

SPECIAL TERMS AND CONDITIONS OF SALE

1. APPLICABILITY.

These Special Terms and Conditions of Sale ("Special Terms") supplement the Teledyne Technologies Incorporated General Terms and Conditions of Sale, as revised from time-to-time, ("General Terms") and apply solely for all Offers made to Buyer by Teledyne Controls, LLC (Seller) and any Order or other authorization to commence work from Buyer that is accepted by Seller. Capitalized terms used in these Special Terms have the same meaning as those used in the General Terms unless otherwise stated herein. In the event of a conflict between these Special Terms and the General Terms, these Special Terms shall take precedence, unless prohibited by law or otherwise stated herein.

2. ADDITIONAL TERMS. The following terms apply in addition to the General Terms.

(A) Incentives.

- (i) Generally. Buyer's eligibility for any purchase credits, cash rebates, discounts, or other special offers or incentives offered by Seller is strictly conditioned upon Buyer's acceptance of and adherence to the terms and conditions of Seller's Offer. Unless otherwise stated in Seller's Offer, purchase credits and cash rebates will be awarded within ninety (90) days after payment in full has been made for the Goods and Services upon which the purchase credits or cash rebates are based, and all terms and conditions established in the Offer for the award of the purchase credits or cash rebates have been met.
- (ii) Purchase Credits. Unless otherwise stated in Seller's Offer, purchase credits may not be converted to cash and must be used within four (4) years of award by Seller or be forfeited by Buyer without compensation. Purchase credits may only be applied toward the purchase of Goods or Services. Buyer must notify Seller in its Order of any purchase credits Buyer wishes to apply to that Order. Buyer's failure to so notify Seller precludes Buyer's exercise of purchase credits for that Order. The total amount of purchase credits that can be applied toward an Order cannot exceed twenty-five (25%) of the total Order price. Any purchase credits applied to an Order will be evenly apportioned over all Goods and Services in the Order to which the credit applies.
- (iii) Discounts. If a package or quantity discount is applied to Buyer's Order, Buyer must take delivery of the full package or quantity, as applicable, of Goods and Services included in that Order. If the Order is partially cancelled or otherwise changed to reduce the quantity or remove any Goods or Services from a package, the discount no longer applies, and Buyer will pay to Seller the difference between the base price and the discounted price for any Goods and Services already delivered. This payment is to be made immediately upon receipt of Seller's invoice for that amount. This remedy is cumulative with all other remedies available to Seller under Buyer's Order and at law, including Seller's right to cancellation fees under the Termination for Buyer's Convenience section of the General Terms.

(B) **Price Escalation**. Unless otherwise expressly stated in Seller's Offer, prices are valid only for Goods and Services delivered during the calendar year in which an Order is issued to Seller. The prices for any Goods or Services to be delivered in a calendar year after the year in which an Order is issued are, at Seller's sole discretion, subject to annual escalation as reasonably determined by Seller. These price changes will be effective January 1st of each such future calendar year unless otherwise determined by Seller.

(C) **Advance Payment for NRE**. Unless otherwise stated in Seller's Offer, all non-recurring engineering Services included in any Order require an advance payment equal to twenty-five percent (25%) of the total price for the Services prior to commencement of work. This amount will be invoiced following Seller's acceptance of Buyer's Order, and payment is due upon receipt of invoice.

(D) **Quality Assurance**. Seller's quality assurance system adheres to ISO 9001:2015 and AS9100 Rev (D) standards.

(E) **Acceptance and Rejection**. Buyer will promptly inspect all Goods when delivered and Services when performed and will immediately notify Seller of any nonconformance discovered. Seller will have a reasonable opportunity to inspect any nonconformances identified by Buyer. All Goods and Services will be deemed accepted by Buyer unless Seller receives written notice of rejection from Buyer explaining in detail the basis for rejection within ten (10) calendar days after delivery or performance, as applicable. Any payment on an invoice for the Goods or Services shall be construed as an acceptance of the Goods and Services referenced in that invoice. Any rejected Goods must be returned to Seller in accordance with Seller's written instructions. Goods may only be rejected if not in conformance with the ordered part number or quantity or if out of specification. If Seller determines that there is a nonconformance, Seller will correct or replace the Goods, or re-perform the Services, at Seller's sole option. If Seller reasonably determines that a rejection was improper, Buyer will be responsible for all costs incurred by Seller attributed to the improper rejection, and Buyer will pay these costs immediately upon receipt of Seller's invoice for them. If Seller agrees to source inspection of Goods by Buyer, Buyer must accept or reject the Goods before shipment. Buyer waives any right to revoke acceptance once deemed or given. Buyer's remedies under this section are exclusive and lieu of all other remedies.

(F) **Rescheduling of Standard Product**. If Seller agrees to a delivery schedule change request made by Buyer for Standard Products within ninety (90) days prior to the original scheduled delivery date, such Standard Products will thereafter be non-cancellable and non-returnable notwithstanding any further rescheduling agreed to by Seller or anything to the contrary stated in the Termination for Buyer's Convenience section of the General Terms.

(G) **No Cancellation Within Lead Time; Restocking**. Notwithstanding the Termination for Buyer's Convenience section of the General Terms, Buyer may not cancel any Standard Goods or Services unless Seller receives notice from Buyer requesting cancellation in advance of the quoted lead time, or if not quoted, then at least ninety (90) days prior to the original scheduled delivery date. A restocking charge of twenty percent (20%) of the Order price shall apply to any Standard Goods cancelled in advance of lead time.

(H) **Changes to Goods Initiated by Seller**. Seller may make changes to the materials or design of Goods without prior notice and substitute the changed Goods in satisfaction of its performance of an Order, provided that the such changes do not alter the form or fit of the Goods, diminish the Goods function, or affect the Goods airworthiness or otherwise require a change to the Goods' airworthiness certification, and further provided that the changed Goods otherwise meet the performance specifications of the original Goods.

(I) **Changes to Goods Required by Law**. Following Seller's acceptance of an Order, if any new or changed laws, regulations, rules or other directives of the Federal Aviation Authority, its equivalents in other nations and jurisdictions, or any other governmental body of the United States or other nation or jurisdiction come into effect that would require modification of any Goods prior to delivery ("Rulemaking"), then Seller may terminate the applicable Order in accordance with the Termination for Seller's Convenience section of the General Terms. If Seller elects to

modify the Goods in response to Rulemaking and Buyer still wishes to receive the Goods, then Seller shall be entitled to an equitable increase to the price and extension of the delivery schedule for the modified Goods. These equitable adjustments shall be agreed by the Parties prior to delivery. Otherwise, Buyer may terminate the Order in accordance with the Termination for Buyer's Convenience section of the General Terms. Unless directed solely and specifically at Seller's Goods to remedy an unsafe condition, Seller has no obligation to modify Goods to address Rulemaking that comes into effect after delivery.

- (J) **Certification Services.** Without limiting Buyer's obligations under Section 19 of the General Terms (BUYER'S OBLIGATION OF ASSISTANCE (APPLICABLE TO SERVICES)), if an Order requires Seller to obtain airworthiness certification (either Type Certification or Supplemental Type Certification) of Goods for installation on an aircraft for which certification has not previously been obtained, then Buyer shall provide Seller with all aircraft manuals required by Seller in CD/DVD form, and all other information deemed necessary by Seller to assist with the certification without charge to Seller. Buyer shall secure all necessary rights, perpetual, irrevocable, worldwide, and royalty-free, for Seller to use the manuals and other information as required to obtain the certification. The aircraft manuals and other information shall be provided contemporaneous with or prior to placement of the Order. Should Buyer not provide the aircraft manuals by the placement of the Order, both the certification and delivery of any Goods for which certification is required will be delayed by such time as Seller deems necessary to achieve certification, without liability to Seller.
- (K) **Software Customization Services.** Without limiting Buyer's obligations under Section 19 of the General Terms ((BUYER'S OBLIGATION OF ASSISTANCE (APPLICABLE TO SERVICES))), if an Order requires Seller to modify software for Buyer, including but not limited to Aircraft Condition Monitoring System (ACMS) software, then Buyer shall, without charge to Seller, provide Seller with all aircraft and software specifications, system requirements, interface control drawings, and other information deemed necessary by Seller to perform this Service. Buyer shall secure all necessary rights, perpetual, irrevocable, worldwide, and royalty-free, for Seller to use this information as required to perform the Service and complete delivery of the software to Buyer, as well as for Buyer's use of the software. This information shall be provided contemporaneous with or prior to placement of the Order. Should Buyer not provide all of the required information by placement of the Order, then delivery of the software will be delayed by such time as Seller deems necessary to complete the Service, without liability to Seller.

3. SUBSTITUTE TERMS. As stated, the following terms supersede and replace the referenced General Terms in their entirety.

- (A) Section 4 of the General Terms (SOFTWARE AND END USER LICENSE AGREEMENT (EULA)) is superseded and replaced in its entirety by the following term:

4. SOFTWARE.

4.1 Software and End User License Agreement (EULA). For purposes of this section, "software" shall be deemed to include all electronic or computer programs, in any medium, offered or supplied by Seller including, but not limited to, programs developed in performance of an Order, Seller's existing programs, and programs loaded onto or embedded into other Goods, as well as any associated documentation addressing the design, function, installation, use, or maintenance of these programs, such as user guides. For purposes of this section, "EULA" shall mean any applicable 'end user license agreement (EULA)' or other license agreement tendered by Seller or a third party for such software, whether in paper or electronic form." Goods may contain or be delivered with or provided as digital media which contains software proprietary to Seller or a third party. Certain software, including software embedded in hardware Goods, may require execution of a EULA. In such event, Buyer undertakes to accept and be bound by any EULA for the software tendered by Seller and until Buyer executes such EULA, Buyer has no right or license of any kind to use the software, and Seller may withhold delivery of or enabling access to the software. Regardless of whether Seller requires execution of a EULA, all software is provided under license only and not as a sale or other transfer of ownership. Software may not be used in, with or in support of any on-aircraft aircraft data acquisition or recording devices unless they were designed and manufactured by Seller. In the event of any conflict between the Order and a EULA, the EULA takes precedence. Seller has no obligation to continue to offer any software product or license for purchase.

4.2 Technical Support. Seller may offer technical support, maintenance, or other Services, including patches and updates, in support of software. However, Seller has no obligation to provide such Services unless either (a) Buyer has executed Seller's standard support services agreement for the software or (b) Seller's Offer specifically includes such Services, Buyer has met the requirements of the Offer, including payment of any applicable fee, and Seller does not require execution of a support services agreement for that software. In the latter event, unless otherwise stated in the Offer Services are limited to routine corrections issued by Seller and telephone and email support during Seller's standard business hours. Seller has no obligation to develop or provide software updates unless specifically included in the Offer.

4.3 Cloud-based Solutions. Seller may offer 'hosted', 'software-as-a-service', or other cloud-based solutions, including without limitation solutions relating to flight operation quality assurance (FOQA), flight data analysis (FDA or FDA+™), data acquisition, data management, data access, data transfer, data delivery, and loadable software part management. For all such Services, Buyer must execute Seller's standard agreement, and Seller has no obligation to provide such Services until Buyer executes such agreement. Certain hardware Goods may contain embedded software requiring execution of one or more cloud-based Services agreements to enable some or all of the Goods' functionality.

- (B) Section 15 of the General Terms (WARRANTY) is superseded and replaced in its entirety by the following term:

15. WARRANTY.

15.1 Limited Warranty. Seller warrants that at the time of shipment, hardware Goods which are designed and manufactured by Seller will conform to Seller's applicable drawings and specifications. Seller further warrants that hardware Goods will be free from defects in materials and workmanship for a limited period from the date of shipment. Unless otherwise stated in Seller's Offer, this period is three (3) years for new Line Replaceable Units (LRUs), two (2) years for new Portable Maintenance Access Terminal (PMAT) units and ACES™ units, ninety (90) days for new components, kits, and accessories, and one (1) year for used or refurbished LRUs or PMAT units. This warranty does not apply to defects attributed to normal wear and tear, to any failure to comply with any safety warnings, or to any Goods that, upon examination by Seller, or Seller's authorized service provider, are found to have been (i) mishandled, misused, abused, or damaged by Buyer or any third party; (ii) altered from their original state; (iii) overhauled, refurbished, or repaired by a party other than Seller without Seller's prior written approval; or (iv) improperly stored, installed, operated, or maintained in a manner inconsistent with Seller's instructions.

15.2 Warranty Claims and Remedies. Buyer must promptly notify Seller in writing during the applicable warranty period for a Good of any defect covered by Seller's warranties under the Limited Warranty section herein, and no later than fifteen (15) calendar days after discovery of the defect. Seller has no obligation to honor any warranty claim made after the expiration of the warranty period. However, despite the expiration of the warranty period, Seller, at its reasonable discretion, may accept warranty claims submitted up to fifteen (15) calendar days after the expiration of the warranty period provided that Buyer provides Seller with credible and persuasive documentary evidence that the defect was discovered during the warranty period. No warranty claims submitted after this fifteen (15) day calendar period will be considered by Seller. Buyer's notice of a defective Good must identify the specific Good affected and the nature of the defect, and return the defective

Good, suitably packed and fully insured, transportation and insurance prepaid, in accordance with instructions issued by Seller. Seller, at its sole option, will either repair or replace any Good authorized for return to Seller which is confirmed to be defective after inspection and testing by Seller, and return such repaired or replaced Good to Buyer. Such repair, replacement, or credit shall be Buyer's sole remedy for defective Goods. Buyer must promptly provide Seller with all information requested regarding the identified defect. If the defect claimed by Buyer cannot be reproduced or otherwise verified by Seller, the Good will be returned to Buyer unmodified at Buyer's expense, and Buyer shall in addition pay Seller's published "no fault found" or test, evaluation and recertification charges for Seller's effort. The warranty period for repaired or replaced Goods shall be the greater of (i) ninety (90) days or (ii) the unexpired portion of the original warranty period. Under no circumstances is Seller liable for recall, retrieval, removal, dismantling, re-installation, redeployment, or re-commissioning of any defective Goods or any costs associated therewith.

15.3 Disclaimer. THESE EXPRESS WARRANTIES IN SECTIONS 15.1. AND 15.2., INCLUDING THE REMEDIES SET FORTH HEREIN, ARE EXCLUSIVE AND ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO AN EXCLUSION OF ANY AND ALL WARRANTIES RELATING TO LATENT DEFECT. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS INTENDED OR GIVEN. SELLER MAKES NO WARRANTY AND DISCLAIMS ALL WARRANTY, STATUTORY OR IMPLIED, FOR CONSUMABLES, INCLUDING ALL BATTERIES, WHETHER A COMPONENT OF ANY GOOD OR SOLD SEPARATELY. SELLER MAKES NO WARRANTY FOR ANY PARTS OR OTHER SUPPLIES PROVIDED TO SELLER BY BUYER, REGARDLESS OF WHETHER THEY ARE INCORPORATED INTO GOODS. GOODS WHICH ARE DESIGNED OR MANUFACTURED BY A THIRD PARTY ARE SUBJECT STRICTLY TO THE THIRD PARTY'S EXPRESS WARRANTY, IF ANY, AND SELLER MAKES NO WARRANTY AND DISCLAIMS ALL STATUTORY AND IMPLIED WARRANTIES FOR SUCH GOODS. ALL SOFTWARE AND SERVICES ARE PROVIDED ON AN "AS IS" BASIS AND WITHOUT WARRANTY. SELLER MAKES NO WARRANTY AND DISCLAIMS ALL WARRANTY THAT ITS WIRELESS PRODUCTS, INCLUDING WITHOUT LIMITATION ITS WIRELESS QUICK ACCESS RECORDER PRODUCTS, WILL OPERATE ON ANY PARTICULAR NETWORK EXCEPT AS EXPRESSLY STATED IN WRITING BY SELLER; BUYER IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER THESE PRODUCTS ARE SUITABLE FOR ITS PURPOSES.

(C) Section 29 of the General Terms (GOVERNING LAW) is superseded and replaced in its entirety by the following term:

29. GOVERNING LAW. The performance of the Parties, and any judicial or arbitration proceedings, shall be construed and governed in accordance with the laws of the State of California, United States of America, excepting its laws and rules relating to conflict of law. Neither (i) the United Nations Convention on Contracts for the International Sale of Goods; (ii) the 1974 Convention on the Limitation Period in Contracts for the International Sale of Goods (hereinafter referred to as the "1974 Convention"); nor (iii) the Protocol Amending the 1974 Convention held at Vienna, Austria, on April 11, 1980, apply in any manner to the interpretation or enforcement of Seller's Offer, or Buyer's Order.

(D) Section 30 of the General Terms (DISPUTES AND ARBITRATION) is superseded and replaced in its entirety by the following term:

30. DISPUTES AND ARBITRATION. The Parties shall attempt to resolve any dispute, controversy, or claim arising under or relating to Buyer's Order, including their interpretation, performance, or termination. If the Parties are unable to resolve such dispute, either Party may refer the dispute to arbitration. The arbitration shall be conducted in English and in accordance with the Commercial Rules of the American Arbitration Association, which shall administer the arbitration and act as appointing authority. The arbitration, including the rendering of the decision and/or award, shall take place in Los Angeles County, California, United States of America, and shall be the exclusive forum for resolving the dispute, controversy, or claim. The arbitrator shall make the final determination as to any discovery disputes between the Parties. Examination of witnesses by the Parties and by the arbitrator shall be permitted. A written transcript of the hearing shall be made and furnished to the Parties. The cost of this transcript shall be borne equally by the Parties. The award or decision of the arbitrator shall state the reasons upon which the award or decision is based and shall be final and binding upon the Parties. The prevailing Party shall be entitled to compensation for the expense of the arbitration, including, but not limited to, the award of attorneys' fees, at the discretion of the arbitrator. Both Parties waive their right to any appeal under any system of law. The award shall be enforceable before any court of competent jurisdiction upon the application to such court by either Party. The arbitrator shall have no authority to award any of the types of damages excluded hereunder and shall be so instructed by the Parties.

4. INAPPLICABLE TERMS. The following sections of the General Terms do not apply.

- Section 16 (RETURN AUTHORIZATIONS (NOT APPLICABLE TO SOFTWARE))