

Mid-Continent Instrument Co., Inc General Terms and Conditions of Sale

1. **DEFINITIONS:**

As used throughout these General Terms and Conditions of Sale ("Terms"), the following capitalized words shall have the following definitions unless otherwise specifically stated:

- (a) "Seller" means the Mid-Continent Instrument Co., Inc (MCICO) which is providing the Product(s) or Service(s) subject to these Terms.
- (b) "Purchaser" means the legal person or entity contracting with the Seller in this Order.
- (c) "Order" means the contractual instrument whereby Purchaser procures Product or Service from Seller.
- (d) "Product(s)" means any product or item ordered by Purchaser from Seller, manufactured in accordance with Seller drawings and manufacturing processes and procedures, including, without limitation, any production unit or spare component, and/or any technical publications, engineering drawings, test reports, or other items of intellectual property or licenses to any of that intellectual property.
- (e) "Proprietary Information" means materials, data or intellectual property in which Seller has a proprietary interest, including, without limitation, (i) inventions, patents, trademarks, service marks, trade dress, logos, trade names, and corporate names (together with all goodwill associated therewith); (ii) copyright and copyrightable works (including, without limitation, all computer software associated with or embedded in Product(s)) (iii) trade secrets and know-how (including, without limitation, equipment and techniques used in the design, manufacture, servicing, testing, or delivery of Product(s)); and (iv) all other technical data and confidential business information of Seller (including, without limitation, designs, drawings, specifications, customer and supplier lists, and financial or sales information).
- (f) "Confidential Information" means information, whether of a technical, business or other nature, disclosed by or on behalf of Seller to Purchaser which is (i) not generally known to the public; (ii) identified by Seller as proprietary or confidential or (iii) that, by the nature of the circumstances surrounding the disclosure ought to be treated as proprietary or confidential.
- (g) "Service" means the repair, overhaul, retrofit, and upgrade of Products purchased from Seller, training programs, exchange programs, leasing, Aircraft on Ground ("AOG") support, field support and engineering services. Service shall also include any nonrecurring engineering (NRE) expenses offered from Seller and purchased by Purchaser.

2. **PRODUCTS & DELIVERY**

- 2.1 **Quotation Validity:** Unless otherwise noted on the face of a quotation, a quotation for production or spare Products or Service provided by Seller is valid for thirty (30) days from the date of the quotation. Availability of Product or Service is subject to prior sale terms and availability.
- 2.2 **Pricing:** Product quote price does not include shipping, taxes, duties, VAT, etc. Prices may change at any time prior to (but not after) acceptance of your order.
- 2.3 **Orders:** Any new, revised, or follow-on orders for Products or Service shall be deemed to be an Order and subject to these Terms. Orders may only designate the Products or Service being ordered, quoted prices, Order quantities, requested delivery dates, and shipping addresses. Seller's acknowledgment of receipt of Order shall not constitute acceptance. Seller's acceptance of an Order is expressly made conditional on assent by Buyer to Seller's Terms. Orders shall reflect Seller's standard lead times unless otherwise specifically agreed in writing and signed by the parties.
- 2.4 **Order Changes:** Orders scheduled to ship within 30 days are non-movable or cancelable. Orders scheduled to ship outside of 30 days can be modified at the discretion of the Seller subject to the entirety of the purchase order being shipped within 12 calendar months of receipt of order.
- 2.5 **Order Cancellations:** Purchaser may cancel Order(s) only if Seller agrees to cancellation in writing and only after payment of reasonable charges based upon costs and expenses already incurred and commitment made by Seller.

- 2.6 Shipment and Delivery. Product shipment terms are FCA, Seller's Premises (Incoterms 2020). Title and risk of loss or damage shall pass to Buyer upon Seller's delivery of the Product at Seller's Premises, as per Incoterms 2020. Shipping and delivery dates are approximate and not guaranteed, although Seller shall use reasonable commercial efforts to meet delivery dates as agreed upon between Seller and Buyer. Product(s) shall be packaged in accordance with Seller's commercial practice. Seller reserves the right to charge Buyer for any additional costs associated with special routing, packing, labelling, handling, or insurance requested by Buyer and agreed to by Seller.
- 2.7 Acceptance & Rejection: Inspection should occur within a reasonable period after delivery. If rejected, Buyer must inform Seller in writing within 15 days of delivery. All claims not made in writing and received by Seller within this time period shall be deemed waived.
- 2.8 Restocking Fee: Purchaser acknowledges that returned Product may be subject to a restocking fee of 15% of the purchase price. The restocking fee shall be deducted from any refund or credit issued to Purchaser. Seller reserves the right to refuse returns or impose additional fees for Product that is not in original, unused, and uninstalled condition or packaging.
- 2.9 Changes: Purchaser may request reasonable changes in specifications, shipment packaging, or delivery of any Product or part thereof covered by any Order by providing reasonable prior written notice thereof to Seller, and upon Seller's acceptance of such change, Seller shall be entitled to an equitable adjustment in the price and delivery schedule of such Product or part by providing revised terms to Purchaser within thirty (30) days of receipt of Purchaser's request for change.
- 2.10 Discontinuance of Products. All programs, styles, parts, and accessories for Products are subject to change, revision, modification or discontinuance by Seller. Seller may act to discontinue the Product with no less than sixty (60) days notice with no reduction in supply relative to the prior year and the reasonable opportunity to negotiate an end-of-life purchase by the Purchaser.
- 2.11 Setoffs: Purchaser is expressly prohibited from and shall not deduct or set-off invoiced amounts or any portion thereof against sums that are due or may be due from Purchaser to Seller, its parent, affiliates, subsidiaries or other divisions or units.
- 2.12 Source Inspection: Apart from qualified government inspectors, no inspectors or other representatives of Purchaser will be allowed in Seller's plant without specific approval in writing signed by a duly authorized representative of Seller.
- 2.13 Exchanges. Through our exchange program you will receive an equivalent instrument in fully overhauled and certified (OHC) condition. To complete the exchange you must return a repairable core within 30 days. The core must have the same part number as the exchanged unit and a legible, original nameplate. If the return core is not repairable, we will let you know and offer the exchange to you at the outright sale price or at the cost to replace the core with a factory-new unit. Units under the original manufacturer's warranty do not qualify for exchange, but may be eligible for warranty repair with original manufacturer's approval. We strive for immediate, off-the-shelf availability to support customers in providing fast service to the end-user. Exchanges incur no additional charge above a standard overhaul. Returned instruments are completely overhauled, tested, and recertified before being placed back in our exchange pool.
3. **PAYMENT TERMS.** An Order for Product or Service shall be prepaid unless otherwise stipulated. Payment on invoice within thirty (30) days, also known commonly as "Net 30 Terms" may be negotiated separately from these general terms. There shall be no additional discount for payment under "Net 30 Terms". Seller reserves the right to cancel or suspend any outstanding contractual obligations and/or suspend deliveries until all past-due payments have been made. In addition to the foregoing, Seller reserves the right to set-off any payments that may be due and owing from Seller to Purchaser under separate agreements in the amount of all past-due payments that have not been made by Purchaser under this Agreement. Late payments shall incur interest at six percent (6%) per month or the maximum rate permitted by law. In the event of bankruptcy or restructuring (excluding pre-existing Chapter 11 proceedings), the Purchaser agrees to designate the Company as a critical vendor.

4. **INTELLECTUAL PROPERTY**

4.1 Products. All patent, copyrights, trade secret and other intellectual and industrial property rights in Seller's Product(s), Service, and other documentation are the sole and exclusive property of Seller or its suppliers, and Purchaser shall obtain no ownership, license or other interest therein by virtue of this Agreement. Purchaser shall not provide any Product to a third party in order to, (a) modify any Product; (b) disassemble, reverse engineer, or otherwise attempt to discover the chemical and/or structural makeup or the manufacturing process of any Product; nor (c) remove any proprietary notices or labels on any Product or Documentation.

4.2 No License. Nothing herein shall be deemed to grant to convey or confer upon Purchaser, Purchaser's customers or any other third party a license, expressed or implied under any patent rights, copyrights, trademarks, registered designs or other intellectual property rights of Seller or its suppliers. Including without limitation, any rights covering or relating to any combination, machine or process in which any Product might be or is used or for any product of which any Product might form a part.

4.3 AI Data Security

Except as expressly permitted by the disclosing Party in writing, the receiving Party shall not: (i) disclose or input any Proprietary Information of the disclosing Party to any AI System accessible to any third party or otherwise use the disclosing Party's Proprietary information with any AI System accessible to any third party; (ii) use, or permit any third party to use, any Proprietary Information of the disclosing Party to train or develop any AI System; or (iii) disclose any Proprietary Information of the disclosing Party to any AI System that maintains any persistent copy of such information. For purposes of this Agreement, "AI System" means any system that implements Artificial Intelligence; and "Artificial Intelligence" means any technology that can make decisions, create predictions, generate content or recognize patterns without being explicitly programmed to do so, including without limitation generative artificial intelligence, large language models, and machine learning systems and algorithms."

5. **INDEMNIFICATION & LIMITATION OF LIABILITY**

5.1 Indemnification: Purchaser agrees to protect, defend, indemnify and hold harmless Seller from any and all third-party claims (including but not limited to products liability claims, design defect claims, manufacturing defect claims, and failure to warn claims), liabilities, losses, damages and expenses (including reasonable attorneys' fees) to the extent such claims, liabilities, losses, damages and expenses result from injuries or death to any person or damages or losses to property are caused by Purchaser's product or services or Purchaser's negligence or wilful misconduct.

5.2 Limitation of Liability: The total aggregate liability of Seller arising out of or in connection with the performance of this Order, whether for negligence or otherwise, shall in no event exceed the total contract price of the individual Product for the Order giving rise to the claim (or claims) of liability, whether resulting from delays in delivery or performance, breach of warranty, claims of negligent manufacturing, patent or copyright infringement, or otherwise, and in all events the maximum total liability of Seller hereunder shall not exceed the total amount received by Seller under this Order.

Notwithstanding anything herein to the contrary, Seller shall not be liable for incidental, consequential, indirect or remote damages, including loss of profits or loss of use, or for punitive, exemplary or other special damages, however styled, whether arising under this order or otherwise. The obligations and liabilities under Seller's Warranty under this Order are expressly limited to the replacement or the repair by Seller of Products and shall not include any removal or reinstallation costs, or the costs of any recall program incident to such correction or replacement.

These exclusions of types of damages shall be deemed independent of, and shall survive, any failure of the essential purpose of any limited remedy under the terms of this agreement. These clauses set out the entire liability of Seller (including any liability for the acts or omissions of its sub-contractors) in respect of any breach of this Order and any representation, statement or tortious act or omission including negligence arising under or in connection with the Order. All warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from this Order.

6. **WARRANTY**

6.1 Scope. The following warranties and disclaimers in this section shall apply between Seller and Purchaser.

6.2 Warranty. Products are warranted to be free from defects in material and workmanship for a period defined from the date of shipment in the table below.

Product	Warranty Term	Qualifications
Batteries	2 years	Purchaser acknowledges that proper handling, charging, and maintenance are required to optimize battery life and performance.
USB Power Outlets	Lifetime	Non-commercial applications (part 121)
Gyroscopic Instruments	1 year	Gyro products held in storage should be functionally tested every six (6) months to ensure proper performance. Failure to adhere to the six (6) month functional test will void the remaining limited warranty period.
All other New Products	1 Year	
Repairs	90 Days	
Overhauls	1 Year	

Any defect, malfunction, or failure, of a Product caused by damage (not resulting from defect or malfunction) while in the possession of a buyer, or unreasonable use (including failure to provide reasonable and necessary maintenance), shall not be covered by this warranty. For avoidance of doubt, there is no warranty on software.

6.3 Notice of Warranty Claim. Immediately upon receipt of Products, Purchaser shall inspect the same. All other claims, including claims for alleged defective goods, must be made within fifteen (15) days after Purchaser learns of the facts upon which such claim is based. All claims not made in writing and received by Seller within the time period specified above shall be deemed waived. All claims will be handled in accordance with Seller’s then-existing warranty claims process and policy.

6.4 Warranty Disclaimer. Except as expressly set forth in this agreement, the products are being provided to purchaser “as is” without warranty of any kind and Seller disclaims to purchaser all other warranties, express or implied, relating to the products, including without limitation any warranty of merchantability, fitness for a particular purpose or noninfringement.

This is the only warranty given by Seller. In no event will Seller be liable for any incidental damages, consequential damages, special damages, indirect damages, loss of profits, loss of revenues, or loss of use, even if informed of the possibility of such damages. Seller’s liability for damages arising out of, or relating to a product or order, is limited to the lower of catalog or contract price for the specific product that gives rise to the claim. To the extent permitted by applicable law, these limitations and exclusions will apply regardless of whether liability arises from breach of contract, warranty, tort (including but not limited to negligence), by operation of law, or otherwise. To the extent allowed by applicable law Seller expressly disclaims any implied warranty including but not limited to the warranty of merchantability or fitness for a particular purpose.

No other person or business organization (including employees or sales representatives of Seller or True Blue Power) are authorized to extend any other express warranty on behalf of Seller, either orally or in writing.

7. **GENERAL**

7.1 Export Compliance: Purchaser agrees to comply with all applicable export control laws and regulations. Purchaser shall not sell or transfer Product(s) governed under these terms and conditions to restricted parties or embargoed countries without required governmental authorization.

7.2 Conflict Minerals: All Products supplied by Seller to Purchaser that contain conflict minerals will only come from sources that are not known by Seller or its supplier, after due inquiry, to directly or indirectly finance or benefit armed groups or conflict, including in the Democratic Republic of the Congo or any adjoining country. Seller and its supplier agree to: (i) cooperate with Company in conducting any due diligence; (ii) comply with reasonable requests for information in order to facilitate compliance with any law, rule, or regulation currently in place or adopted in the future; and (iii) maintain records related to the supply or use of conflict minerals.

- 7.3 **Force Majeure.** Neither party shall be liable hereunder for any delay or default in performing any obligation hereunder if that delay or default is due to any cause beyond its reasonable control, including without limitation fire, flood, act of God, military action or governmental intervention.
- 7.4 **Independent Contractors.** The parties shall be deemed independent contractors for all purposes hereunder. This Agreement does not constitute a partnership, joint venture or agency between the parties hereto, nor shall either of the parties hold itself out as such contrary to the terms hereof by advertising or otherwise nor shall either of the parties become bound or become liable because of any representation, action, or omission of the other. Neither party is an agent of the other party and has no authority to represent the other party as to any matters.
- 7.5 **Notice.** Either party may give any notice, request, demand, claim or other communication hereunder using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the party for whom it is intended.
- 7.6 **Governing Law.** This Agreement shall be construed according to the substantive and procedural laws of Kansas, excluding any Kansas choice of law provisions that would require the application of any law other than the law selected in this Agreement, and excluding any application of the United Nations Convention on Contracts for the International Sale of Goods.
- 7.7 **Disputes.** Any dispute, controversy, or claim arising out of or relating to this Agreement, any Order, or the breach, termination, or validity thereof (including tort claims) shall be finally resolved by arbitration administered by the International Chamber of Commerce (“ICC”) in accordance with the ICC Rules of Arbitration in effect at the time of the filing of the request for arbitration.
- 7.7.1 Seat (legal place) of arbitration: Wichita, Kansas, USA
- 7.7.2 Language of arbitration: English
- 7.7.3 Number of arbitrators: One (1), unless the ICC determines that three (3) arbitrators are appropriate due to the complexity or amount in dispute
- 7.7.4 Governing law: The substantive laws of the State of Kansas, USA, excluding its conflict of laws principles and excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG)
- The arbitration award shall be final and binding on the parties, and judgment on the award may be entered and enforced in any court of competent jurisdiction.
- 7.8 **Insurance.** During the Term and any extension Seller will maintain products liability insurance that may include aviation products coverage in an amount not less than \$100,000,000 for liability arising out of this Agreement or use of the Products.
- 7.9 **Compliance with Laws/Severability.** Purchaser shall conform to (i) all laws, rules, regulations and statutory requirements existing in the Area of responsibility from time to time in relation to any Product and its activities in connection with this Agreement (ii) all applicable statutes, rules and regulations of any governmental authority and all international treaties relating to the export, re-export, import or release of the Products and any related materials and technical data, as they may exist from time to time and (iii) all applicable safety laws and regulations relating to the design and packaging of the Products. If any provision of these Terms is determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable, for any reason, the remainder shall remain valid in full force and effect and these Terms shall be amended in order to effect, to the maximum extent allowable by law, the original intent of such provision.
- 7.10 **Entire Agreement.** This Agreement (including the Schedule) constitutes the entire agreement between the parties and supersedes any prior understandings, agreements or representations by or between the parties, written or oral, with respect to the subject matter hereof. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the parties. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement shall be entered into as provided for above. Purchaser acceptance of the terms of this agreement is completed by the earliest of the acceptance of this agreement by ordering products from Seller, or by the acceptance of products shipped to you by Seller.

7.11 Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent. The parties further agree that the rule of construction regarding the construing of contract language against the drafting party shall not apply to any dispute regarding this Agreement nor to any disputes involving any related documents. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. Time is of the essence of this Agreement. Each party agrees that it has had ample opportunity to obtain independent legal counsel regarding this Agreement and any related documents. Further, each party shall bear its own legal expense related to the drafting and review of this Agreement and any related documents.