

Curtiss-Wright Defense Solutions Total LifeCycle Management Agreement

This Total LifeCycle Management™ (TLCM) Agreement (the “Agreement”) sets forth the description of services, as well as the terms and conditions under which the customer (the “Buyer”) shall receive said services from Curtiss-Wright Defense Solutions or CURTISS-WRIGHT.

1 CWDS Responsibility:

During the terms of this Agreement, CURTISS-WRIGHT shall perform the following services in relation to TLCM-subscribed products:

- Create a customer-specific bill of materials such that customers can elect to approve or reject proposed changes to their products, separate from CURTISS-WRIGHT’s standard product portfolio. One per program variant, initiated at the time of TLCM purchase. Because a new product baseline must be established, Curtiss-Wright reserves the right to adjust lead times to meet both engineering and production commitments.
- Start service when the product baseline is achieved (production-ready status) if a new variant is required to support TLCM.
- Provide major (Class I) and minor (Class II) changes for customer approval as changes are proposed by CURTISS-WRIGHT’S engineering and product management teams (engineering change orders).
- Report obsolescence on all semi-conductor parts on a monthly basis, including forward looking analysis using IHS BOM Manager, or an equivalent tool.
- Provide recommendations to address obsolescence issues, with last time buy priority given to TLCM customers (upon lifetime buy decision).
- Employ one of the following methods for component pricing:
 - Standard costing system with an exchange rate calculation (when quoting from CURTISS-WRIGHT general inventory) prior to LTB
 - Quote the price paid for components on an open purchase order, or that require external procurement
 - Offer market rate for components post LTB where CURTISS-WRIGHT has warehoused material and has incurred carrying costs
- Indicate minimum order requirements (MOQs) for TLCM-serviced products. This will be detailed in the baseline TLCM services quotation.
- Assign a LifeCycle Specialist or Business Unit Representative to all products under service.
- Warehouse customer purchased parts in a secure location, according to component package requirements for moisture control. Perform scheduled inventory counts.
- Maintain test infrastructure and test operator expertise to support long-term production and repair programs.
- Generate a new TLCM Agreement for “top up” quantities if forecasts increase separate from the existing agreement.

2 TLCM Buyer Responsibility

During the terms of this Agreement, the Buyer shall take the following actions in relation to TLCM-subscribed products:

- Approve major (Class I) and minor (Class II) changes as proposed by CURTISS-WRIGHT’S engineering and product management teams within 15 business days, or request an extension if further review time is required
- In the event of a lifetime time decision by Curtiss-Wright’s engineering and product marketing teams, agree to purchase components in advance of the component Last Time Buy event to support forecasted TLCM quantities, regardless of the product’s lifecycle. Program success is dependent on a proactive approach within the current component marketplace.

- Failure to purchase LTB components prior to the LTB date will result in a higher component price and may impact product supportability.
- Partner with the assigned LifeCycle Specialist, Program Manager, and Sales Team on forecast updates, component procurement status, and ECO approvals.
- Agree to store lifetime buy (LTB) components at CURTISS-WRIGHT.
- Communicate program changes when they occur, including forecast updates and program duration.
- Adhere to product MOQ's.
- Acknowledge lapsed service contracts are subject to re-activation charges to the date of previous contract expiry plus a re-activation fee.

2.1 Product Forecast

In order to secure the material required to support the buyer program(s), a total forecast of the product needed on an annual basis, shall be provided by the buyer.

The product forecast shall provide the annual qty to be ordered for each of the products under service and shall support the total quantity required to be supported.

The forecast shall follow the format below:

Product	Year 1	Year 2	Year 3	Year 4	TOTAL QTY
VPX3-XYZ-	10	15	15	10	50
DMV-19XX	25	50	40	10	125
XMC-5ZX	3	5	8	2	18

The forecast shall form the basis of the TLCM contract between the Buyer and Curtiss-Wright.

Should the buyer fail to procure the forecasted product qty in any specific year, the following remedial actions may be taken:

1. Curtiss-Wright shall have to right to buy back any unused material at the original purchase price paid by the buyer.
2. At the discretion of Curtiss-Wright, unused forecasted material in a given year may be carried over to the next year should the forecasted program/quantities remain active but delayed.
3. Unused material maybe packaged and returned to the buyer.
4. See TLCM Contract Continuity for additional details.

2.2 TLCM Contract

The duration of the TLCM contract shall be determined by the forecast provided by the Buyer.

The Buyer shall place a single, non-cancellable, non-refundable purchase order for the duration of the TLCM contract. Curtiss-Wright can invoice upfront, or annually per the customer's directive on their purchase order.

Should Curtiss-Wright and the Buyer agree to extend the forecast for the TLCM agreement, a single non-cancellable, non-refundable purchase order for the additional years of service shall be placed by the Buyer using current TLCM service pricing.

2.3 TLCM Contract Continuity

The Buyer shall maintain an active TLCM contract for the program / products while Curtiss-Wright continues to hold material in support of it. Should the TLCM contract not be maintained through the on-time payment of the service fees, it shall become INACTIVE and the following shall apply:

- a) All services provided as part of this agreement shall be suspended from the date of expiry. The buyer shall no longer be required to approve product changes (Configuration Management), shall not receive inventory reports, or any other elements of the TLCM service outlined in Section 1 .
- b) In order to re-instate the TLCM service, a re-instatement fee in addition to the standard TLCM service fee shall be payable by Buyer as follows:
 - i. For a contract which has been INACTIVE for between 1 and 60 days, a fee equal to 50% of the annual TLCM fee shall be payable by Buyer to administer the re-instatement of the service.
 - ii. For a contract which has been INACTIVE for greater than 60 days, a fee equal to 100% of the annual TLCM fee shall be payable by Buyer to administer the re-instatement of the service.
- c) In the event that the Buyer does not re-instate an INACTIVE service agreement within 60 days of its expiry, Curtiss-Wright shall have the right to:
 - i. Buy back any amount of the material being held under the expired service at the price it was originally sold to the Buyer.
 - ii. Package and ship to the Buyer any material remaining under the expired contract.
 - iii. Destroy material per customer directive. A certificate of destruction can be provided to customers who elect to have CURTISS-WRIGHT dispose of the residual material. A quotation for this effort with accompanying certificate of destruction can be issued.
- b) In the event that the Buyer does not re-instate an INACTIVE service agreement within 365 days of its expiry, Curtiss-Wright shall have the right to:
 - i. Buy back customer inventory without customer notification if a TLCM service has been inactive for a period of one-year, and whereby customers are delinquent in providing direction on component returns. A credit will be issued to customers in these instances.

The TLCM service is offered to ensure the long term production support of key customer programs and therefore continuity of the service is critical.

3 Services Delivery

TLCM is delivered via CURTISS-WRIGHT's Customer Support Center (CSC) post sales service and support web site at <https://csc.cwcdefense.com>. TLCM for products subject to export restrictions are not included in the web portal and are managed directly with an assigned US-based Program Manager.

4 Registration

All pertinent program contacts who want visibility into TLCM-related information like proposed engineering changes and product obsolescence should register for CSC access. Each user must complete the registration independently and pass a visual compliance screen. Once approved, users can enter their purchase order in the Service Activation area of the web site. Activation requests will be processed within 24-48 hours. Customers experiencing difficulty with the registration process can contact TLCM@curtisswright.com.

5 TLCM Partnership

TLCM services must be actively managed by the Buyer and CURTISS-WRIGHT, including a timely review of proposed Engineering Change Orders (ECOs) and recommendations to address obsolescence. Failure to do so may result in mandatory product changes to address obsolescence which may require buyer funded non-recurring engineering (NRE) effort, or loss of build or repair capability.

6 Standards and Specs

Configuration management practices follow ANSI/EIA-649.

7 Acronyms

TLCM	Total LifeCycle Management
BOM	Bill of Material
NRE	Non-Recurring Engineering
ECO	Engineering Change Order

CSC	Customer Support Center (https://csc.cwcdefense.com)
LTB	Last Time Buy
MOQ	Minimum Order Quantity
CM	Configuration Management
SCD	Source Controlled Drawing

8 Definitions

Variant: the one-time set up activity involves assembling and releasing a unique production build package based upon a Curtiss-Wright standard product variant.

Major Change: According to ANSI/EIA-649, the National Consensus Standard for Configuration Management, a major change is described as one that affects functional and physical interchangeability and supportability of the product.

Minor Change: Minor changes are changes that do not affect Form, Fit, or Function (including performance) of the products.

9 Related CURTISS-WRIGHT Documents

Company Procedure 839982	Total LifeCycle Management
Company Procedure 800007	Configuration Management Manual
Company Procedure 812109	Product Control Customer Distribution Document
Company Procedure 806028	Components Lifecycle Management and Corrective Actions
Company Procedure 800217	Handling, Storage, Packaging, Preservation and Delivery

10 Source Controlled Documents

Source controlled documents (SCD) flowed to CURTISS-WRIGHT by Buyers require a funded TLCM service. A manual review of the SCD must occur each time a purchase order is placed on an SCD-controlled product. This ensures compliance to the current SCD revision. A customer-specific variant is required to manage the SCD/TLCM process, and covers typical SCD flow downs like change control and obsolescence monitoring.

11 TLCM Exclusions

Not included in the TLCM Agreement are:

- TLCM is not available on standard products – unique, customer-specific baseline must be established.
- TLCM service/support on 3rd party products (see directly below)

CURTISS-WRIGHT offers a pass-through service from its suppliers when available. These services are managed by the OEM; all deliverables, timelines and terms and conditions from the OEM apply. There is no affiliation to CURTISS-WRIGHT'S TLCM services however, the CSC may be used to house any relevant documentation. This may include 3rd party sub-assemblies offered as part of a CURTISS-WRIGHT assembly.

- Minor changes for customer notification (customer approval is not provided in these instances):
 - CURTISS-WRIGHT test software updates that do not impact form, fit, or function (test only changes that in no way impact the end product configuration).
 - BOM updates related to internal part number changes; the approved manufacturers and corresponding manufacturer part numbers for the material remain consistent with the original part. There is no form, fit, or function impact introduced to products by the component level part numbering change.
- ECOs shall not be construed as instruments to authorize the return of fielded products.
- Long term product pricing. The TLCM service ensures that material and processes remain in place and available to continue to manufacture the specified products, for the period required. The contract does not include long term product pricing for the forecasted usage. For a long-term pricing agreement, consult with your area sales manager.

- Out of warranty fixed price repairs (TLCM service does not include out of warranty repair charges).
- Safety certifiable products, which are covered in a separate agreement.
- TLCM services will only be provided to the Buyer, not the BUYER's customers, unless that party should enter a separate TLCM arrangement directly with CURTISS-WRIGHT.
- TLCM is valid only for a single site and a single program within the Buyer's business.
- Customer-supplied components. TLCM is only offered to customers who procure parts via CURTISS-WRIGHT and elect to store components on site at a CURTISS-WRIGHT facility, or one of its manufacturing partners.
 1. CURTISS-WRIGHT maintains traceability paperwork for all component procurement, along with world-class manufacturing facilities with best practice storage and handling processes. Customers who elect to procure and supply components for builds must fund additional services associated with the overhead burden on our TLCM, purchasing, receiving, quality and operations teams.
 2. The AS5553 chain of custody does not follow the Buyer unless they are a certified distributors of the supplied components. CURTISS-WRIGHT'S 12 month warranty may become void in these instances.
 3. Customer-supplied components are subject to rejection at incoming inspection for visual, functional, dimensional and/or lead alignment non-conformance.
 4. See separate policy for customer-supplied parts.
- Indefinite program support. Longevity services are typically limited to 5 years past the Last Time Buy date and/or Last Repair Date of a product; CURTISS-WRIGHT cannot continue to build and repair cards on legacy test equipment for an indefinite period of time. Should a customer or the Buyer require a longer term support plan, additional funding may be required to maintain and upgrade the test infrastructure to current technology standards. To be quoted separately.

12 Component Procurement & Storage

A request for quote (RFQ) does not always trigger a component quotation; oftentimes our TLCM LifeCycle Specialists provide component quotations proactively in order to afford TLCM customers LTB priority. Components, component storage, and handling are offered under these conditions:

- Component availability will be confirmed at the time of order placement. CURTISS-WRIGHT may elect to reissue or cancel a quotation if material pricing, availability or delivery has changed significantly. This can result in a customer purchase order amendment to account for price increases, minimum order quantities, and other unforeseen market driven requirements.
- Component purchases may be subject to minimum order quantities (MOQs) and minimum lot sizes.
- Components will be quoted using CURTISS-WRIGHT'S internal part number.
- Any component purchases will be credited against the quoted price for products under service for fresh lot builds only.
- CURTISS-WRIGHT is committed to the prevention of counterfeit electronic parts entering the supply chain, including early identification of independent distributor dependency due to obsolescence of commercially available components used on our products. To mitigate the risk of entry into the supply chain of counterfeit parts when the independent distributor market must be used to manage obsolescence, CURTISS-WRIGHT adheres to an AS5553 compliant practice.
 - Components quoted with a -BXX suffix in the part number are sourced through CURTISS-WRIGHT'S approved independent distribution channels. Upon request customers can receive an authenticity report for these items.
- Customer-owned parts will be used at CURTISS-WRIGHT'S discretion to ensure uninterrupted builds and repairs, including manufacturing attrition, debug, and repair replacements.
 - Manufacturing attrition can vary based on component packaging. It is up to customers to ensure sufficient parts are secured for attrition and repairs based on the program forecast and estimated order schedule.

- Customers should continue to monitor remaining stock levels of procured parts on the TLCM web portal to ensure stock adequately covers the remaining build and repair forecast.
- An annual component usage report can be provided upon request.
- Storage procedures are performed in accordance with the current revision of CURTISS-WRIGHT Company Procedure 800217.
- Customer-owned stock levels are reported via the CSC web portal.
- Component storage for customer-owned inventory is inclusive of the TLCM service; an additional fee does not apply.

13 Documentation

- A CURTISS-WRIGHT certificate of conformance can be requested for component purchases. This is stored by CURTISS-WRIGHT however, not readily distributed to our customers.
- Manufacturer/distribution certificates of conformance are held by CURTISS-WRIGHT for a minimum 15-year period.
- TLCM is service and is entered into CURTISS-WRIGHT's MRP system as such. No hardware delivery documentation is provided.

14 Limitation of Liability

CURTISS-WRIGHT'S ENTIRE LIABILITY UNDER ANY CAUSE OF ACTION (INCLUDING WITHOUT LIMITATION NEGLIGENCE), OR FOR BREACH OF THIS AGREEMENT, SHALL BE LIMITED TO THE PURCHASE PRICE. IN NO EVENT SHALL CURTISS-WRIGHT BE LIABLE FOR COSTS OR PROCUREMENT OR SUBSTITUTE GOODS, LOSS OF PROFITS OR FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR RELIANCE DAMAGES, LOSSES OR EXPENSES RELATING TO OR ARISING OUT OF THIS PROGRAM, HOWEVER CAUSED, AND WHETHER BASED ON CONTRACT, TORT, EQUITY OR ANY OTHER THEORY OF LIABILITY WHATSOEVER, EVEN IF SUCH PARTY WAS NOTIFIED OR OTHERWISE AWARE OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES. CURTISS-WRIGHT'S MAXIMUM LIABILITY FOR DIRECT DAMAGES SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO CURTISS-WRIGHT FOR THE SPECIFIC PRODUCT(S) GIVING RISE TO A CLAIM AGAINST CURTISS-WRIGHT. THE LIMITATIONS CONTAINED IN THIS SECTION SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED UNDER ANY TERM OF THIS AGREEMENT.

15 Gratuitous Advice

If CURTISS-WRIGHT provides the Customer with advice or assistance concerning any products or systems which is not required pursuant to these terms and conditions, the furnishing of such advice or assistance will not subject CURTISS-WRIGHT to any liability, whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise.

16 Confidentiality

Buyer agrees not to disclose any information obtained from this service which is confidential and of substantial value to CURTISS-WRIGHT, which value would be impaired if such information were disclosed to third parties. When or if required, Buyer agrees to sign a CURTISS-WRIGHT mutual non-disclosure agreement.

17 Term and Termination

This Agreement shall become effective when the product baseline is achieved (production-ready status) of the new variant required to support TLCM.

Annual renewal of this agreement will be invoiced by CURTISS-WRIGHT no less than thirty (30) days prior to expiration at the applicable CURTISS-WRIGHT annual service fee then in effect. Timely payment, as provided for in the Payment and terms section below, shall extend the agreement. If payment is not received as set forth, this agreement will terminate, and the Buyer will be placed in inactive status.

CURTISS-WRIGHT may alter, discontinue, or refuse to permit the renewal of this Agreement with respect to the Licensed Product(s) at any time. Buyers will be notified of any alterations or planned discontinuation of the Agreement at the time of the commencement of any initial or renewal term of the Agreement. In the event of a discontinuation of the Agreement, CURTISS-WRIGHT will continue to provide the maintenance services to existing Customers, subject to payment of the applicable yearly fee then in effect, until the expiration of the Buyer's initial or renewal term.

In the event of the insolvency, bankruptcy or voluntary dissolution of Buyer, CURTISS-WRIGHT shall have the option to terminate the Buyer's registration immediately upon written notice.

If either party defaults in the performance of any provision hereunder and if such default continues and is not cured within thirty (30) days after written notice thereof by the non-defaulting party, then the non-defaulting party may terminate this registration and all rights granted hereunder. Termination shall not exclude other remedies CURTISS-WRIGHT may have for Buyer's failure to perform its obligations hereunder.

18 General

18.1 Order Acceptance

CURTISS-WRIGHT may decline service and/or cancel the service outright at any time.

18.2 Nonrefundable Cancellation

Effective for the term of this registration, the Buyer agrees this is a service provided by CURTISS-WRIGHT and payment is non-refundable, even if cancellation is requested by Buyer and/or if Buyer becomes in breach of this Agreement.

18.3 Prices

Buyer agrees to pay CURTISS-WRIGHT the fees, without offset or deduction, for the service designated therein.

18.3.1 Total Program Approach

TLCM is offered for the duration of the total program life. The Buyer may purchase multiple years of TLCM to lock in current annual fee. Customers may elect to be billed upfront, annually, or agreed upon internals.

Legacy TLCM customers have a one-year period to migrate from an annual service to a total program approach. In these instances the purchase price for providing the TLCM services is according to the latest CURTISS-WRIGHT pricelist. Unless otherwise agreed in writing between the Buyer and CURTISS-WRIGHT, the annual fee is subject to adjustment.

18.3.2 Inactive Service

Renewal of lapsed service contracts are subject to re-activation charges to the date of previous contract expiry plus a re-activation fee.

18.4 Payment and Terms

The Buyer's signed purchase order must be received before service can commence. Payment terms are net thirty (30) days from date of invoice. Buyer shall pay interest on amounts not paid when due, at the highest lawful rate. Prices do not include any amount for duties or taxes that may be imposed by any level of the Buyer's Government or sales or use taxes of the Buyer's region, and/or any other applicable tax requirements. Any such duties or taxes (including any import duties or taxes) imposed pursuant to the work undertaken shall be for the account of the Buyer. All payments shall be sent to:

HSBC/DY 4 Systems Inc - USD lockbox
C/O TH1228U
P O Box 4290, Postal Station A
Toronto, ON M5W 0E1



18.5 Force Majeure

CURTISS-WRIGHT shall not be responsible for failure to fulfill its obligations under this Agreement due to causes beyond its control.