



ASTRONICS CORPORATION STANDARD PURCHASE ORDER TERMS AND CONDITIONS

Unless and except to the extent expressly agreed otherwise in writing by the party that is identified in the Purchase Order, these Standard Purchase Order Terms and Conditions shall apply to all Purchase Orders issued by Astronics Corporation and its subsidiaries located in the United States.

1. BUYER

For the avoidance of doubt: (i) the only party that is Buyer and the only party that will have any responsibility, liability or obligation under or in connection with a Purchase Order is the party identified in the Purchase Order as Buyer; (ii) Astronics Corporation shall have no responsibility, liability or obligation of any kind under or in connection with the Purchase Order unless it is specifically identified in the Purchase Order as Buyer. (For the further avoidance of doubt, if Buyer is referred to as "Astronics" or using any other name that includes "Astronics" other than "Astronics Corporation, or the Buyer is identified as being a subsidiary, division, group or business unit of Astronics Corporation, the Buyer shall not be deemed to be Astronics Corporation, and Astronics Corporation shall have no responsibility, liability or obligation of any kind under or in connection with the Purchase Order; and (iii) no subsidiary, division, group or business unit of Astronics Corporation other than the particular subsidiary, division, group or business unit identified in the Purchase Order as Buyer shall have any responsibility, liability or obligation of any kind under or in connection with the Purchase Order.

2. ACCEPTANCE

This order is Buyer's offer to Seller for the work to be performed hereunder, and together with any specifically noted overriding and/or supplemental agreements signed by the parties hereto which refers to these terms including all referenced documents and specifications, constitutes the entire agreement between Buyer and Seller with respect to such work and supersedes any other agreement or understandings, oral or written, made prior to the date of this order concerning such work. This offer shall become a binding contract on the terms stated herein when it is accepted either by acknowledgement, performance, or delivery. Any term or condition stated by Seller in any prior proposal or in acknowledging or otherwise accepting this order or any agreement or understanding modifying this order shall not become part of the contract or binding upon Buyer unless specifically accepted in writing by Buyer.

3. PACKING – SHIPPING

All goods shall be prepared for shipment and packed to prevent damage or deterioration, with shipment secured from the lowest transportation rates, in compliance with carrier tariffs. No charges will be paid by Buyer for preparation, packing, crating or cartage unless separately stated in this contract. All shipments to be forwarded on one day via one route shall be consolidated. Each container shall be consecutively numbered and marked with purchase order and part numbers. Container and purchase order numbers shall be indicated on bills of lading. Three copies of packing sheets, showing purchase contract number, shall be attached to the No. 1 container for each shipment. Any goods sold f.o.b. place of shipment shall be forwarded prepaid or collect as directed by Buyer. Seller shall make no declaration concerning value of goods shipped, except on goods where tariff rate(s) are dependent upon a released or declared value, in which event such value shall be released or declared at the maximum value for the lowest rate(s).

4. SHIPMENT – DELIVERY

Time is of the essence in the performance of this order. Shipments or deliveries or performance of services shall be strictly in accordance with the purchase order schedule. If it appears Seller will not meet such schedule, then in addition to Buyer's other remedies, Seller shall promptly accelerate work and notify Buyer in writing of any delay and, if requested by Buyer, ship via air or expedited routing to avoid or minimize delay to the maximum extent possible, the added cost to be borne by Seller. Product is not to arrive at Buyer facilities late or more than five (5) business days prior to the scheduled delivery date reflected on an individual purchase order.

5. INVOICES – PAYMENT

Invoices shall not be issued nor payments made prior to delivery. Individual invoices must be issued for each shipment under this order. Unless otherwise agreed, payment terms are Net 45 from date of invoice. Buyer reserves the right to accept favorable payment terms if presented by Seller. Discount invoices will be payable based on applicable discount period computed from the date of scheduled or actual delivery of the items ordered or the date of receipt of the correct invoice, whichever is later. Unless freight and other charges are itemized, any discount will be taken on full amount of invoice. All payments are subject to adjustment for shortage or rejection.

6. PRICES

Seller warrants that the prices of the items covered by this order are not in excess of the Seller's lowest prices in effect on the date of this order for comparable quantities of similar items.

7. WARRANTIES

In addition to any other express or implied warranties, Seller warrants that all items delivered under this order will be merchantable, free from defects in materials and workmanship, comprised only of materials and goods which are new and of recent manufacture, that all items will conform to the requirements of this order including but not limited to, the applicable descriptions, specifications and drawings, that all items will be free from defects in design and suitable for the purposes intended by Buyer. Buyer approval of a design furnished by Seller shall not relieve Seller of its obligations under this warranty. Seller's liability under this warranty clause shall include, but is not limited to, at Buyer's election; rework, replacement, or return



for credit all defective or nonconforming items, the payment of all removal and re-installation costs not to exceed twenty percent of the price paid for the item(s), and the payment of all packing and transportation costs attributable to accomplishment of the above, all at Seller's expense. The Warranty of Seller, together with its service warranty and guarantee, if any, shall run to Buyer and its customers.

8. APPROVED SOURCES

Seller guarantees and represents that all materials and components purchased by, supplied to, or used in the manufacture or assembly of all products delivered to Buyer by Seller under this order have been acquired directly from the OEM manufacturer of such materials and/or components or from the OEM manufacturer's "Authorized" or "Franchised" distributors and, if applicable, from Buyer's approved OEM manufacturer(s) indicated on the order or as indicated on the parts list associated with the order. Seller acknowledges that the use of materials or components acquired from "Independent" distributors or "brokers" is prohibited unless written permission is obtained from Buyer in advance. For the purposes intended by this provision, "Authorized" or "Franchised" distributors are defined as those distributors holding a formal distribution agreement with the OEM manufacturer, which agreement provides for full OEM warranty coverage, provision of OEM technical and engineering support, access to OEM technical or test data, original OEM certificates of conformance, and full traceability and chain of custody documentation.

9. INSPECTION

All items covered by this order shall be subjected to inspection and test by Buyer and its customers to the extent practicable at all times and places including the place and period of manufacture. The Buyer or his representative may inspect the plant or plants of the Seller or of any of Seller's subcontractors engaged in the performance of this order. Seller shall provide, without additional charge, all reasonable facilities and assistance for such inspections and tests. Any such inspection or test by Buyer or its customer shall be performed in such a manner as not to unduly delay the work. No inspection, test, approval (including design approval), or acceptance of items ordered shall relieve Seller from responsibility for defects or other failures to meet the requirements of this order. All items are subject to final inspection and acceptance by Buyer at destination not withstanding any prior payment or inspection at source and such inspection will be made within a reasonable time after delivery.

10. REJECTION

Buyer shall have the right to reject, require correction or accept with an equitable adjustment in price any goods delivered or services performed hereunder which are defective or otherwise not in strict conformance with the requirements of this order. Buyer shall notify Seller of such rejections or other actions and at Buyer's election and Seller's risk and expense such items shall be held by Buyer or returned to Seller for credit, refund, rework, or replacement as directed by written instructions from Buyer. No replacements or correction of defective items shall be made by Seller unless agreed to in writing by Buyer.

11. RISK OF LOSS

Notwithstanding any term of this order, or any inference therefrom, the risk for any loss of or damage to or destruction of goods described in this order shall be borne by Seller at all times until the goods are received and accepted by Buyer. Title to the goods passes to Buyer upon final acceptance after inspection.

12. CHANGES

Buyer may at any time by written notice make changes within the general scope of this order in any one or more of the following: (1) drawings; (2) designs; (3) specifications; (4) method of shipping or packing; (5) place of inspection, delivery or acceptance; (6) quantities; and (7) schedules. Seller shall proceed immediately to perform this order as changed. If any such change causes an increase or decrease in the cost of, or time required for performance of any part of the work under this order an equitable adjustment in the order price and/or delivery schedule will be made. Any claim for adjustment under this clause will be deemed to be waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within twenty (20) days from the date of receipt of Seller of the change order or written notice or within such further time as may be agreed upon by the parties.

13. INTELLECTUAL PROPERTY

Seller shall not make any unauthorized use of any third party intellectual property or incorporate or otherwise use any unauthorized third party intellectual property in the products or services provided to Buyer and Seller shall save Buyer, its agents and customers, and users of its products harmless from all loss, damage and liability which may be incurred on account of infringement or alleged infringement of any third party intellectual property rights, including without limitation any United States or foreign patent, copyright, trade secret, trade or other mark arising out of the manufacture, sale or use of such products or services by Seller, Buyer, Buyer's agents or customers, or users of its products and Seller shall, at its own expense, defend all claims, suits and actions against Buyer, its agents or customers, or users of its products in which such infringement is alleged, provided Seller is duly notified of such claims, suits and actions.

14. ASSIGNMENT, DELEGATION AND SUBCONTRACTS

No assignment of any rights, including rights to moneys due or to become due hereunder, nor any delegation of duties, obligations or liabilities under this order shall be binding upon Buyer until Buyer's written consent thereto has been obtained. No goods to be delivered under this order shall be procured by Seller from a third party in completed or substantially completed form without Buyer's prior written consent. For this purpose, assignment shall include any change in the control of Seller; provided that in the case of a voluntary change in control, if Seller provides Buyer not less than 90 days advance written notice of such change in control and Buyer has not objected to such change in control within that notice period, Buyer shall be deemed to have consented to such change in control.

15. TERMINATION



By written notice directed to Seller, Buyer may terminate for Buyer's convenience all or any part of this order. In such event, the order price shall be equitably adjusted: provided, such adjustment shall not exceed the order total price, nor allow any amount for anticipated profit for performance not rendered: provided further, Seller's written claim for adjustment is received within thirty (30) days following the effective date of termination set forth in Buyer's written notice, such termination shall not relieve Buyer or Seller of their respective obligations as to any un-terminated portions of the order. Upon receipt of a termination notice, Seller shall stop work to the extent specified in the notice and take such other action as may be necessary or as Buyer may direct for the transfer, protection, preservation of property and contract rights which are related to the termination, and to minimize the cost of termination, to and for the benefit of Buyer.

16. CANCELLATION – CAUSE

If Seller fails to make delivery of the goods, or fails to perform the services, in accordance with the delivery dates specified in this order, or fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and does not cure such failure within ten (10) days after notice from the Buyer, Buyer may (in addition to any other right or remedy provided by this order or by law) terminate all or any part of this order by written notice to Seller without liability and purchase substitute goods elsewhere, and Seller shall be liable to Buyer for any excess cost occasioned Buyer thereby. Seller shall continue performance of this order to the extent not terminated pursuant to this Clause 15.

Except with respect to defaults of subcontractors at any tier, Seller shall not be liable to Buyer if the failure to perform this order arises out of causes beyond the control and without the fault or negligence of the Seller. If the failure to perform is caused by the default of a subcontractor at any tier, and if such default arises out of causes beyond the control of both the Seller and subcontractor, and without the fault or negligence of either of them, the Seller shall not be liable to Buyer unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the requirements of this order.

If this order is terminated as provided in this Clause 15, the Buyer, in addition to any other rights provided herein, may require the Seller to transfer title and deliver to the Buyer (i) any completed goods, and (ii) such partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights as the Seller has specifically produced or specifically acquired for the performance of this order. If, after notice of the termination of this order "with cause," it is determined that the failure to perform is due to causes totally beyond the control and totally without the fault or negligence of Seller, such notice of default shall be deemed to have been issued pursuant to Clause 13 hereof, and the rights and obligations of the parties hereto shall be governed by such Clause 14.

17. COMPLIANCE WITH LAWS

A. In the performance of this contract Seller shall comply with all federal, state and local safety laws, the provisions of the Fair Labor Standard Act (FLSA) of 1938, as amended, the Equal Opportunity provisions of the current Presidential Executive Order and all other applicable federal, state and local laws, regulations, rules and ordinances (collectively, "applicable laws"; see Section 27 below for more detailed provisions with regard to export laws and regulations). Seller agrees, upon request, to furnish Buyer a certificate regarding FLSA compliance or compliance with other applicable laws in such form as Buyer may from time to time require. Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage or expense (including attorneys' fees) which Buyer may incur as a result of Seller's violation of any applicable laws.

B. This contract shall be governed by the laws of the State of the United States in which the Buyer's address set forth on the face of the Purchase Order is located, without resort to said state's conflicts of law rules.

C. Seller warrants that Seller has not been and is currently not excluded, debarred, suspended or otherwise declared ineligible by any governmental, regulatory or administrative body, agency, board or authority from providing any good and/or supplying any service of the type included in the Purchase Order or is the subject of any investigation, action or proceeding that could lead to such party being excluded, debarred or suspended or otherwise declared ineligible by any governmental, regulatory or administrative body, agency, board or authority from providing any good or service of the type included in the Purchase Order.

18. DISCLOSURE

A. No news release, advertisement, or other disclosure relating to this order shall be made without Buyer's prior written approval. Further, Seller shall keep confidential all designs, processes, drawings, specifications, reports, data and other technical or proprietary information and the features of all parts, equipment, tools, gauges, patterns, and other items furnished or disclosed to Seller by Buyer in connection with this contract, unless otherwise provided herein or authorized by Buyer in writing. Seller shall use such information and items, and the features thereof, only in the performance of this contract. Upon completion or termination of this order, Seller shall return all such information and items to Buyer or make such other disposition thereof as may be directed or approved by Buyer.

B. Seller shall notify Buyer immediately if any Buyer proprietary data is physically or electronically obtained by unauthorized parties such as, but not limited to, a data breach of Seller's IT systems.

19. WAIVER

The failure of Buyer to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order shall not be construed as waiving any such provision, and the same shall continue in force.

20. HAZARDOUS MATERIAL PACKAGING, LABELING AND SHIPPING

Seller shall package, label, transport and ship hazardous materials or items containing hazardous materials in accordance with all applicable federal, state and local laws and regulations including but not limited to current published issues of tariffs and regulations reflecting 49 Code of Federal



Regulation Articles 100-199 and DoD FAR Supp 52.288-7007 and shall furnish appropriate Material Safety Data Sheets. Seller, prior to each hazardous material shipment, shall notify Buyer of its nature and shipment data by such means of communication as will allow for proper preparation for acceptance of delivery by the carrier of the material and shall identify same on all shipping documents.

21. HOLD HARMLESS AND INDEMNIFICATION

Seller shall defend, indemnify, and hold harmless Buyer, its officers, employees and agents from any claim, suit, loss, cost, damage or personal injury (including death) to any person, including Seller's employees, of whatsoever nature or kind arising out of, as a result of, or in connection with performance of this contract occasioned in whole or in part by the actions or omissions of Seller, its officers, employees, agents or subcontractors at any tier, including, without limitation, any such acts or omissions while on premises occupied by or under the control of Buyer, the Government, or third parties. Without in any way limiting the foregoing undertaking, Seller and its subcontractors at any tier shall maintain public liability and property damage insurance in reasonable limits covering the obligations set forth and shall maintain proper Worker's Compensation insurance or approved self-insurance program covering all employees performing this order.

22. DELAYS AND NOTICE OF LABOR DISPUTES

- A. Seller shall not be liable for any delays in delivery caused by circumstances beyond its control including acts of God or of the public enemy, acts of the United States Government, fire, floods, epidemics, quarantine restrictions, strikes, or embargoes. When any delays in delivery will occur or are anticipated, Seller shall immediately give notice thereof to Buyer.
- B. Whenever an actual or potential labor dispute is delaying or threatening to delay the performance of this order, Seller shall immediately give written notice thereof, including all relevant information with respect thereto, to Buyer.

23. TAXES

- A. Unless prohibited by law, Seller shall pay and has included in the price of the order any federal, state or local tax, transportation tax, or other tax which is required to be imposed upon the items ordered hereunder, or by reason of their sale or delivery.
- B. Seller acknowledges and agrees that Buyer shall be the entity eligible to claim any Internal Revenue Code Section 199 Domestic Production Activities Deduction that may be available with respect to this order.
- C. Seller acknowledges and agrees that Buyer shall be the entity eligible to claim any tax credits that may be available with respect to the work being done by Seller under this order with respect to state tax law, including without limitation, the Washington State Business and Occupation (B&O) tax, including, without limitation, as provided for under RCW 82.04.4452 and WAC 458-20-24003.

24. DESIGN, TOOLS, DIES, ETC.

- A. Unless otherwise agreed herein, Seller at its cost shall supply all material, equipment, designs, drawings, tools and facilities required to perform this order.
- B. Any materials, equipment, designs, drawings, tools or other property furnished by Buyer or specifically paid for by Buyer shall be Buyer's property, shall be used only in filling orders from Buyer and may on Buyer's demand be removed by Buyer without charge. Seller shall use such property at its own risk and shall be responsible for all loss of or damage to the same or to any person while in Seller's custody. Seller shall, at its sole cost, store and maintain all such property in good condition and repair. Buyer makes no warranties of any nature with respect to any such property, which is furnished "AS IS."
- C. Graphic arts and packaging materials: All film negatives, positives, engravings, electrodes and dies made by Seller for the production of material on this order will become the property of Buyer and be surrendered upon request.
- D. Notwithstanding anything herein to the contrary, the provisions of this clause 22 do not apply to property owned by the United States government. Disposition and use of U.S. government property shall be governed by applicable U.S. government regulations.

25. ONGOING PRODUCTION

Seller shall give Buyer not less than twelve month notice and an opportunity for a "last buy" of the goods being supplied under this order prior to Seller's discontinuance of its ability to manufacture such goods for any reason. This term shall survive completion or other termination of this order for any reason and shall be binding upon Seller's successors or assigns.

26. ADVERSE CHANGES TO SELLERS BUSINESS CONDITION

Seller shall notify Buyer of substantive changes to the Seller's business that will negatively impact its business, assets, or financial condition. In this event, Buyer shall have the opportunity to renegotiate, in good faith, any orders in effect under this agreement.

27. FAILURE TO PAY SUPPLIERS

Seller shall notify Buyer in the event that Sellers financial situation or other circumstances lead to not paying a sub-tier supplier that is part of the supply chain supporting the goods ordered by Buyer and which results in a potential delivery delay of those goods.

28. EXPORT LAWS AND REGULATIONS

- A. In performing its obligations under this order, Seller will comply with United States export control and asset control laws, regulations, and orders, as they may be amended from time to time, applicable to the export or re-export of goods or services, including software, processes, or technical data ("**Items**"). Such regulations include without limitation the Export Administration Regulations ("EAR"), International Traffic in Arms Regulations ("ITAR"), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control (collectively, "Export Control Laws").

- B. Seller shall be responsible for obtaining the required authorizations prior to conducting an export or re-export of any Items, as defined in such laws and regulations. Buyer shall reasonably cooperate with, and exercise reasonable efforts to support, Seller making the export or re-export in obtaining any necessary licenses or authorizations required to perform Seller's obligations under this Agreement.
- C. Seller shall, upon written request of Buyer, provide the Export Control Classification Numbers ("ECCNs") for each Item being delivered to Buyer as well as the ECCNs for any components or parts of each Item, if such component ECCN's are different from the ECCN of the item at issue.
- D. Seller represents that (i) any Items, and the parts and components thereof, it is providing in conjunction with this order are not currently "defense articles" as that term is defined in 22 C.F.R. § 120.6 of the ITAR and (ii) the services that Seller is providing in conjunction with this order are not currently "defense services" as that term is defined in 22 C.F.R. § 120.9 of the ITAR. Seller acknowledges that this representation means that an official capable of binding Seller knows or has otherwise determined that such items, and the parts and components thereof, are not currently on the United States Munitions List at 22 C.F.R. § 121.1. Each party agrees to reasonably cooperate with the other in providing, upon written request of the other party, documentation or other information that supports or confirms this representation, including, for example, Commodity Jurisdiction Determinations.
- E. To the extent that such items, or any parts or components thereof, were specifically designed or modified for a military end use or end user, Seller shall notify Buyer of this fact and shall also provide Buyer with written confirmation from the United States Department of State that such Items, and all such parts or components thereof, are dual-use Items subject to the jurisdiction of the Department of Commerce.

29. CONFLICTS MINERALS

- A. Seller is expected to ensure that any product delivered to Buyer under this order are Democratic Republic of the Congo (DRC) conflict free (do not contain metals derived from "conflict minerals" (as such term is defined below) such that they directly or indirectly finance or benefit armed groups through mining or mineral trading in the DRC or an adjoining country (Angola, Burundi, Central African Republic, The Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia). Seller is to establish policies, due diligence frameworks and management systems, consistent with the Organization of Economic Cooperation and Development (OECD) *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas* (copy available through OECD.org web site - search for "conflict minerals"), that are designed to accomplish this goal.
- B. Upon request, Seller shall complete the Electronic Industry Citizenship Coalition's current "EICC GeSI Conflicts Minerals Reporting" template with updates annually or sooner if/when there are changes with regard to goods being supplied to Buyer. This template can be found at www.conflictreesmelter.org. If the source of any conflict minerals is uncertain or unknown, Supplier shall provide a description reasonably acceptable to Buyer of measures taken to assure the appropriate sourcing and chain of custody of such materials.
- C. As used above, the term "conflict minerals" shall have the meaning ascribed to it under Dodd-Frank and shall include, without limitation, gold, tin, tantalum and tungsten), or any other mineral or its derivatives determined by the US Secretary of State to be financing conflict in the DRC.

30. RoHS COMPLIANCE

Unless Seller has expressly and in writing informed Buyer to the contrary, Seller represents that any product delivered to Buyer under this order is compliance with the European Union (EU) *Directive 2011/65/EU on the Restriction of the Use of certain Hazardous Substances in Electrical and Electronic Equipment (RoHS Recast)*. In particular, the products have been tested as needed for the presence of Lead (Pb), Cadmium (Cd), Mercury (Hg), Hexavalent chromium (Hex-Cr), Polybrominated biphenyls (PBB), and Polybrominated diphenyl ethers (PBDE). For Cadmium there must be less than 0.01% of the substance by weight at raw homogeneous materials level. For Lead, PBB, PBDE, mercury and Hexavalent chromium, there must be no more than 0.1% of the material, when calculated by weight at raw homogeneous materials.

31. REACH COMPLIANCE

- A. "REACH" is European Union Regulation (EC) No 1907/2006 concerning the "Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals which went into force on June 1, 2007. Under REACH, Buyer's customers within the European Union may require that Buyer identify any Substances of Very High Concern (SVHC) from the Candidate List as defined under REACH and Buyer will need to have Seller identify any such SVHCs in its products. Upon request, Seller agrees (1) to provide to Buyer, at no increase in contract price, information regarding any SVHC's present in Seller's products, including the SVHC's name, amount contained, by weight, total part weight and safe usage information, based on the Candidate List in place at the time of receipt of request, (2) to submit response within 45 days upon receipt of request, and (3) to permit Buyer to disclose such information to its customers or regulatory authorities for the purpose of compliance with the REACH regulation. If at any time, the product's chemical composition change after a response is provided, Seller is required to provide Buyer with the revised information. Buyer reserves the right to request REACH information up to thirty-six months after last shipment of a product by Seller to Buyer.
- B. Current Candidate List chemicals can be found on the European Chemicals Agency website available at: http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp. During performance of this order Seller shall monitor the Candidate List on a regular basis and provide to Buyer information on new SVHCs contained in Seller's products being delivered under this order as they are added. Buyer reserves the right to re-survey Seller if new chemicals are added to the Candidate List before product shipment to the European Economic Area. For more information on REACH, please refer to the European Chemicals Agency web pages (e.g. <http://echa.europa.eu/web/guest/regulations/reach/>).

32. FEDERAL ACQUISITION REGULATIONS



The Purchase Order is subject to and includes and incorporates all applicable provisions of the United States Federal Acquisition Regulations (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS), including, but not limited to, the following FAR provisions to the extent applicable:

- (i) 48 C.F.R. § 52.222-26, Equal Opportunity (E.O. 11246);
- (ii) 48 C.F.R. § 52.222-35, Affirmative Action for Disabled and Vietnam Era Veterans (38 U.S.C. § 4212(a));
- (iii) 48 C.F.R. § 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. § 793);
- (iv) 48 C.F.R. § 52.203-6, Restrictions on Subcontractor Sales to the Government, as amended by Alternate I (41 U.S.C. § 253(g) and 10 U.S.C. § 2402);
- (v) 48 C.F.R. § 52.219-8, Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (15 U.S.C. § 637(d)(2) and (3));
- (vi) 48 C.F.R. § 52.219-9, Small Business Subcontracting Plan (15 U.S.C. § 637(d)(4));
- (vii) 48 C.F.R. § 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. § 4212); and
- (viii) 48 C.F.R. § 52.222-41, Service Contract Act of 1965, as Amended (41 U.S.C. § 351, et seq.).

33. ETHICS

- A. Seller shall comply with the Astronics Corporation Code of Business Conduct and Ethics which is posted on the Astronics Corporation website at <https://www.astronics.com/about/corporate-responsibility>.
- B. Seller shall ensure that the importance of ethical behavior, protection of human rights, and protection of the environment is communicated to its employees and to its sub-tier Suppliers as appropriate for the type of business and as required by local rules/regulations.
- C. Seller commits that any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Contract/ Agreement may be considered a material breach of this Contract/Agreement for which Astronics may elect to cancel any open Orders between Astronics and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or exercise any other right of Astronics for an Event of Default under this Contract/Agreement. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for build to print work performed under this Contract/Agreement.

34. OZONE-DEPLETING SUBSTANCE

Definition. "Ozone-depleting substance," as used in this clause, means any substance the Environmental Protection Agency designates in 40 CFR Part 82 as--

- (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or
- (2) Class II, including, but not limited to hydrochlorofluorocarbons.

Seller shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as applicable:

Warning

Contains * _____, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

Warning

Manufactured with * _____, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

* Seller shall insert the name of the substance(s).

Astronics requires that the provisions/requirements set forth above be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For the purpose of this note Supply Chain shall mean Seller's direct and indirect suppliers performing value-added activity on the products and services. It focuses on direct and lower-tier suppliers."

35. PUBLICITY

Seller shall not in any way advertise, publicize or otherwise disclose, nor use or permit to be used the name and/or trademarks of either party, or its customers without the prior written consent of the other party. Seller shall require any and all of its subcontractors to comply with these requirements and shall be liable for any failure of its subcontractors to comply with this requirement.

36. COUNTERFEIT PARTS PREVENTION

(a) Definitions for purposes of this Order:

(i) "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (A) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (B) defective parts and/or surplus material scrapped by the original manufacturer, and (C) previously used parts pulled or reclaimed and provided as "new".



(ii) As used herein, "authentic" shall mean (A) genuine; (B) from the legitimate source claimed or implied by the marking and design of the product offered; and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.

(iii) "Independent Distributor" shall mean a person, business, or firm that is neither authorized nor franchised by an Original Component Manufacturer ("OCM") to sell or distribute the OCM's products but which purports to sell, broker, and/or distribute such OCM products. Independent Distributors are also referred to as un-franchised distributors, unauthorized distributors, and/or brokers.

(b) Seller represents and warrants that only new and authentic materials are used in Products required to be delivered to Buyer and that the Products delivered contains no Counterfeit Parts. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the Original Equipment Manufacturers ("OEMs") or through the OEM's authorized distribution chain. Seller must make available to Buyer, at Buyer's request, OEM documentation that authenticates traceability of the components to that applicable OEM. Purchase of parts/components from independent distributors is not authorized unless first approved in writing by Buyer. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all Order requirements, including the representations and warranties in this paragraph.

(c) Seller shall maintain a documented system in accordance with SAE AS5553 (policy, procedure, or other documented approach) that provides for prior notification and Buyer approval before parts/components are procured from sources other than OEMs or through the OEM's authorized distribution chain. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer's request.

(d) If the Seller is providing electronic components/devices only, the following certification applies: Certification of Origin of Product: Acceptance of this Order constitutes confirmation by the Seller that it is either the Original Equipment Manufacturer (OEM), Original Component Manufacturer (OCM), or a franchised or authorized distributor of the OEM/OCM for the Product herein procured. Seller further warrants that OEM/OCM acquisition documentation that authenticates traceability of the components to that applicable OEM is available upon request. If the Seller is not the OEM/OCM or a franchised or authorized distributor, the Seller confirms by acceptance of this Order that each Product supplied to Buyer has been procured from the OEM/OCM or a franchised or authorized distributor of the OEM/OCM. The Seller further warrants that OEM/OCM acquisition traceability documentation is accurate and available to Buyer upon Buyer's request.

(e) Seller shall flow the requirements of this Section 13 to its subcontractors and suppliers at any tier for the performance of this Order.

(f) The Sellers quality system and counterfeit avoidance procedures are subject to review and analysis with appropriate notice by the Buyer representative and/or authorized Government representatives. This includes surveillance of products, systems, procedures, facilities and records associated with components they have purchased. The responsibility for quality functions and counterfeit avoidance procedures shall be clearly identified within the Sellers organization. Personnel performing these functions shall have sufficient authority and independence to evaluate the problems and to initiate and recommend corrective action.

37. PRIORITY RATING

If so identified, this Order is a "rated order" certified for national defense use, and Seller shall follow all the requirements of the Defense Priorities and Allocation System (DPAS) Regulation (15 CFR Part 700). Under DPAS regulations, if this Order supports the U.S. Government, is DX or DO Rated, and exceeds \$50,000.00, the Seller must acknowledge acceptance of DX-Rated orders within ten (10) days, and DO-Rated orders within fifteen (15) days of receipt hereof. Commencement of performance of the Service called for by this Order in the absence of Seller's written acknowledgement thereof shall be deemed acceptance of this Order as written.