

## CORE TECH INDUSTRIAL CORP. TERMS AND CONDITIONS OF PURCHASE

1. Acceptance of Terms. Seller agrees to be bound by and to comply with all terms set forth herein and in the purchase order, to which these terms are attached and are expressly incorporated by reference (collectively the "Order"), including, any amendments, supplements, specifications and other documents referred to in the Order and agreed to by Seller for the purchase of products and/or services purchased hereunder (the "Items"). Acknowledgement of the Order, including without limitation, by beginning performance of the work called for by the Order, shall be deemed acceptance of the Order. The Order does not constitute an acceptance by Buyer of any offer to sell, any quotation, or any proposal. Reference in the Order to any such offer to sell, quotation or proposal shall in no way constitute a modification of any of the terms of the Order. **ANY ATTEMPTED ACKNOWLEDGMENT OF THE ORDER OR ANY INVOICE CONTAINING TERMS INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF THE ORDER IS NOT BINDING UNLESS SPECIFICALLY AGREED BY BUYER IN WRITING.**

2. Prices and Payment. a) All prices for Items purchased hereunder are firm and shall not be subject to change. Unless otherwise provided on the face of the Order, THE PRICES APPEARING HEREIN INCLUDE ALL PACKAGING, CRATING, TARIFFS, FEDERAL, STATE, AND LOCAL TAXES, IF APPLICABLE, AND ARE FIRM FOR THE DELIVERY PERIOD SHOWN. b) Seller warrants that none of the Items furnished under the Order are surplus, used, remanufactured or reconditioned or of such age or so deteriorated as to impair the usefulness or safety thereof, unless otherwise specifically stated on the face of the Order and agreed to in writing by Buyer. c) Unless otherwise agreed, payment terms are as stated on Purchase Order Contract. The "Payment Start Date" is the latest of: the Item's required delivery date identified on the Order, the date the Items are received, or the date of receipt of a correct and undisputed invoice by Buyer. Payment will be made in accordance with the standard practices of the Buyer regarding payment cycles processes.

3. Deliveries and Shipment. Delivery of Items in accordance with the schedule is a material requirement of the Order. TIME IS OF THE ESSENCE. Seller shall not, without Buyer's prior written consent, manufacture or procure materials in advance of Seller's reasonable lead time. Seller will, at its expense, ship by express or air shipment or by the most expeditious way if the delivery schedule is endangered for any reason other than Buyer's fault. Buyer reserves the right to reject all or any part of any delivery that varies from the quantity authorized by Buyer for shipment. All Items shall be packaged in accordance with Buyer's instructions or, if none are specified, in accordance with good commercial practice in a manner sufficient to ensure arrival in an undamaged condition. Items shipped in advance of Buyer's delivery schedule may be returned at Seller's expense or invoice extension as agreed. Seller shall be responsible for all costs and expenses incurred by Buyer as a result of Seller's failure to meet delivery dates specified by Buyer. Seller shall comply with any additional shipping instructions identified on the face of the Order. If requested by Buyer, Seller shall give notice of shipment to Buyer at the time of delivery of any shipment of Items to a carrier for transportation. Title and risk of loss of Items shall transfer to Buyer at the point of delivery to Buyer's destination, unless earlier passed pursuant to other provisions of the Order.

4. Inspection. Notwithstanding payment, passage of title, or prior inspection or test, all Items are subject to final inspection and acceptance or rejection by Buyer. At all reasonable times, including the period of manufacture, Buyer, its customers, and/or representatives of relevant regulatory agencies where applicable (e.g., FAA) may inspect and/or test the Items to be furnished hereunder at the places where

the work is being performed, including those of the Seller's suppliers, and Seller shall provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and test. Buyer may inspect 100% or a sample of all Items or any lot of Items at Buyer's option, and Buyer shall have the right to reject all or any portion of the Items or lot of Items if any such inspection reveals them to be in non conformance with specifications and or terms of the Order.

5. Warranties. a) Seller warrants that for a period of four (4) years after acceptance of the Items by Buyer, all Items furnished to Buyer will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications, and samples, will meet all functional and performance requirements and, to the extent the Order calls for services to be performed, that such services will be free from defects in workmanship, will meet all requirements of the Order and will be performed to the highest standards of workmanship in the industry (all of which are hereinafter collectively referred to as "Conforming Items"). At Buyer's discretion, Seller shall repair, replace, or refund the fees paid for the Items that fail to comply with this warranty. Seller shall be responsible for the payment of any shipping and processing costs associated with the return of any non-Conforming Items; in the case that Buyer has paid for any such shipping costs, Seller shall reimburse Buyer for all shipping, processing and priority costs incurred in relation to the non-Conforming Items. b) In the event non-Conforming Items are furnished and returned to Seller, and within ten (10) business days therefrom, Seller shall repair or replace such non-Conforming Items. In the case of services, in the event that Seller is notified of the non-Conforming Item, within ten (10) business days therefrom, Seller shall repair, replace or re-perform such non-Conforming Items. The failure of Seller to repair or replace and redeliver or re-perform such non-Conforming Items within such ten (10) business day period shall entitle Buyer, at its election and in addition to any other rights or remedies it may have at law or in equity, to have such non-Conforming Items repaired, replaced, or serviced at Seller's expense. Should Buyer receive non-Conforming Items, Buyer shall always retain the right to terminate the applicable Order and any associated Orders without obligation to remit payment for Items not yet received; in such an event, upon Buyer's request, Seller shall issue to Buyer a pro-rated refund of fees paid for the non-Conforming Items. This remedy is not exclusive and shall be in addition to any other remedy available at law, in equity, or under the Order. c) In addition to the costs of repairing or replacing such non-Conforming Items Seller agrees that, notwithstanding the provisions of any warranties, expressed or otherwise, negotiated with respect to Items purchased from Seller by Buyer or Buyer's customers, Seller shall reimburse Buyer for labor and material costs, including but not limited to overhead and general administrative and/or inspection expenses reasonably incurred by Buyer and any other costs incurred by Buyer from its customers related to the non-Conforming Item.

6. Hazardous Substances and Waste. Seller shall be solely responsible for managing all wastes of any nature associated with its activities and or procedures and will manage any such wastes in compliance with local, state and federal regulations. It is the responsibility of the seller to inform the buyer of any hazardous materials involved in the Order. When present or performing work on any Buyer site, Seller will not release hazardous substances or constituents to the environment and will take all necessary measures to prevent endangerment to human health by any such hazardous substances or constituents.

7. Changes. a) Buyer may at any time make changes within the general scope of the Order in any one or more of the following: (i) drawings, designs or specifications where the goods to be furnished are to be specially manufactured for Buyer; (ii) method of shipment or packing; (iii) place and time of delivery; (iv) amount of Buyer's furnished property; (v) quality; (vi) quantity; or (vii) scope or schedule of the Items. If

any changes cause an increase or decrease in the cost, or the time required for the performance of any work under the Order, a mutually agreed upon equitable adjustment shall be made in the Order price or delivery schedule, or both, in writing. Any claim for adjustment related to obsolescence, scrap, and/or rework resulting from any change shall be limited to the materials in process at the time of the change and within the Seller's normal manufacturing cycle needed to meet the Purchaser's delivery schedule.

Any Seller claim for adjustment under this article will be deemed waived unless asserted within thirty (30) calendar days from Seller's receipt of the change or suspension notification, and may only include reasonable, direct costs that will necessarily be incurred as a direct result of the change. Notwithstanding the above or any other provision of the Order, Seller hereby agrees that any changes made to meet the specified performance requirements of the Order shall not entitle Seller to any adjustment in either price or delivery. b) During performance of the Order, Seller shall not make any changes in the design of Items to be furnished by Seller under the Order without advance written notification to and written approval of Buyer. The above requirement applies whether or not there is a cost impact associated with the change and regardless of the type of change involved, including product improvements. Unless otherwise mutually agreed to in writing, Seller shall be responsible for all of Buyer's costs incurred as a result of any changes implemented by Seller.

8. Confidentiality. a) All tangible and intangible property furnished to Seller by Buyer or specifically paid for by Buyer that uses, is based on or incorporates any of the foregoing, shall be and remain Buyer's property (hereinafter referred to as "Buyer Proprietary Information and Property"). Except to the extent specifically provided in the Order, Seller shall have no rights in any Buyer Proprietary Information and Property. Seller may use Buyer Proprietary Information and Property only in the performance of work for Buyer and, upon Buyer's request, Seller will deliver all Buyer Proprietary Information and Property and all copies thereof to Buyer. c) Seller shall keep Buyer Proprietary Information and Property confidential and may not disclose such to any person or entity or otherwise reveal or in any manner display or demonstrate such in any public or private forum without Buyer's prior, express, written permission. If, with Buyer's prior, express, written permission, Seller furnishes Buyer Proprietary Information and Property to any supplier or subcontractor of Seller for use in performance of Buyer's Orders, Seller shall (i) insert the substance of this Article in all orders to such supplier or subcontractor; and (ii) remain responsible hereunder for any breach by such supplier or subcontractor of this Article. d) Seller shall not disclose the making of any Order or display any products manufactured for Buyer that utilize, are based on or incorporate any of Buyer Proprietary Information and Property in any advertisement, journal, magazine or other publication or on the internet or in any other medium. Seller may not use Buyer's (or its affiliate's) name or logo (including any trademark of Buyer) in any of its advertising or publicity material without Buyer's prior written consent, which may be withheld or given in Buyer's absolute discretion. e) Seller shall not use (and shall not assist others in using) any Buyer Proprietary Information and Property to engage in activity outside of the Order, including, without limitation, support of the aftermarket for the Items.

9. Intellectual Property. Seller warrants that the Products and/or services provided or process used shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party. The Seller agrees to indemnify, defend, and hold harmless Buyer Indemnitees ("Buyer Indemnitees" shall mean and include any of Buyer and its subsidiaries, affiliates, agents, representatives, customers and invitees and their respective officers, directors, shareholders, and employees) from all costs and expenses related to any suit, claim or

proceeding (including any and all attorneys' fees) brought against any of the Buyer Indemnitees based on a claim that any service, article or apparatus, software, material, equipment, part, device or process, or any part thereof included in the Items furnished hereunder, or any device or process necessarily resulting from the use thereof, constitutes an infringement of any patent, copyright, trademark, trade secret or other intellectual property right of any third party. Buyer shall notify Seller of any such suit, claim or proceeding and give Seller authority, information, and assistance (at Seller's expense) for the defense of same, and Seller shall pay all damages and costs awarded therein. If use of said service, article or apparatus, material, equipment, part, device or process ("Infringing Material") is enjoined, Seller shall, at its own expense and at its option, either procure for Buyer (and Buyer's customer(s)) the right to continue using said article or apparatus, material, equipment, part, process or device, (or in the case of a service, Seller shall procure for Buyer (and Buyer's customer(s)) the right to continue receiving such service) or replace same with a non-infringing equivalent. Any modification to or substitute for any Infringing Material provided under this Article is subject to all of the terms and conditions herein, including, without limitation, the indemnification provisions of this Article. Where neither of the foregoing options is possible, Seller shall reimburse Buyer for all costs and fees that it has paid for the impacted Items, including without limitation, costs or fees associated with transportation, installation and removal of the Infringing Material.

10. Record Retention. Seller shall retain all records related to: (i) the Items, and (ii) any transactions between Seller and Buyer, including but not limited to records related to quality, for a minimum period of seven (7) years following the delivery of the last Order for the Items hereunder, or longer if required by Buyer, applicable law, or regulation. Upon Buyer's written request, Seller will promptly deliver all such records to Buyer or its designee, or dispose of such records, unless such records are required to be retained by Seller pursuant to applicable law, regulation, or for insurance purposes.

11. Seller's Status. It is understood and agreed that Seller and/or its employees engaged in the performance of the Order by Seller are not employees of Buyer and are not entitled to Buyer employee benefits or privileges or any payment from Buyer (other than as expressly provided for in the Order) and the Seller shall pay the salaries or expenses, applicable taxes, including Social Security and unemployment benefits of said employees. Seller shall also pay any expenses normally paid by an employer in connection with its employees assigned to Buyer's account. Seller and its employees are and shall be deemed to be independent contractors at all times during its performance of the work specified in the Order.

12. Suspension. Buyer may at any time, by notice to Seller, suspend performance of the work for such time as it deems appropriate. Upon receiving notice of suspension, Seller shall promptly suspend work to the extent specified, properly caring for and protecting all work in progress and materials, supplies and equipment Seller has on hand for performance. Upon Buyer's request, Seller shall promptly deliver to Buyer copies of outstanding purchase orders and subcontracts for materials, equipment and/or services regarding the suspended work and take such action relative to such purchase orders and subcontracts as Buyer may direct. Buyer may at any time withdraw the suspension as to all or part of the suspended work by written notice specifying the effective date and scope of withdrawal. Seller shall resume diligent performance on the specified effective date of withdrawal of suspension. All claims for increase or decrease in the cost of or the time required for the performance of any work caused by such suspension shall be pursued pursuant to, and consistent with, Article 8 regarding "Changes."

13. Termination. a) By written notice, Buyer may terminate the Order or any part hereof, for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder and shall promptly cause all of its suppliers and subcontractors to cease work. Subject to the terms of the Order, Seller shall be paid a portion of the Order price reflecting the actual costs incurred for the work performed prior to the notice of termination, plus reasonable charges Seller can reasonably demonstrate to the satisfaction of Buyer using its standard record keeping system, that have resulted from the termination. Seller shall submit its claim no later than sixty (60) days, or within the time designated by Buyer's customer, after receipt of the termination notice. Seller shall make reasonably available to Buyer or Buyer's representative, any books, records and papers supporting its claim. Seller shall not be paid for any work performed or costs incurred which should have been avoided. In consideration of Buyer remitting any such payments, upon request by Buyer, Seller shall ship to Buyer any Items or portions of Items which have been produced up to the date of termination. b) By written notice, Buyer may terminate the Order in whole or in part: (i) if Seller fails or refuses to perform in accordance with any of the requirements of the Order (a "Default"), (ii) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller (whether voluntary or involuntary) under any federal or state law, or under any agreement, instrument, security interest, or similar arrangement, relating to bankruptcy, arrangement among debtor and creditors, reorganization, receivership or assignment for the benefit of creditors, or (iii) if Seller is added to the federal Excluded Parties List System ("EPLS") or any other government denial list including but not limited to the Denied Persons List, Specially Designated Nationals List, or any other sanction or embargo lists issued by the U.S. Department of State, U.S. Department of Commerce or Office of Foreign Assets Control. Any such termination will be without liability to Buyer except for completed Items delivered and accepted by Buyer, payment for which can be set off against damages incurred by Buyer. Buyer may require Seller to transfer title and deliver to Buyer any or all property produced or procured by Seller for performance of the work completed as of the termination and Seller shall be credited with the reasonable value thereof not to exceed Seller's actual incurred costs or the Order price, whichever is less.

14. Indemnification. Seller shall defend, indemnify and hold harmless Buyer Indemnitees from and against all liability, demands, claims, losses, costs, damages, and expenses, including but not limited to attorneys' fees, by reason or on account of: (i) property damage, death, and personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with the performance of the Order that is occasioned by the actions or omissions of Seller or its suppliers or subcontractors at any tier and/or (ii) Seller's breach of any of its obligations under these Terms and Conditions of Purchase and/or any Order.

15. Insurance. Seller will maintain and carry sufficient liability insurance to cover its obligations under the Order, with reputable insurance carriers reasonably acceptable to Buyer. Seller will, if requested by Buyer, furnish certificates of insurance from its carrier(s) which shall provide that such coverage shall not be changed without thirty (30) days advance written notification to Buyer.

16. Quality Assurance. a) The Seller shall implement and maintain a quality system conforming to requirements set forth and shared during supplier qualification. Seller will grant Buyer, its customer, and relevant regulatory agencies access to its facilities, and all relevant data, records and material in order to observe, evaluate and verify Seller's compliance with its quality obligations under the Order. Seller will further provide Buyer, its customer and relevant regulatory agencies with reasonable facilities and

assistance for safe and convenient observation, evaluation and verification. b) Unless otherwise agreed to in writing, each shipment as specified by Buyer on the Order, shall contain a Certificate of Conformance ("C of C") and a Material Certification with authorized signatures from Seller. Each C of C must state that all Items contained in a shipment meet all requirements of the Order (including, without limitation specification requirements), reference Buyer's Order number, part number, engineering change revision level, serial number (if applicable), and quantity represented.).

17. Further Assurances. Upon request by Buyer, Seller will: (i) furnish to Buyer any additional information reasonably requested, (ii) execute and deliver, at its own expense, any other documents reasonably requested to be executed and delivered, and (iii) take any other actions as Buyer may reasonably require to more effectively carry out the intent, and comply with the terms, of this Agreement. Further, Seller will promptly respond to requests by Buyer for information regarding the qualifications, experience, past performance and financial condition of Seller.

18. Audit. a) Buyer may by itself and/or by engaging a reputable third party auditor, audit the Seller's performance under these terms and/or the applicable Order. Buyer shall give the Seller reasonable prior notice of any intended audit (unless Buyer is aware of or has reasonable grounds to suspect fraud). The Seller shall provide Buyer and/or the relevant auditor access to all information, facilities, materials, installations, premises, procedures or other resources (including staff) as it shall reasonably require to undertake the audit (or, in the case of facilities and premises that are not within the Seller's control shall use reasonable efforts to obtain such access), subject to Buyer requiring the auditor to enter into a reasonable confidentiality agreement with the Seller restricting disclosure of the Seller's confidential information to a reasonable extent. b) For public companies- Seller shall, upon request and reasonable notice, provide to Buyer Seller's financial records for the prior three (3) year period. For private companies- Upon request from Buyer, Seller shall provide a letter from a Certified Public Accountant or reputable financial institution describing Seller's then current financial health and condition (which must include any known contingencies), and, if required by Buyer, description regarding any prior year's financial health and condition (not to exceed three prior years). Such financial records will be used by Buyer to assess Seller's ongoing financial viability and will be treated as Confidential Information hereunder.

19. Order of Precedence. Except as provided otherwise in a written document executed by authorized representatives of Buyer and Seller, in the event of any conflict among the provisions of the Order and any other associated documentation, the following order of precedence shall apply in interpreting the Order: (i) the text of a purchase order to which the Order applies, (ii) the specifications, drawings or any other supporting documentation sent with the Order, (iii) any special or supplemental terms and conditions incorporated by reference in such purchase order, and (iv) these Terms and Conditions of Purchase.

20. Disputes and Choice of Law. The parties shall attempt to amicably resolve any dispute which arises under these Terms and Conditions of Purchase or any Order by engaging the appropriate representatives within each party's company. The Order shall, in all respects be interpreted, construed, and governed by and in accordance with the laws of the state of New York, excluding its conflict of laws rules. Claims arising from or relating to this Order shall be brought only in courts located in New York.

21. Rights and Remedies of Buyer. The rights and remedies of Buyer set forth herein shall be in addition to any other rights and remedies provided in law or equity and the failure or delay by Buyer to exercise any rights or remedies under the Order shall not operate as a general waiver thereof.

22. Non-waiver. Neither any failure nor any delay by Buyer in exercising any right, power, or privilege under any Order will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege. The waiver by Buyer of a breach of any provision of any Order will not operate or be construed as a waiver of any subsequent breach.

23. Assignment and Subcontracting. a) Seller shall flow the substance and obligations of the terms herein to its subcontractors and to its subsuppliers. Seller shall remain fully responsible for any acts or omissions of such subcontractor(s) and/or sub-supplier(s) as if such subcontractor(s) and/or sub-supplier(s) is/are Seller. Any assignment or subcontract for a majority of the materials, services and/or labor by Seller of or under the Order shall be void unless the prior written consent of the Buyer is granted in writing. Notwithstanding the foregoing, Buyer may assign its rights and/or obligations under this Order, in whole or in part, without consent of Seller. Any assignment in violation of this paragraph shall be void. This Order shall be binding upon the parties' respective successors and permitted assigns. b) Seller shall not transfer production of Products supplied under this Order, in whole or in part, to a production location located outside the United States of America without prior written consent of Buyer.

24. Change in Control. Seller shall inform Buyer of any anticipated and/or actual instances that may result in a Seller Change in Control within a reasonable period of time following Seller's awareness of any anticipated and/or actual instances that may result in a Seller Change in Control.

25. Severability. In the event any provision of the Order is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions of the Order will not be affected and, in lieu of such invalid or unenforceable Article, there will be added automatically as part of the Order provisions as similar in terms as may be valid and enforceable under applicable law.

26. Miscellaneous. The prevailing party in any action or proceeding for the enforcement, protection or establishment of any right or remedy under these Terms and Conditions of Purchase or for the interpretation of such shall be entitled to recover their reasonable attorneys' fees and costs in connection with such action or proceeding from the non-prevailing party. The parties consent to the jurisdiction of the state or federal courts sitting in New York over any litigation or claim brought to enforce the terms hereof or determine any rights hereunder. Any litigation or claim brought by any party relating in any way to these Terms and Conditions of Purchase may be brought only in the Supreme Court of the State of New York for the County of Saratoga or in the United States District Court for the Northern District of New York. Each party acknowledges that should such party violate the provisions of these Terms and Conditions of Purchase, it will be difficult or impossible to determine the resulting damage to the non-breaching party. Therefore, in the event of such a breach, in addition to any other remedies it may have, the non-breaching party shall be entitled to temporary and permanent injunctive relief to enforce the provisions hereof without the necessity of proving actual damage.

27. Entire Agreement. The Order, with documents as are expressly incorporated by reference, is intended as a complete and exclusive expression of the parties' agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties. Each Party has full authority to enter into this Order and perform its obligations herein. The Order may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument. Facsimile signatures on such counterparts are deemed originals except where Buyer has indicated that it requires originals. No course of prior dealings or usage of the trade shall be relevant to determine the meaning of the Order even if the accepting or acquiescing party has knowledge of the performance and opportunity for objection. All provisions or obligations contained in the Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of the Order will survive and remain binding upon and for the benefit of the parties, their successors (including without limitation successors by merger) and permitted assigns.

28. Amendment. The provisions of the Order may not be modified or amended except by a written instrument duly executed by both parties.