

## NUAIR VENDOR TERMS AND CONDITIONS FOR VENDORS

These terms and conditions (the "**Terms**") of purchase are expressly incorporated into the accompanying purchase order or statement of work (the "**Purchase Order**") entered into between Northeast UAS Airspace Integration Research Alliance, Inc. d/b/a NUAIR, a New York not for profit corporation, having a principal place of business at 7931 State Route 13, Suite #1, Canastota, NY 13032 ("**NUAIR**") and you (the "**Vendor**"). These Terms may be updated by NUAIR from time to time. Each such update will be posted at [https://\\_\\_\\_\\_\\_](https://_____) or such other URL as specified by NUAIR.

1. Applicability. These Terms are the only terms which govern the purchase of the goods ("**Goods**") and services ("**Services**") by NUAIR from the Vendor. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms. The Purchase Order and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Vendor's general terms and conditions of sale regardless whether or when Vendor has submitted its sales confirmation or such terms. This Agreement expressly limits Vendor's acceptance to the terms of this Agreement. Fulfillment of this Purchase Order constitutes acceptance of these Terms.

2. Delivery of Goods and Performance of Services.

- a. Vendor shall deliver the Goods in the quantities and on the date(s) specified in the Purchase Order or as otherwise agreed in writing by the parties (the "**Delivery Date**"). If Vendor fails to deliver the Goods in full on the Delivery Date, NUAIR may terminate this Agreement immediately by providing written notice to Vendor and Vendor shall indemnify NUAIR against any losses, claims, damages, and reasonable costs and expenses directly attributable to Vendor's failure to deliver the Goods on the Delivery Date.
- b. Vendor shall deliver all Goods to the address specified in the Purchase Order (the "**Delivery Point**") during NUAIR's normal business hours or as otherwise instructed by NUAIR. Vendor shall pack all goods for shipment according to NUAIR's instructions or, if there are no instructions, in a commercially reasonable manner sufficient to ensure that the Goods are delivered in undamaged condition. Vendor must provide NUAIR prior written notice if it requires NUAIR to return any packaging material. Any return of such packaging material shall be made at Vendor's risk of loss and expense.
- c. Vendor shall provide the Services to NUAIR as described and in accordance with the schedule set forth in the Purchase Order and in accordance with the terms and conditions set forth in these Terms.
- d. Vendor acknowledges that time is of the essence with respect to Vendor's obligations hereunder and the timely delivery of the Goods and Services, including all performance dates, timetables, project milestones and other requirements in this Agreement.

3. Quantity. If Vendor delivers more or less than the quantity of Goods ordered, NUAIR may reject all or any excess Goods. Any such rejected Goods shall be returned to Vendor at Vendor's sole

risk and expense. If NUAIR does not reject the Goods and instead accepts the delivery of Goods at the increased or reduced quantity, the Price for the Goods shall be adjusted on a pro-rata basis.

4. Shipping Terms. Delivery shall be made in accordance with the terms set forth in the Purchase Order. The Purchase Order number must appear on all shipping documents, shipping labels, invoices, correspondence and any other documents pertaining to the Purchase Order.

5. Title and Risk of Loss. Title and risk of loss passes to NUAIR upon delivery of the Goods at the Delivery Point.

6. Inspection and Rejection of Nonconforming Goods. NUAIR has the right to inspect the Goods on or after the Delivery Date. NUAIR, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If NUAIR rejects any portion of the Goods, NUAIR has the right, effective upon written notice to Vendor, to: (a) rescind this Agreement in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If NUAIR requires replacement of the Goods, Vendor shall, at its expense, promptly replace the nonconforming or defective Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement Goods. If Vendor fails to timely deliver replacement Goods, NUAIR may replace them with goods from a third party and charge Vendor the cost thereof and terminate this Agreement for cause pursuant to Section 17. Any inspection or other action by NUAIR under this Section shall not reduce or otherwise affect Vendor's obligations under the Agreement, and NUAIR shall have the right to conduct further inspections after Vendor has carried out its remedial actions.

7. Price. The price of the Goods and Services is the price stated in the Purchase Order (the "**Price**"). If no price is included in the Purchase Order, the Price shall be the price set out in Vendor's published price list in force as of the date of the Purchase Order. Unless otherwise specified in the Purchase Order, the Price includes all packaging, transportation costs to the Delivery Point, insurance, customs duties, and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of NUAIR.

8. Payment Terms. Vendor shall issue an invoice to NUAIR on or any time after the completion of delivery and only in accordance with these Terms. NUAIR shall pay all properly invoiced amounts due to Vendor within thirty (30) days after NUAIR's receipt of such invoice, except for any amounts disputed by NUAIR in good faith. All payments hereunder must be in US dollars. Without prejudice to any other right or remedy it may have, NUAIR reserves the right to set off at any time any amount owing to it by Vendor against any amount payable by NUAIR to Vendor. In the event of a payment dispute, NUAIR shall deliver a written statement to Vendor no later than five (5) days prior to the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items, within the period set forth in this Section 8. The parties shall seek to resolve all such disputes expeditiously and in good faith. Vendor shall continue performing its obligations under this Agreement notwithstanding any such dispute.

9. Vendor's Obligations Regarding Services. Vendor shall:

- a. before the date on which the Services are to start, obtain, and at all times during the term of this Agreement, maintain, all necessary licenses and consents and comply with all relevant laws applicable to the provision of the Services;

- b. comply with all rules, regulations and policies of NUAIR, including security procedures concerning systems and data and remote access thereto, building security procedures, and general health and safety practices and procedures;
- c. maintain complete and accurate records relating to the provision of the Services under this Agreement. During the term of this Agreement and for a period of three years thereafter, upon NUAIR's written request, Vendor shall allow NUAIR to inspect and make copies of such records in connection with the provision of the Services;
- d. obtain NUAIR's written consent, prior to entering into agreements with or otherwise engaging any person or entity, including all subcontractors and affiliates of Vendor, other than Vendor's employees, to provide any Services to NUAIR (each such approved subcontractor or other third party, a "**Permitted Subcontractor**"). NUAIR's approval shall not relieve Vendor of its obligations under the Agreement, and Vendor shall remain fully responsible for the performance of each such Permitted Subcontractor and its employees and for their compliance with all of the terms and conditions of this Agreement as if they were Vendor's own employees. Nothing contained in this Agreement shall create any contractual relationship between NUAIR and any Vendor subcontractor or supplier;
- e. require each Permitted Subcontractor to be bound in writing by the confidentiality provisions of this Agreement;
- f. ensure that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of the Vendor, are properly licensed, certified or accredited as required by applicable law and are suitably skilled, experienced and qualified to perform the Services;
- g. ensure that all of its equipment used in the provision of the Services is in good working order and suitable for the purposes for which it is used, and conforms to all relevant legal standards and standards specified by the NUAIR; and
- h. keep and maintain any NUAIR equipment in its possession in good working order and shall not dispose of or use such equipment other than in accordance with the NUAIR's written instructions or authorization.

10. Change Orders. NUAIR may at any time, by written instructions and/or drawings issued to Vendor (each a "**Change Order**"), order changes to the Services. Vendor shall within five (5) days of receipt of a Change Order submit to NUAIR a firm cost proposal for the Change Order. If NUAIR accepts such cost proposal, Vendor shall proceed with the changed services subject to the cost proposal and the terms and conditions of this Agreement. Vendor acknowledges that a Change Order may or may not entitle Vendor to an adjustment in the Vendor's compensation or the performance deadlines under this Agreement.

11. Warranties.

- a. Vendor warrants to NUAIR that for a period of twelve (12) months from the Delivery Date, all Goods will:
  - i. be free from any defects in workmanship, material and design;
  - ii. conform to applicable specifications, drawings, designs, samples and other requirements specified by NUAIR;

- iii. be fit for their intended purpose and operate as intended;
- iv. be merchantable;
- v. be free and clear of all liens, security interests or other encumbrances; and
- vi. not infringe or misappropriate any third party's patent or other intellectual property rights.

These warranties survive any delivery, inspection, acceptance or payment of or for the Goods by NUAIR;

- b. Vendor warrants to NUAIR that it shall perform the Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement; and
- c. the warranties set forth in this Section 11 are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of NUAIR's discovery of the noncompliance of the Goods or Services with the foregoing warranties. If NUAIR gives Vendor notice of noncompliance pursuant to this Section, Vendor shall, at its own cost and expense, promptly: (i) replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Vendor and the delivery of repaired or replacement Goods to NUAIR, and, if applicable, (ii) re-perform the applicable Services.

12. General Indemnification. Vendor shall defend, indemnify and hold harmless NUAIR and its subsidiaries, affiliates, successors or assigns and its respective directors, officers, shareholders and employees (collectively, "**Indemnitees**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the Goods and Services purchased from Vendor or Vendor's negligence, willful misconduct or breach of the Terms. Vendor shall not enter into any settlement without NUAIR' or Indemnitee's prior written consent.

13. Intellectual Property Indemnification. Vendor shall, at its expense, defend, indemnify and hold harmless NUAIR and any Indemnitee against any and all Losses arising out of or in connection with any claim that NUAIR's or Indemnitee's use or possession of the Goods or use of the Services infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall Vendor enter into any settlement without NUAIR's or Indemnitee's prior written consent.

14. Limitation of Liability. Nothing in this Agreement shall exclude or limit Vendor's liability for fraud, personal injury or death caused by its negligence or willful misconduct. IN NO EVENT WILL NUAIR OR ANY OF ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS AND/OR AGENTS BE LIABLE FOR, AND/OR BE REQUIRED TO INDEMNIFY VENDOR AND/OR ANY THIRD PARTY, OTHER PERSON AND/OR ENTITY FOR: ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY AND/OR PUNITIVE DAMAGES (EVEN IF NUAIR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), FINES, PENALTIES, TAXES, ANY LOSS OF PROFITS AND/OR REVENUE, SAVINGS OR BUSINESS, LOSS OF COMMERCIAL REPUTATION AND/OR ANY

OTHER ECONOMIC LOSS ARISING OUT OF OR RELATING TO THESE TERMS OR ANY AGREEMENT BETWEEN THE PARTIES RELATING TO THE PRODUCTS, SERVICES OR DELIVERABLES VENDOR PROVIDES REGARDLESS OF WHETHER THE CLAIM GIVING RISE TO SUCH ALLEGED DAMAGES IS BASED UPON BREACH OF CONTRACT, NEGLIGENCE, TORT, OR OTHER THEORY OF LIABILITY.

15. Insurance. During the term of this Agreement, Vendor shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than Two Million Dollars (\$2,000,000) with financially sound and reputable insurers, along with any additional insurance requirements set forth in the Purchase Order. Upon NUAIR's request, Vendor shall provide NUAIR with a certificate of insurance from Vendor's insurer evidencing the insurance coverage specified in these Terms.

16. Compliance with Law. Vendor shall comply with all applicable laws, regulations and ordinances. Vendor shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement. Vendor shall comply with all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Vendor. Vendor assumes all responsibility for shipments of Goods requiring any government import clearance. NUAIR may terminate this Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on Goods.

17. Termination. In addition to any remedies that may be provided under these Terms, NUAIR may terminate this Agreement with immediate effect upon written notice to the Vendor, either before or after the acceptance of the Goods or the Vendor's delivery of the Services, if Vendor has not performed or complied with any of these Terms, in whole or in part. If the Vendor becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors, then the NUAIR may terminate this Agreement upon written notice to Vendor. If NUAIR terminates the Agreement for any reason, Vendor's sole and exclusive remedy is payment for the Goods received and accepted and Services accepted by NUAIR prior to the termination.

18. Waiver. No waiver by NUAIR of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by NUAIR. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

19. Confidential Information; Data Privacy. All non-public, confidential or proprietary information of NUAIR, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by NUAIR to Vendor, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the purpose of performing this Agreement and may not be disclosed or copied unless authorized in advance by NUAIR in writing. Upon NUAIR's request, Vendor shall promptly return all documents and other materials received from NUAIR. NUAIR shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that can be demonstrated by Vendor is: (a) in the public domain; (b) known to Vendor at the time of disclosure; or (c) rightfully obtained by Vendor on a non-confidential basis from a third party. Performance of the Services may necessitate the disclosure of NUAIR's data that may be protected under applicable United States privacy laws. In carrying out

responsibilities under this Agreement, Vendor shall implement appropriate policies, procedures, and controls to ensure the security and integrity of all NUAIR's data and to detect and prevent its intentional unauthorized disclosure or use. Vendor shall ensure that its handling, safeguarding and/or disclosure of any of NUAIR's data is in compliance with all applicable laws, ordinances, and regulations. Vendor shall not collect, process, store, maintain, or transfer NUAIR's data outside of the United States.

20. Force Majeure. No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such party's (the "Impacted Party") failure or delay is caused by or results from the following force majeure events ("Force Majeure Event(s)": (a) acts of God; (b) flood, fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or action; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or other industrial disturbances; and (h) other similar events beyond the reasonable control of the Impacted Party. The Impacted Party shall give prompt notice of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of thirty (30) days following written notice given by it under this Section 20, the other party may thereafter terminate this Agreement upon written notice.

21. Assignment. Vendor shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of NUAIR. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Vendor of any of its obligations hereunder. NUAIR may at any time assign or transfer any or all of its rights or obligations under this Agreement without Vendor's prior written consent to any affiliate or to any person acquiring all or substantially all of NUAIR's assets.

22. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

23. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

24. Governing Law; Jurisdiction. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of New York. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of New York in each case located in the City of Syracuse, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

25. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth on the face of the Purchase Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

26. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

27. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Indemnification, Limitation of Liability, Compliance with Laws, Confidential Information, Governing Law/Submission to Jurisdiction; and Survival.

28. Amendment and Modification. These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.