a clause containing the substance of this provision in all subcontracts under the Order.

25. NONWAIVER AND PARTIAL INVALIDITY. Failure or delay by either party to enforce, at any time, any of the provisions of this Order, or to exercise any rights or remedies under this Order, shall not be construed as a waiver of any such provisions, rights or remedies in other instances; rather, the same shall remain in full force and effect.

If any provision of this Order is, or becomes, void or unenforceable by law, the remainder shall be valid and enforceable. Buyer's rights and remedies are in addition to any other rights and remedies provided by law, in equity, or under this Order. No action by Buyer shall constitute a waiver of any such right or remedy.

26. PUBLICITY. Without Buyer's prior written approval, Seller will not, and will require that its subcontractors or suppliers will not, release any publicity, advertisement, news release or denial or confirmation of the same, regarding any Order or Products or Services or this LTA, or the program to which they may pertain. Seller will be liable to Buyer for any breach of such obligation by any subcontractor or supplier.

27. SURVIVAL Without limiting any other survival provisions contained herein, and notwithstanding any other provision of this Order to the contrary, the representations, covenants, agreements and obligations of the parties set forth in Paragraphs 4 (Delivery), 6 (Inspection), 7 (Warranty of Seller), 8 (Patents, Etc.), 9 (Buyer's Data), 11 (Tools and Materials), 12 (Payment), 14 (Cancellation for Insolvency);

15 (Termination), 21 (Indemnity/Insurance), 23.C (Termination of Fixed-Price Subcontracts); 23.F (Protection of Government Information), 24 (Right to Examine and Right of Entry). 28 (Governing Law And Arbitration), and this Paragraph 26 (Survival), as well as any representations, covenants, agreements and obligations which by their nature are intended to continue, shall survive any cancellation, termination or expiration of this Order or any payment and performance of any or all of the other obligations hereunder. Termination or cancellation of any part of this Order shall not alter or affect any part of this Order which has not been terminated or cancelled.

28. GOVERNING LAW AND ARBITRATION. The contract arising pursuant to the Order shall be governed by the laws of the State of California without giving effect to its conflict of law principles. The parties exclude the application of the United Nations Convention on Contracts for the International Sale of Goods.

Any dispute, controversy, or claim arising out of or relating to this Order or the breach thereof, which is not resolved by the parties themselves, shall be resolved by binding arbitration under the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"). The place of the arbitration shall be Los Angeles, California U.S.A. and the language shall be English. One arbitrator shall be jointly appointed by the parties or, if the parties cannot so agree, be appointed by AAA. The parties shall be bound by the decision of the arbitrator, whose decision shall be final and enforceable in any court of competent jurisdiction. The arbitrator's decision shall be in writing and provide an explanation for all conclusions of law and fact and any assessment of costs, expenses, and reasonable attorneys' fees. Either party may seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrator's determination of the merits of the controversy. During the pendency of arbitration, the parties shall continue to perform their respective obligations under this Order. The unsuccessful party in the arbitration shall pay to the prevailing party, all costs and expenses incurred with respect to such arbitration, including without limitation, reasonable attorneys' fees.

29. ENTIRE AGREEMENT. This Order sets forth the entire agreement and supersedes any and all other agreements, understandings and communications between Buyer and Seller related to the subject matter of this Order, except for any non-disclosure agreement between the parties intended to survive this Order. No amendment or modification of this Order shall be binding upon Buyer unless set forth in a written instrument signed by Buyer's duly authorized representative. The rights and remedies afforded to Buyer or Customers pursuant to any provision of this Order are in

addition to any other rights and remedies afforded by any other provision of this Order, by law, in equity, or otherwise.

We have read and understand and will comply with The Gill Corporation's Terms and Conditions of Purchase:

Company Name: _____

Signature: _____

Printed Name: _____

Date: _____