



## General Terms and Conditions of Purchase

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### 1. Acceptance:

These terms and conditions shall govern BARFIELD Purchase Order for any goods and services (the "Product") purchased by **BARFIELD INC.** and its affiliates – **BARFIELD AERO LLC, BARFIELD PRECISION ELECTRONICS LLC and BARFIELD USA LLC ("BARFIELD")** from **VENDOR** and shall become a binding agreement when accepted by **VENDOR** either by signing and returning the acknowledgement copy or by partial or commencement of performance by **VENDOR**. No variance in any of terms, conditions, delivery, quantity or specifications shall be binding upon **BARFIELD** unless expressly accepted by **BARFIELD** in writing and the failure of **BARFIELD** to specifically object to any or all terms and conditions suggested by the **VENDOR** shall not be deemed an acceptance of such terms and conditions.

Any terms and conditions of sale of the **VENDOR** shall have no force and effect and **VENDOR** expressly waives the use of its own general terms and conditions. **BARFIELD** assumes no responsibility for materials shipped without a signed **BARFIELD** Purchase Order. **VENDOR** will grant **BARFIELD**, their customer, and regulatory authorities the right of access to all facilities involved in the order and to all applicable records.

### 2. Trace:

Any Product purchased by and sent to **BARFIELD** shall be received with all relevant documentation as per current law and/or regulations and/or any Purchase Order's instruction. Unless otherwise agreed in the Purchase Order, **BARFIELD** requires the following documentation for each Product listed on the Purchase Order:

#### **1. FAA/EASA REQUIRED FOR AIRWORTHY PARTS OR CERTIFICATE OF CONFORMANCE FOR STD PARTS MATERIAL CERTIFICATION OR ATA106 TO CONTAIN THE FOLLOWING:**

a. **SOURCE OF THE PART, TRACEABLE AND DOCUMENTED TO AN FAA 121,129,135 CARRIER OR PRODUCTION APPROVED HOLDER**

b. **STATEMENT THE PART IS NON-INCIDENT OR ACCIDENT RELATED AND NOT SUBJECT TO SEVERE STRESS, HEAT, OR CORROSION**

c. **STATEMENT THE PART IS NOT PROCURED FROM ANY GOVERNMENT OR MILITARY SOURCE**

#### **2. TEARDOWN REPORT REQUIRED FOR AIRWORTHY PARTS IN OVERHAULED, SERVICEABLE, OR TESTED OR MODIFIED CONDITION.**

Failure to provide any documentation shall be a cause of rejection of the Product and the provisions of Article 3 may apply at **BARFIELD**'s discretion.

### 3. Cancellation:

**BARFIELD** reserves the right to immediately terminate a Purchase Order or any part thereof by written notice (to include email or facsimile): a. If delivery is not made within the time specified or within a reasonable time in case no time is specified; b. If **VENDOR** breaches any of the terms hereof actual or anticipated, including but not limited to warranties of **VENDOR**; or c. In the event proceedings are instituted against either party in bankruptcy or insolvency, or a receiver or trustee is appointed. In all the above-mentioned cases, **BARFIELD** shall be entitled to procure the Product from a third party at **VENDOR**'s costs. Such remedies shall be in addition to any other remedies **BARFIELD** may have in law or equity.

### 4. Exchange Units:

Exchange units purchased by **BARFIELD** will be replaced with units returned to serviceable condition by **BARFIELD** or its subcontractor without regard to the condition of the unit supplied by **VENDOR** (e.g. new or overhauled). **BARFIELD** will administer the repair actions unless the exchange is purchased at a flat rate that includes repair charges. **VENDOR** is assumed to have adjusted its price as necessary to compensate for return of stock in serviceable condition. Exchange units will be returned in the configuration (dash number) ordered by **BARFIELD**, not in the configuration supplied by the **VENDOR**. **VENDOR** is assumed to have adjusted its price as necessary to compensate for return of stock in the lower configuration.

### 5. Packing Requirements:

The following shall apply:

a. All Product shall be packed or otherwise prepared for shipment so as to secure the lowest transportation rates to



meet carrier's requirements and in accordance with good commercial practice and any regulations, laws applicable with respect to the Product being shipped.

b. All shipments shall state actual cost for purchased Product and actual repair costs if a repaired Product. All incorrect declarations of value resulting in an additional duty charge shall be at VENDOR's expense.

c. Packing sheets must accompany each shipment.

d. IMPORTANT: Purchase Order number, part number, and part serial number (where applicable) must appear on all shipping labels, packing slips, transport documents, invoices and marked shipments or papers. In addition, BARFIELD will retain the right to refuse such shipments or may return those which do not meet BARFIELD's shipping requirements at VENDOR's expense.

## **6. Shipping:**

Delivery time is of the essence of any Purchase Order. VENDOR will ship via the carrier and priority specified in the Purchase Order, free of all costs to BARFIELD. If VENDOR fails to ship in accordance with the Purchase Order instructions, transportation and customs clearance charges will be invoiced back to VENDOR. The receipt given to the carrier shall not be considered as BARFIELD's definitive acceptance of the Product.

## **7. Warranties:**

The VENDOR shall not limit or exclude any implied warranties and any attempt to do so shall render the Purchase Order voidable at BARFIELD's option.

The VENDOR warrants that the Product to be supplied under the Purchase Order are new unless otherwise stated in the Purchase Order and are fit and sufficient for the purpose intended, that they are merchantable of good quality and free from defects whether patent or latent, in design, material or workmanship. The VENDOR warrants that it has good title to the Product to be supplied and that they are free and clear from all liens or encumbrances, in the event the VENDOR is aware of a problem with its products including defective or incorrect Product to be supplied to BARFIELD, VENDOR shall immediately upon such determination notify BARFIELD's Purchasing Department. If VENDOR's product fails due to a design defect or manufacturing defect, VENDOR will provide a remedy at no charge to BARFIELD within fifteen (15) days of initial notification of the design defect or manufacturing defect by BARFIELD. If VENDOR's product fails due to material or workmanship, VENDOR agrees to promptly repair or replace at no charge. VENDOR also agrees to be responsible for all transportation charges to and from VENDOR's repair facility.

## **8. Inspection and Acceptance:**

Inspection and acceptance will be destination unless otherwise provided. Until delivery and acceptance and after any rejections, risk of loss will be on the VENDOR unless such a loss results from the gross negligence of BARFIELD. Notwithstanding the requirements for any BARFIELD inspection and test contained in specifications applicable to the Purchase Order except where specialized inspections or test are specified by performance solely for BARFIELD, the VENDOR shall perform or have performed the inspection and test required to substantiate that the supplies and services provided under the Purchase Order conform to the drawings, specifications and other requirements listed herein, including if applicable the technical requirements for the manufacturers part numbers specified herein. VENDOR has the requirement to flow down to sub-tier VENDORS the applicable requirements in the purchasing documents, including key characteristics where required. If BARFIELD rejects the Product, BARFIELD may, at its own discretion and without prejudice of any rights it may have under these terms and conditions and/or at law, either i) refuse the delivery and request a new part free of charge; ii) accept the delivery with a price reduction; or iii) cancel all or part of the Purchase Order with reimbursement of all sums paid plus costs incurred. Title, free of any liens and encumbrances, of the Product shall pass from the VENDOR to BARFIELD upon BARFIELD's acceptance of the goods.

## **9. OSHA:**

VENDOR agrees to comply with the provisions of the Occupational Safety and Health Act of 1970 and the standards and regulations issued thereunder and certifies that all items furnished under this order will be conformed to and comply with said standards and regulations. VENDOR further agrees to indemnify and hold harmless BARFIELD for all damages assessed against BARFIELD as a result of VENDOR's failure to comply with the act and the standards issued thereunder and for the failure of the items furnished under this order to so comply.



## **10. Equal Employment Opportunity:**

This contractor (BARFIELD) and subcontractor (VENDOR) shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

## **11. Financial Conditions:**

11.1 Prices stated in a Purchase Order are firm and fixed and not subject to any escalation.

11.2 Invoices shall concern one Purchase Order solely. Invoices shall be forwarded to BARFIELD's address as mentioned in the Purchase Order in three (3) copies and contain: Purchaser Order number, Product and any other detail required by the current law.

11.3 No payment shall be made if BARFIELD has not received an invoice as defined herein. Payment shall be made within ninety (90) days upon acceptance of the Product and receipt of an invoice in compliance of this Article. The payment shall be made by means of a bank wire transfer on VENDOR's account. BARFIELD shall be entitled to set off any and all monies owned under the Purchase Order from any other sums, whether liquidated or not, that are or may be due by the VENDOR, whether arising out of the Purchase Order or of a different transaction or contract with the VENDOR, its subsidiaries or affiliates.

## **12. Liability:**

The VENDOR shall be liable for any and all damage of any nature whatsoever and whether in contract or in tort, whether direct or indirect or incidental or consequential sustained by BARFIELD and any third party arising out or connected with the performance or the non-performance of the Purchase Order. VENDOR and its insurers shall defend, indemnify and hold harmless BARFIELD, its directors, its employees, its agents, its subcontractors and their insurers from and against any claims and actions from any third party (including VENDOR's directors, employees, agents, subcontractors, insurers) resulting thereof. The VENDOR shall subscribe or maintain proper insurance in an amount in compliance with standard practice and satisfactory to BARFIELD (including Workers' compensation) to cover any liability resulting from the performance or non-performance of a Purchase Order or resulting from its activities. Upon BARFIELD's request, VENDOR shall provide BARFIELD with a valid certificate of insurance.

## **13. Export Control:**

13.1 VENDOR agrees to comply with all applicable U.S. export control laws and regulations. Without limiting the foregoing, VENDOR agrees that it will not transfer any export controlled item, data or services, to include transfer to foreign persons employed by or associated with, or under contract to VENDOR or VENDOR's lower-tier VENDORS, without the authority of an Export License or applicable license exception.

13.2 VENDOR agrees to notify BARFIELD if any deliverable under this Contract is restricted by export control laws or regulations.

13.3 VENDOR shall immediately notify the BARFIELD Procurement Representative if VENDOR is listed in any Denied Parties List or if VENDOR's export privileges are otherwise denied, suspended or revoked in whole or in part by any U. S. Government entity or agency.

## **14. Gratuities/Kickbacks:**

No gratuities (in the form of entertainment, gifts or otherwise) or kickbacks shall be offered or given by VENDOR, to any employee of BARFIELD with a view toward securing favorable treatment as a VENDOR. VENDOR will comply with all applicable laws, statutes and regulations, and orders and rules, including the Foreign Corrupt Practices Act (FCPA).



## **15. Intellectual Property:**

Subparagraph 15.1 is NOT applicable for commercial off-the-shelf purchases unless such off-the-shelf Work is modified or redesigned pursuant to this Contract.

15.1 VENDOR agrees that BARFIELD shall be the owner of all inventions, technology, designs, works of authorship, mask works, technical information, computer software, business information and other information conceived, developed or otherwise generated in the performance of this Contract by or on behalf of VENDOR. VENDOR hereby assigns and agrees to assign all right, title, and interest in the foregoing to BARFIELD, including without limitation all copyrights, patent rights and other intellectual property rights therein and further agrees to execute, at BARFIELD' request and expense, all documentation necessary to perfect title therein in BARFIELD. VENDOR agrees that it will maintain and disclose to BARFIELD written records of, and otherwise provide BARFIELD with full access to, the subject matter covered by this clause and that all such subject matter will be deemed information of BARFIELD and subject to the protection provisions of the clause entitled "Information of BARFIELD". VENDOR agrees to assist BARFIELD, at BARFIELD' request and expense, in every reasonable way, in obtaining, maintaining, and enforcing patent and other intellectual property protection on the subject matter covered by this clause.

15.2 VENDOR warrants that the Work performed and delivered under this Contract will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. VENDOR agrees to defend, indemnify and hold harmless BARFIELD and its customers from and against any claims, damages, losses, costs and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based upon a claim that the Work performed or delivered under this Contract infringes or otherwise violates the intellectual property rights of any person or entity.

## **17. Corrective Action**

The VENDOR is responsible for providing corrective action responses as requested by BARFIELD. For a non-conformance deemed to be caused by the VENDOR, BARFIELD will generate a SCAR (VENDOR Corrective Action Response) to the VENDOR. It is the VENDOR's responsibility to complete the entire SCAR and submit to BARFIELD for review and approval, the SCAR will stay open until such approval from BARFIELD is achieved. BARFIELD is committed to providing quality products to our customers and we expect VENDOR's participating on this program to display the same commitment in the materials they are providing to BARFIELD. BARFIELD will track VENDOR's SCAR turnaround time.

## **18. General Provisions:**

18.1 The Purchase Order shall be governed and interpreted in accordance with the laws of the State of Florida. Any dispute arising out of or in connection with existence, validity, construction, performance of the Purchase Order shall be submitted to the jurisdiction of the Federal and State Courts of Miami-Dade County, Florida that shall have exclusive jurisdiction of any claim or dispute and to which the Customer consents to the jurisdiction of the courts in Miami-Dade County, Florida.

18.2 BARFIELD may terminate at its own convenience any Purchase Order. Termination shall be effected by the delivery to the VENDOR of a notice of termination specifying the extent to which performance of work under the purchase order is terminated and the date upon which such termination is effective. Such right is in addition to and in lieu of rights of BARFIELD set forth herein.

18.3 VENDOR shall not assign or transfer to any substituted third party all or parts of its obligations under the Purchase Order. In the event of transfer of its manufacturing business, BARFIELD reserves the right to assign to a possible partner in its programs the whole or part of its orders with the rights and obligations in respect thereof.

18.4 No work under a Purchase Order may be subcontract by the VENDOR without BARFIELD's prior written consent.

18.5 Any Purchase Order and any information related to the Purchase Order shall be treated as strictly confidential by the VENDOR. The VENDOR is not authorized to make any disclosure of data and/or publicity without BARFIELD's prior written consent. Any information given to the VENDOR by BARFIELD shall remain the absolute property of BARFIELD.

18.6 If any term, condition or provision, or part thereof, of the Purchase Order is nullified or made void the remaining terms, conditions and provisions shall remain, as far as possible, in full force and effect.