



EXOTIC METALS FORMING COMPANY LLC  
Phone: (253)395-3710

## ***General Terms & Conditions of Purchase***

1. **ACCEPTANCE:** ACCEPTANCE OF THIS ORDER BY SELLER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED IN THIS ORDER. ANY TERM OR CONDITION STATED BY THE SELLER IN ANY PRIOR PROPOSAL, ON SELLER'S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY BUYER. ANY SUCH TERM OR CONDITION SHALL BE TOTALLY INAPPLICABLE TO THIS ORDER UNLESS SPECIFICALLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OR BUYER. ACCEPTANCE OF THE GOODS OR SERVICES COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF SELLER'S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY SELLER SHALL CONSTITUTE ACCEPTANCE OF THIS ORDER AND ALL OF ITS TERMS AND CONDITIONS: SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE GOODS ORDERED; INFORMING THE BUYER IN ANY MANNER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING SELLER'S OWN FORM OF ACKNOWLEDGEMENT.
2. **PRICE AND DELIVERY:** Seller shall furnish the goods covered by this order (the "Goods") or the services covered by this order (the "Services") in accordance with the prices and delivery schedule stated on the face of this order. All prices shall include applicable taxes, except sales taxes which are to be separately shown where applicable and in compliance with FAR 52.229-3 Federal, State, and Local Taxes.
  - (a) Seller warrants that the prices charged for the Goods or Services ordered will be as low as the lowest prices charged by the Seller to any customers purchasing similar goods or services in the same or smaller quantities and under like circumstances.
  - (b) Unless specifically agreed to otherwise in writing, the prices on the order shall include, and Seller is liable for and shall pay, all packaging, crating, and federal, state and local taxes, duties or similar charges assessed or collected for or in connection with this order, as applicable.
  - (c) Buyer may return, or store at Seller's expense, any Goods delivered more than fifteen (15) days in advance of the delivery date specified for such Goods.
  - (d) Deliveries shall be made in accordance with the delivery dates set out on this order. Time is of the essence and specified dates are critical to the Buyer's production schedule. Any rescheduling of the delivery dates resulting from changes to the production rates of the aircraft program or to the Buyer's needs shall not entitle the Seller to a price increase.
  - (e) "Lead Time" is defined as the maximum time period from Seller's receipt of an order to Seller's delivery of such Goods at Buyer's facility. If requested by Buyer, Seller agrees to develop a Lead Time reduction plan and to work with Buyer to implement such plan.
3. **PACKING AND SHIPPING:** All Goods shall be packaged, marked and otherwise prepared in accordance with good commercial practices to provide adequate protection of the goods. Seller shall mark on containers handling and loading instructions and shall attach shipment information to the outside of the container. An itemized packing list shall accompany each shipment.
4. **TITLE AND RISK OF LOSS:** Unless otherwise specified on the face of this order, for both international and domestic shipments Goods shall be delivered DDP (Deliver Duty Paid per Incoterms 2010) to Buyer's location designated on the face of this order. Title shall shift to Buyer upon delivery of the Goods to Buyer's location.
5. **INVOICING:** After each shipment made or service provided under this order, Seller shall provide a separate invoice, including Buyer's item number(s), Purchase Order number, PO line item number, part number(s) and part description. Payment of invoice shall not constitute acceptance of the Goods or Services and shall be subject to appropriate adjustment for failure of Seller to meet the requirements of this order. Buyer may set off any amount owed by Seller or any of its affiliated companies to Buyer against any amount owed by Buyer to Seller under this order.
6. **CHANGES:** Buyer may, at any time, by written change order, suspend performance of this order, in whole or in part, make changes in the quantities, drawings, designs, specifications, method of shipment or packing, or time or place of delivery of the Goods, reschedule the Services, or require additional or diminished Services.
  - (a) If any such change causes an increase or decrease in the cost of, or the time required for performance of this order, an equitable adjustment shall be made in the contract price or delivery dates or both, and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 6 may, at Buyer's option, be deemed to be absolutely and unconditionally waived, unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Seller of the change order. If the cost of property made obsolete or excess as a result of a change is paid by Buyer, Buyer may prescribe the manner of disposition of such property.
  - (b) If Buyer concludes that Seller is either incapable of or unable to incorporate a change to meet Buyer's requirements, in the event (i) Seller has insufficient resources, (ii) Seller's Lead Time is unacceptable, (iii) Seller is unable to perform obligations of the order, (iv) Buyer's sourcing requirements change to satisfy a foreign offset requirement or other purchase obligations from Buyer's Customers, or (v) a change in technology which Seller is unable to provide to Buyer at competitive cost; then Buyer may utilize other sources of supply for affected parts without any recourse by the Seller against the Buyer.
  - (c) Seller shall not make any change in material or design details which would affect the fit, form, or function of the Goods or component parts thereof without written approval of Buyer or Buyer's Customer.
  - (d) Seller shall maintain a comprehensive obsolescence management program in order to mitigate delivery disruption of Goods due to, among other things, electronic, mechanical or chemical obsolescence or any other unforeseen cost increases. Obsolescence should be monitored in accordance with lead-time management should a replacement of Goods be required. Seller shall notify Buyer at least twenty-four (24) months prior to an anticipated obsolescence issue, or otherwise as soon as reasonable practical once known. If Seller is not able to fully mitigate Buyer's risk associated with the anticipated obsolescence, then Seller shall



prepare an anticipated detailed obsolescence replacement plan that assesses available alternatives and possible design modifications, including associated testing and qualification. Such plan shall be mutually agreed to. Should an obsolescence issue result in a change in price for the Goods, and Seller has demonstrated compliance with a comprehensive obsolescence management program, both Buyer and Seller agree to discuss an equitable resolution of the price change provided that (i) Supplier gained knowledge of the obsolescence issue less than twenty-four (24) months prior to it occurring or immediately notified Buyer upon Seller's acquisition of such knowledge; or (iii) Supplier had no prior knowledge of such obsolescence and was reasonable incapable of achieving such knowledge.

7. **DELAYS:** Seller shall be liable for any failure or delay in performance in connection with this order, except where such failure or delay results from causes that are, at one and the same time, unforeseeable, unavoidable, outside of its control and without its fault or negligence, provided Seller gives Buyer, within two (2) calendar days of Seller's learning of such cause, written notice to the effect that a failure or delay by Seller will occur or has occurred (an "Excusable Delay").
- (a) If a failure or delay in performance is caused by an event affecting any of Seller's suppliers or subcontractors, such failure or delay shall not be excusable unless such event is an Excusable Delay as defined above and the good or service to be provided by such supplier or subcontractor is not obtainable by Seller from other sources in time for timely delivery of the Goods to Buyer. Buyer may cancel without liability to Seller its purchase of any Goods affected by Seller's failure or delay in performance and, if the delay is expected to last for a period that could impact deliveries to Buyer's Customers, Buyer may cancel, without liability, any portion of or the entire order. Seller shall be excused for any failure or delay in performance due to any cause attributable to Buyer's Customers. Buyer shall not be liable to Seller for any costs or damages whatsoever for a "Termination without Cause" per Section 26(a) with respect to a particular aircraft program of any of Buyer's Customers, if the termination is due to the cancellation, in whole or in part, of such aircraft program by Buyer's immediate customer(s) or Buyer's ultimate customer(s) or the bankruptcy or insolvency of such customer(s); unless Buyer is compensated by Buyer's Customer for said cancellation.
- (b) Notwithstanding the above, all other delays will be considered "Non-Excusable Delays". If a Non-Excusable Delay is anticipated to occur or occurs that causes or may cause a delay in the performance by the Seller of its obligations under the order, the Seller shall:
- i) Notify the Buyer of such Non-Excusable Delay promptly upon becoming aware of such cause;
  - ii) Describe the event causing the Non-Excusable Delay;
  - iii) Provide an evaluation of the obligations affected;
  - iv) Detail the expected duration and extent of such delay;
  - v) Notify the Buyer of the actions to be taken to minimize the delay; and
  - vi) Submit to the Buyer an action plan to recover such delay.
- Seller shall be responsible for and shall pay all costs which may be incurred by the Buyer as a consequence of the Non-Excusable Delay.
- (c) **Force Majeure:** Buyer or Seller shall give written notice to the other party within three (3) days after such party becomes aware of any circumstance or event which may reasonably be anticipated to cause or constitute a force majeure event. A force majeure event means any failure in the performance of this agreement or any associated order issued hereunder arising out of causes beyond the control and without the fault or negligence of the invoking party, such as acts of God, acts of the government (including regulations or orders affecting materials or facilities), war, civil war, warlike operations, terrorism, insurrections or riots, fires, floods, natural disasters, epidemics, quarantine restrictions, strikes or labor disputes of three (3) months or less and, Customer's bankruptcy or insolvency, but excluding the non-performance or default of a subcontractor/supplier. Notice of a force majeure event shall contain a detailed description of the delay and its consequences. Within a further ten (10) days after such notice, the party giving such notice shall deliver a detailed written description of the work-around plan, alternative sources, and any other means that such party shall, at its own cost, use to prevent such further delay. Without limiting in any way Buyer's or Seller's other rights or remedies under this agreement, at law or in equity, if the delivery of any Goods should be delayed by reason of force majeure, Buyer may, upon written notice to Seller, either terminate any or all orders, or terminate all or part of this agreement and orders issued hereunder, without incurring any liability whatsoever.
8. **WARRANTIES:** In addition to all other express or implied warranties the Goods will be: (i) free from defects in workmanship and materials; (ii) free from defects in design except to the extent that such Goods comply with the detailed designs provided by Buyer; (iii) suitable for intended use and fit for the purposes, if any, which are stated on the face of this order; and (iv) in conformity with all the other requirements of this order (collectively, "Warranty"). If the Goods are defective or otherwise not in conformity with the requirements of this order, Buyer may, by written notice to Seller: (i) rescind this order as to such Goods; (ii) accept such Goods at an equitable reduction in price; (iii) reject such Goods and require the delivery of replacements.
- (a) Buyer may require Seller to promptly repair or replace, at Buyer's option, any Goods which breach the Warranty. Buyer may return the Goods at the Seller's expense and risk of loss. Replacement or repaired Goods returned to Buyer hereunder shall be shipped at Seller's expense and risk of loss and shall be accompanied by notice stating whether they are new replacements or repaired originals and shall continue to be covered under this Warranty. In addition, Seller shall be liable if Buyer incurs additional costs, expenses and/or damages related to or arising from Goods not conforming to the Warranty, including but not limited to charges incurred from Buyer's Customer(s), labor and other costs related to transportation of Goods, expediting, removal, disassembly, failure analysis, assembly, reinstallation, re-inspection, retrofit, and any and all other such corrective action costs; Buyer may charge Seller for said costs, at Buyer's sole discretion. If Seller fails to deliver required replacements or repaired originals promptly, Buyer may: (i) replace or correct such Goods and charge the Seller the cost occasioned Buyer thereby; or (ii) terminate this order for cause as provided in Section 26(b) hereof.
- (b) Seller also warrants to Buyer that all Services provided under or in connection with an order: (i) have been, if applicable, and will be performed in a professional and workmanlike manner and in accordance with current, sound and generally accepted industry standards and practices by appropriately licensed, trained, and supervised personnel who are experienced in the appropriate fields; and (ii) do, if applicable, and will conform to and be in compliance with all applicable specifications, performance requirements and other requirements contained in the order ("Services Warranty"). Seller agrees that should any of the Services be defectively performed by Seller, Seller will re-perform or correct such defective Services at no additional charge. In addition,



Seller shall be liable for Buyer's actual costs, expenses and damages related to or arising from Services not conforming to the Services Warranty.

(c) Rights granted to Buyer under this Section 8 are in addition to any other rights or remedies provided elsewhere in this order or in law.

9. **TOOLS:** If Buyer furnishes Seller equipment (such as special dies, molds, jigs, tools, test equipment, masks, etc.) or pays for such equipment, title thereto shall remain or vest in Buyer, and Seller shall identify, maintain and preserve such equipment and shall not dispose of it without Buyer's express approval. Unless otherwise authorized in writing by Buyer, Seller shall use such equipment solely in the performance of purchase orders from Buyer. Seller shall be responsible for any loss, damage or destruction to such equipment, except for reasonable wear and tear, but Seller shall not include any insurance cost therefore or cost to store in the prices charged under this order. Buyer also reserves the right to request and receive list of Buyers' owned tools in Seller's or Seller's supplier's possession and to audit said list against actual tools at Seller's or Seller's supplier's facility.

10. **MATERIALS:** If Buyer furnishes any material (such as extrusions, fasteners, bearings, bushings, etc.) for fabrication hereunder Seller agrees: (i) not to substitute any other material in such fabrication without Buyer's written consent; (ii) title to such materials shall not be affected by incorporation in or attachment to any other property, and (iii) all such material (except that which becomes normal industrial waste or is replaced at the Seller's expense) will be returned in the form of products or unused material to Buyer. In addition Seller shall inspect any Buyer furnished material and shall have the right to reject any nonconforming material but in the event of losses or attrition thereafter Seller shall be responsible for replacing such material at Seller's expense. Inaccuracies, out of tolerance conditions or inadequacies in quantity of materials accepted by the Seller shall not excuse performance in strict accordance with the applicable specifications and/or drawings.

11. **SELLER DISCLOSURE:** Seller shall provide written notification to Buyer within one (1) business day when a nonconformance is determined to exist, or is suspected to exist, on Good(s) already delivered to Buyer under any order. When the following is known, written notification shall include:

- A. Affected process or Good(s) number and name
- B. Description of the problem (i.e., what it is and what it should be);
- C. Quantity, dates and destination of shipment delivered
- D. Suspect/affected serial number(s) or date codes, when applicable.

The Seller shall notify the Buyer Procurement Representative and the Buyer's Quality Representative for the Buyer location where the Good(s) was delivered. Within thirty (30) days of Seller's receipt of Buyer's notification of nonconformity, upon request, Seller shall investigate the nonconformity, deliver to Buyer a written report of its investigation and conclusions, and formulate a corrective action plan acceptable to Buyer.

12. **NONCONFORMANCE NOTIFICATION:** In particular circumstances and at its sole discretion, the Buyer may consider a request by the Seller for review for acceptance of a nonconformity when a Good does not fully comply with applicable specifications, drawings and part definition and the non-compliance of the Good is proven to be responsibility of the Seller. Such request shall be submitted by the Seller upon detection of the non-conformity. If non-conformity is discovered by Buyer prior to notification by the Seller, Buyer may elect to return Goods to Seller; if an RMA number is required, Seller shall provide it within 3 days of Buyer's request.

In addition, in the event that:

- a) Acceptance of such a non-compliant Good by the Buyer requires a submittal to the Buyer's Customer(s) on behalf of the Seller and results in any charges from the Buyer's Customer(s) to the Buyer, or
- b) Non-conformity is discovered by Buyer prior to the disclosure of the Seller, or
- c) If Seller repetitively submits requests for nonconformance acceptance after corrective action is to have been implemented, or Buyer repetitively discovers nonconformities from Seller,

then, the Buyer may, at Buyer's sole discretion:

- i) pass the charges from the Buyer's Customer(s) to Seller, or
- ii) apply a standard charge of up to eight hundred and seventy five US dollars (\$875) for each request processed by the Buyer solely for the cost of processing each request; or
- iii) apply a reduction in the price of the Good, being agreed by the parties on a case by case basis.

Notwithstanding the foregoing, in no circumstances shall the Buyer be obligated to agree to accept nonconforming Goods. Acceptance of the nonconforming Good by the Buyer does not release the Seller from its obligations under this order, and in particular the date of delivery of the Good under review by the Buyer, which shall remain unchanged. Buyer and Seller agree that the charges stated above are a reasonable estimate of the initial administrative costs to Buyer of Seller's failure to meet requirements; it is not a penalty and shall not be construed as Buyer's sole exclusive remedy and does not limit Buyer's ability to recover other damages.

13. **INSPECTION AND AUDIT RIGHTS:** Seller shall at any time, and after reasonable notice by Buyer:

- (a) Grant to Buyer unrestricted access to (or if requested by Buyer, provide to Buyer copies of) Seller's books and records (including, without limitation, agreements and technical data including inspection and quality records, but excluding financial books and records), wherever such books and records may be located (including third-party repositories), and
- (b) Provide Buyer the right to access, and to perform any type of inspection, test, audit or investigation at Seller's premises, including: manufacturing and test locations for the purpose of enabling Buyer to verify compliance with the requirements set forth in the order; review progress and performance with respect to production, schedule, cost, quality; and review protection of Buyer and/or Buyer's Customers' proprietary rights under any order or for any other purpose indicated by Buyer or Buyer's Customers and/or said authority in connection with the design, development, certification, manufacture, sale, use and/or support of the delivered or ordered Goods.
- (c) Notwithstanding (i) payment, (ii) passage of title, or (iii) prior inspection or test, all Goods may be inspected and tested by Buyer, its customers, higher tier contractors, and the U.S. Government, at all reasonable times and places. If such inspection or testing is made on Seller's premises, Seller shall provide, without additional charge, all reasonable facilities and assistance for such inspections, tests, audit and/or investigation. In its internal inspection and testing of the Goods, Seller shall use an inspection system accepted by Buyer in writing. Buyer shall provide notification to Seller prior to visit.



- (d) All inspection records relating to the Goods shall be available to Buyer during the performance of this order, and for such longer periods specified by Buyer in its acceptance of the inspection system.
- (e) Final inspection and acceptance by Buyer shall be at Buyer's plant or shipping destination unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures. If rejection of a shipment would result from Buyer's normal inspection level under such procedures, Buyer may, at its option, conduct an above-normal level of inspection, up to 100% inspection, and charge the Seller the reasonable costs thereof.
- (f) Where Seller is located in, or subcontracts with a supplier or subcontractor located in, a country which does not have a bilateral airworthiness agreement with the United States, Seller will obtain and maintain on file and require its affected supplier(s) or subcontractor(s) to obtain and maintain on file, subject to review by Buyer, or copies provided to Buyer upon request, a letter from the applicable government where the Good or subcontracted element is to be manufactured stating that Buyer and the FAA will be granted access to perform inspections, surveillance and tests and to review procedures, practices, processes and related documents related to quality assurance, quality control, flight safety, and configuration control.
- (g) No inspection (including source inspection), tests, approval (including design approval) or acceptance of the Goods shall relieve Seller from responsibility for any defects in the Goods or other failures to meet the requirements of this order, or for latent defects, fraud, such gross mistakes as amount to fraud, and Seller's warranty obligations.
- 14. SUBCONTRACTS:** Seller shall not subcontract for complete or substantially complete parts of the Goods or Services called for by this order without Buyer's prior written approval. No subcontracting by Seller shall relieve Seller of its obligation under this order. Utilization of a Buyer or Buyer's Customer-approved source does not constitute a waiver of Seller's responsibility to meet all specification requirements. Seller shall include as part of its subcontracts those elements of the terms herein that protect Buyer's and Buyer's Customers' rights including but not limited to right of entry provisions, proprietary information and rights provisions and quality control provisions.
- 15. PROPRIETARY INFORMATION:** All written information and materials obtained by Seller from Buyer in accordance with this order and which is identified as proprietary by Buyer or Buyer's Customers shall be received in confidence and shall remain the property of Buyer or Buyer's Customers, and shall be used and disclosed by Seller only to the extent necessary for the performance of this order, except that, upon prior written notice to Buyer, Seller may use such information in manufacture of end items for direct sale to the U.S. Government to the extent that the U.S. Government has the right to authorize such use by Seller, and provided that Seller, to the extent practicable, prominently identifies such end items as being manufactured by Seller for direct sale to the U.S. Government. Such information and materials shall include but not be limited to: (i) confidential, proprietary, and/or trade secret information, (ii) tangible items containing, conveying, or embodying such information, such as photos, and (iii) tooling obtained from and/or belonging to the other in connection with this order. In addition the following apply:
- (a) The restrictions on disclosure or use of proprietary information and materials by Seller shall apply to any documents, information or additional materials derived by Seller or others from Buyer's or Buyer's Customers' proprietary information and materials.
- (b) Seller agrees to grant Buyer and Buyer's Customer (where applicable) a license under Seller's copyrights for the purpose of converting Seller proprietary information and materials to a digital format ("Digital Materials") and make such Digital Materials available to its employees for company internal use through a computer data base system. Except as otherwise specifically agreed to in writing between Buyer and Seller, said license set forth hereunder shall survive termination or cancellation of the order relative to Digital Materials in Buyer's computer data base system prior to issuance of such notice of termination or cancellation.
- (c) Seller's use of proprietary information and materials as defined herein beyond that authorized by the order or other agreement shall be subject to a license agreement or other written agreement as determined by the Buyer and/or Buyer's Customer as applicable.
- 16. INTELLECTUAL PROPERTY:** "Intellectual Property" means all inventions, patents, software, copyrights, trademarks, trade secrets, know-how, proprietary information and rights including, without limitation, designs, processes, drawings, prints, specifications, reports, data, technical information, and instructions. Buyer shall own all Intellectual Property and tangible work product conceived, created, acquired, or first reduced to practice in connection with the order ("Foreground Intellectual Property"). Seller shall disclose to Buyer all Foreground Intellectual Property. If not expressly required to be delivered in the order, Seller shall deliver to Buyer all Foreground Intellectual Property upon request from Buyer. Seller hereby assigns and promises to assign to Buyer all right, title and interest to all Foreground Intellectual Property. In addition to and not in lieu of other rights to Intellectual Property otherwise set forth in the Order, a written agreement or these Terms and Conditions, Supplier hereby grants to Buyer a worldwide, non-exclusive, paid-up, irrevocable, license ("Additional License"), with the right to grant sublicenses, to Supplier's Information, data, know-how, tooling, test equipment and other Intellectual Property, including without limitations proprietary and manufacturing information to enable Buyer to make, have made, use, sell and license the goods, subject to the following restriction: Buyer hereby agrees not to exercise such rights under the Additional License except in the event Supplier (i) becomes insolvent, (ii) becomes unable to pay its debts as they mature, (iii) makes a general assignment for the benefit of creditors, (iv) has a receiver appointed for the whole or any substantial part of its assets, or (v) becomes in any way the subject of a bankruptcy petition, whether or not the Order is terminated. As part of such Additional License, Supplier shall upon Buyer's written request and at no charge to Buyer, promptly (a) deliver to Buyer all information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, utilized by Supplier in performing the Order, and (b) deliver the tooling and test equipment necessary to make or have made the Goods and provide technical and transition assistance in order to ensure Buyer's continuing requirements for Goods.
- 17. COMPLIANCE WITH LAWS:** Seller shall comply with all federal, state and local laws, ordinances, Executive Orders, rules and regulations during the performance of this order, including but not limited to and as amended:
- (a) Executive Order 11246, amended through Executive Order 13665, and its applicable regulations, Section 503 of the Rehabilitation Act of 1973 and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act unless exempted from such coverage, the Occupational Safety and Health Act of 1970 ("OSHA"), the Truth in Negotiation Act, the Resources Conservation and Recovery Act and all applicable requirements of the Fair Labor Standards Act (29 U.S.C. 201-219). Seller will defend and hold Buyer harmless from any loss, damages or costs arising from or caused in any way by any actual or alleged violation of any federal, state or local law, ordinance, rule or regulation, or failure by the Seller to have (i) any chemical



substances sold hereunder included in the list of approved chemical substances published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act; or (ii) provide a completed Material Safety Data Sheet (OSHA Form 20) or equivalent for any chemical substances sold hereunder as required by any federal, state or local law, ordinance, rule or regulation.

- (b) In addition, Seller shall (i) comply with all applicable country laws relating to anti-corruption or anti-bribery, including but not limited to legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (the "OECD Convention") or other anti-corruption/anti-bribery convention; (ii) comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, et. seq.), regardless of whether Seller is within the jurisdiction of the United States; and (iii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.
- (c) Seller shall not deliver or furnish any Goods under this order that are "Counterfeit Goods". "Counterfeit Goods" means Goods or separately-identifiable items or components of Goods that: (i) are an unauthorized copy or substitute of an Original Equipment Manufacturer ("OEM") item; (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re-worked, re-marked, re-labeled, or otherwise modified from OEM design but are represented as OEM authentic; (v) are used, refurbished, damaged, or reclaimed but are represented as being new; and (vi) have not passed successfully all OEM required testing, verification, screening, and quality control processes. Counterfeit Goods shall be deemed non-conforming, and in addition to any other rights Buyer may have at law, Seller shall disclose the source of the counterfeit good to Buyer and/or Buyer's Customer(s) and otherwise cooperate with Buyer and/or Buyer's Customer(s) with respect to any investigations or remedial actions undertaken by Buyer or Buyer's Customer(s).
- (d) Buyer and Buyer's Customers are committed to assuring a safe and secure work environment and the protection and advancement of human rights throughout worldwide operations. The Buyer and Buyer's Customers policies do not allow the use of child or forced labor. In addition, Buyer and Buyer's Customers work to protect the environment, maximize efficiencies of our products, and reduce wastes, emissions, energy consumption and the use of materials of concern. The Buyer and Buyer's Customers encourage Seller and all sub-tiers or suppliers of Seller to adopt similar policies.
- (e) Seller shall, at the earliest practicable time, notify Buyer in writing if Seller is (i) suspended, debarred, or proposed for suspension or debarment from doing business with the U.S. Government, or (ii) listed or is proposed to be listed by the U.S. Government in any "denial orders," as a "blocked person," as a "specially designated national," or as a "specially designated terrorist" for U.S. export administration purposes (collectively, "Debarment"). Any such Debarment shall constitute cause for Buyer to terminate the order under the Section entitled "Termination with Cause".
- (f) Seller shall, at the earliest practicable time, notify Buyer in writing if Seller is subject to any federal, state, or foreign government criminal proceeding alleging fraud or corrupt practices, once initiated by the filing of a formal charging document in a court of law; and further notify Buyer of any subsequent felony convictions or deferred prosecution agreement(s) related to the foregoing.
- (g) Seller recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC countries"). Accordingly, Seller commits to comply with Section 1502 of the Act and its implementing regulations; to the extent Seller is not a "Registrant" as defined in the Act, Seller shall comply with Section 1502 of the Act and its implementing regulations except for the filing requirements. In particular, Seller commits to have in place a supply chain policy and processes to undertake (i) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into products it provides Buyer; (ii) due diligence of its supply chain, following a nationally or internationally recognized due diligence framework, as necessary, to determine if Conflict Minerals sourced from the DRC countries directly or indirectly support unlawful conflict there, and (iii) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Seller shall take all other measures as are necessary to comply with the Section 1502 of the Act and its implementing regulations, including any amendments thereto.
- (h) Seller acknowledges and accepts full and sole responsibility to maintain an ethics and compliance program appropriate for its business throughout the performance of this agreement. Buyer encourages Seller to model its program in accordance with the Federal Sentencing Guidelines, applicable guidance from enforcement authorities, and industry best practices. Seller shall publicize to its employees who are engaged in the performance of work under this agreement that they may report any concerns of misconduct by Buyer or any of its employees or agents by contacting the Ethics Hotline – (253) 458-3584. Seller shall convey the substance of this clause to its suppliers.
- 18. EXPORT COMPLIANCE:** In performing the obligations of this order, Seller shall comply with all applicable export, import and sanction laws, regulations, orders, and authorizations, as amended at the time of export of Goods, technology or services, including but not limited to technical data, manufacturing drawings, specifications, software, etc. These laws include, but not limited to, (i) Section 38 of the Arms Export Control Act as enumerated in 22 CFR Parts 120-130, the International Traffic in Arms Regulations (ITAR), (ii) Export Administration Act of 1979, in 15 CFR Parts 730-774 of the Export Administration Regulations (EAR), (iii) Foreign Assets Control Regulations and associated Executive Orders administered by the Office of Foreign Assets Control, U.S. Department of Treasury, 31 CFR Parts 500-598, (iv) applicable laws and regulations of other countries, and (v) DFARS clause 225.252-7048 – Export Controlled Items.
- (a) Seller shall obtain all export or import authorizations which are required for the Seller to execute obligations of the order.
- (b) Seller shall not transfer, disclose or export technical data, manufacturing drawings, specifications, software or similar type items to any non-U.S. Person or foreign commercial entity, or modify any such items for any military application, unless Seller receives advance written authorization from Buyer. In addition, Seller must obtain approvals from the U.S. Department of State's Office of Defense Trade Controls or from the U.S. Department of Commerce's Bureau of Industry and Security, as required.



- (c) If Seller is in the business of manufacturing, exporting or brokering items on the United States Munitions List (USML), Seller shall maintain registration with the Directorate of Defense Trade Controls (DDTC) as may be required by 22 CFR Part 122.1 and/or 129.3 of the ITAR and provide Buyer annually with its DDTC registration expiration date.
- (d) If the Goods are Seller designed or designed by a supplier of the Seller, then Seller or Seller's supplier shall provide the Export Control Classification Number ("ECCN") and Harmonized Tariff Code (HTS) for the Goods and if any of the components or parts thereof have different numbers, provide those as well. If the Good(s) or any part of component thereof was specifically designed or modified for a military end use or end user, the Seller or Seller's supplier shall notify Buyer of this fact and shall provide written confirmation that such Good(s)/components/parts are not subject to jurisdiction of the ITAR and are not listed on the U.S. Munitions List.
19. **LIEN WAIVERS:** Seller shall furnish, upon Buyer's request, waivers by Seller and all other persons entitled to assert any lien rights in connection with the performance of this order.
20. **PATENTS AND COPYRIGHTS:** Seller shall defend, at its own expense, any suit or claim that may be instituted against Buyer or any customer or Buyer for alleged infringement of patents or copyrights relating to the maintenance, sale or use of the Goods, except for any such infringement resulting from Seller's compliance with detailed designs provided by Buyer, and Seller shall indemnify Buyer and its customers for all costs and damages arising out of such alleged infringement. Buyer shall have the right, at no additional charge, to use and/or reproduce the Seller's applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Seller shall advise Buyer of any updated information relative to the foregoing literature and documentation with timely notifications in writing.
21. **INDEMNIFICATION:** Seller shall indemnify and hold harmless Buyer, Buyer's Customers and their employees, agents, officers and directors against any and all suits, claims, losses, damages, costs or expenses for loss and liability for all personal injury and property damage caused by the Goods or Services performed by Seller (whether performed on the premises of Seller or Buyer or elsewhere) and shall defend at its sole cost and expense any action brought against Buyer as a result of any such personal injury or death or any other damages of any other nature, including claims of consequential loss and breach of contract, relating to, arising out of, or caused by the performance hereunder, its Goods or workmanship, or the actions or omissions of the Seller or its employees, agent, or subcontractors or suppliers, except for claims arising through claimed sole and exclusive negligence of Buyer. Seller shall carry and maintain insurance coverage satisfactory to Buyer to cover the above and per the following Section 22.
22. **INSURANCE:**
- (a) Seller agrees to secure and carry as a minimum and ensure that all subcontractors or suppliers thereof carry and maintain the following insurance with respect to all work to be performed and Goods to be produced under this order for the duration of this order:
- Workers' Compensation Insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the laws of the U.S., foreign country, state, or other governmental subdivision in which the work or any portion of the work is performed and Employer's Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence;
  - Commercial General Liability Insurance including Premises Liability and contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$5,000,000 for any one occurrence;
  - If Seller vehicles are used on Buyer's premises and/or used to accomplish work under the order or otherwise on behalf of Buyer, Automobile Liability Insurance in which the limit of liability for property damage and bodily injuries, including accidental death, shall be a combined single limit of \$1,000,000 for any one occurrence;
  - If Seller or its subcontractors have Buyer's or Buyer's Customers' materials, property or equipment in its care, custody or control, Seller shall have and maintain All-Risk Property Insurance in an amount sufficient to meet or exceed the value of such material or property. Such material and property may include, but not be limited to, Tooling, Buyer or Buyer's Customer furnished property, raw materials, parts, work-in-process, and all other Goods or Services or parts thereof, and all drawings, specifications, data and other materials relating to any of the foregoing.
- (b) Upon request from Buyer, Seller shall provide certificates of insurance reflecting full compliance with the above requirements. Such certificates shall be kept current and in compliance throughout the period of the order and shall provide for thirty (30) days written notice in advance to Buyer in the event of cancellation, non-renewal or material change impacting the interests of the Buyer.
- (c) Seller shall give prompt written notice to Buyer of the occurrence of any damage or loss to any Buyer's or Buyer's Customers' property required to be insured herein. If any such material or property is damaged or destroyed, in whole or in part, by fault or negligence of the Seller or any subcontractor or supplier thereof, Seller shall, at no cost to Buyer or Buyer's Customers, promptly and equitably reimburse Buyer or Buyer's Customer for such damage or repair or otherwise make good such property or material to Buyer's or Buyer's Customer's satisfaction. If Seller fails to do so, Buyer or Buyer's Customer may do so and recover from Seller the cost thereof.
- (d) Any self-insured retention, deductibles, and exclusions in coverage in the policies required under this section shall be assumed by, for the account of, and at sole risk of the Seller or subcontractor or supplier, which provides the insurance and to the extent applicable shall be paid by such Seller or subcontractor or supplier. In no event, shall the liability of Seller or any subcontractor or supplier thereof be limited to the extent of any of the minimum limits required herein.
23. **ASSIGNMENT:** Seller shall not assign this order or any rights under this order without the prior written consent of Buyer, and no purported assignment by Seller shall be binding on Buyer without such written consent.
24. **NOTICE OF LABOR DISPUTES:** Whenever an actual or potential labor dispute delays, or threatens to delay the timely performance of this order. Seller shall immediately notify Buyer in writing of all relevant information with respect to such dispute.
25. **PUBLICITY:** Seller shall not make or authorize any news release, advertisement, or other disclosure which shall deny or confirm the existence of this order without the prior written consent of Buyer, except as may be required to perform this order. Without Buyer's prior written approval, Seller shall not, and shall require that its subcontractors or suppliers shall not, release any publicity, advertisement, news release or denial or confirmation of the same, regarding any order or Goods or Services, or the program to



which they may pertain. Seller shall be liable to Buyer and Buyer's Customer(s) for any breach of such obligation by any subcontractor or supplier.

**26. TERMINATION:**

(a) **Without Cause:** Buyer may terminate, for its convenience, all or any part of this order at any time by written notice to Seller. Upon such termination, settlement shall be made in accordance with the principles contained in Federal Acquisition Regulations (FAR) 52.249-2 as in effect as of the date of this order, except that Seller must submit a written termination claim to Buyer within sixty (60) days after the effective date of termination, or such claim shall be absolutely and unconditionally waived. In the event Buyer terminates, for its convenience, after performance has commenced, Buyer will compensate Seller only for the actual and reasonable work-in-process costs incurred by Seller on Goods required to be delivered within the Lead Time period. Buyer shall not be liable in any event for lost or anticipated profits, or unabsorbed indirect costs or overhead, or for any sum in excess of the price allocated to the portion of the order terminated. Buyer shall not be liable for any outstanding non-recurring amounts or work-in-process of Services unless specific documentation is provided by Seller to substantiate the costs outstanding for such work-in-process.

(b) **With Cause:** If Seller fails to make delivery of the Goods, or fails to perform the Services, in accordance with the delivery dates specified in this order, or fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and does not cure such failure within ten (10) days after notice from the Buyer, Buyer may (in addition to any other right or remedy provided by this order or by law) terminate all or any part of this order by written notice to Seller without liability or further obligation, and Seller has no claim for damages, compensation or loss of profit as a result of termination or cancellation of any order, and purchase substitute goods elsewhere, and Seller shall be liable to Buyer for any excess cost occasioned Buyer, thereby. Seller shall continue performance of this order to the extent not terminated pursuant to this Section 26(b). If this order is terminated as provided in this Section 26(b), the Buyer, in addition to any other rights provided herein, may require the Seller to transfer title and deliver to the Buyer (i) any completed Goods, (ii) all information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, utilized by Supplier in performing the Order; and (iii) such partially completed Goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights as the Seller has specifically produced or specifically acquired for the performance of this order.

**27. EXCESS INVENTORY:** Two (2) years subsequent to Seller's last delivery of Goods, Seller and Buyer agree to review excess inventory. Goods which contain, convey, embody or were manufactured in accordance with or by reference to Buyer's or Buyer's Customer's proprietary information and materials including but not limited to finished goods, work-in-process and detail components ("Inventory") which are in excess of order quantity shall be made available to Buyer for purchase.

(a) In the event that Buyer elects, at its sole discretion, not to purchase the inventory, Seller may scrap the Inventory. Prior to scrapping the Inventory, Seller shall render the Inventory unusable. Seller shall maintain, pursuant to their quality assurance system, records certifying the destruction of the applicable Inventory.

(b) In the event Seller elects to maintain the Inventory, Seller shall strictly control all Inventory of Buyer's or Buyer's Customers' proprietary good that is in excess of contract quantity in order to prevent good from being sold or provided to any third party without prior written authorization from Buyer or Buyer's Customer. Failure to comply with these requirements shall be a material breach and grounds for "Termination with Cause" per Section 26(b) above.

**28. ENVIRONMENTAL MANAGEMENT, HEALTH AND SAFETY MANAGEMENT, SUSTAINABILITY**

(a) Seller shall implement an environmental management system ("EMS") in accordance with International Standards Organization (ISO) 14001. The EMS shall be certified and registered by an independent auditing body, and a copy of the certification shall be provided to Buyer. Seller shall promptly notify Buyer of any change to its EMS's certification or registration status. Seller shall include these requirements in each of its subcontractor and supplier contracts (with each production manufacturing subcontractor or supplier classified under NAICS codes 31-33 and having more than 500 employees) in support of the performance of Seller's obligations under this agreement, as well as the requirements of Section 17 Compliance with Laws, of this agreement.

(b) Seller shall implement a health and safety management system (HSMS) with respect to its performance under this agreement. Seller shall include this requirement in any of its subcontractor and supplier contracts in support of the performance of Seller's obligations under this agreement, as well as the requirements of Section 17 Compliance with Laws, of this agreement.

(c) Buyer encourages Seller to implement environmentally friendly practices such as the efficient use of resources and minimization of waste; this must be a continuous and ongoing process. Seller represents that it will develop and maintain an updated corporate sustainability plan which may include, but is not limited to: i) reduction of energy consumption, ii) reduction of greenhouse gasses, iii) reduction of solid waste, iv) reduction of hazardous waste, v) environmentally and resource friendly procurement process including environmentally friendly packaging and resource management. Seller represents that it will encourage its sub-tier suppliers to develop and incorporate their own corporate sustainability plans and practices similar to what is outlined in this Section 18c.

**29. WAIVER:** The failure of Buyer to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to the Buyer under this order, shall not be construed as waiving such provision or any other provision of this order, and the same shall continue in full force and effect. If any provision of this order is found to be illegal or otherwise unenforceable by any court or other judicial or administrative body, the other provisions of this order shall not be affected thereby, and shall remain in full force and effect.

**30. APPLICABLE LAW:** The validity, performance, and construction of this order shall be governed by the laws of the state shown on Buyer's address on this order. The provisions of the United Nations Convention on Contracts for the International Sale of Goods are excluded.

**31. SPECIAL U.S. GOVERNMENT PROVISIONS:** The provisions set forth in this Section 30 shall apply only if this order bears a U.S. Government contract number. Such orders will be construed and interpreted according to the Federal law of Government Contracts as enunciated and applied by Federal judicial bodies and Boards of Contract Appeals, and other judicial and quasi-judicial agencies of the Federal Government. To the extent that the Federal law of Government Contracts is not determinative, recourse shall be had first to the Federal law of sales applying the Uniform Commercial Code, and then to the laws of the state shown on Buyer's address on this order.



- (a) **Audit:** Seller agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of this order, shall at any time and after reasonable advance notice be subject to inspection and audit by any person designated by the head of any executive department of the U.S. Government.
- (b) **Subcontracts:** Seller agrees that no subcontract placed under this order shall provide for payment on a cost plus percentage of cost basis.
- (c) **Quality Control:** Except as otherwise provided in this order. Seller's system of Quality Control during the performance of this order shall be in accordance with the specifications incorporated herein by reference or other Quality Control Specifications as are required by Buyer's prime contractor higher tier order.
- (d) **FAR Regulations:** The following clauses of the Federal Acquisition Regulations (FAR), Department of Defense FAR Supplements, and clauses in the Defense Federal Acquisition Regulations Supplement (DFARS) which are equivalent to the following FAR clauses are incorporated herein by reference as in effect on the date of this order and made a part hereof to the extent same are required by statute, regulation or Buyer's prime contract, as applicable. Wherever appearing in these clauses, the term "Contractor" shall mean "Seller", the term "Contract" shall mean this order, and where necessary to derive proper meaning in a subcontract situation the term "Contracting Officer" shall mean the "Buyer" and "Government" or shall mean "Buyer" or "Government". Any reference to a "Default" clause in the above FAR clauses shall mean the "Termination with Cause" clause. Seller shall comply with applicable clauses and any additional clauses incorporated via this order or other written notice provided by Buyer.

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| 52.203-3  | Gratuities   |
| 52.203-5  | Covenant Against Contingent Fees   |
| 52.203-6  | Restriction on Subcontractor Sales to the Gov't  |
| 52.203-10 | Price of Fee Adjustment for Illegal or Improper Activity   |
| 52.203-11 | Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions                      |
| 52.203-15 | Whistleblower Protections Under the American Recovery Reinvestment Act of 2009                                 |
| 52.204-21 | Basic Safeguarding of Covered Contractor Information Systems   |
| 52.209-6  | Protecting Gov'ts Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment |
| 52.211-5  | Material Requirements  |
| 52.211-15 | Defense Priority and Allocation Requirements   |
| 52.215-2  | Audit and Records – Negotiation  |
| 52.215-20 | Requirements for Cost or Pricing Data or Information other than Cost or Pricing Data                           |
| 52.215-21 | Requirements for Cost or Pricing Data or Information other than Cost or Pricing Data – Modifications           |
| 52.215-23 | Limitation on Pass-Through Charges   |
| 52.219-8  | Utilization of Small Business Concerns   |
| 52.222-1  | Notice to the Government of Labor Disputes   |
| 52.222-3  | Convict Labor  |
| 52.222-4  | Contract Work Hours and Safety Standards Act — Overtime Compensation   |
| 52.222.19 | Child Labor – Cooperation with Authorities and Remedies  |
| 52.222-20 | Contracts for Materials, Supplies, Articles, and Equipment Exceeding \$15,000                                  |
| 52.222-21 | Prohibition of Segregated Facilities   |
| 52.222-26 | Equal Opportunity  |
| 52.222-36 | Equal Opportunity for Workers with Disabilities  |
| 52.222-37 | Employment Reports on Veterans   |
| 52.222-40 | Notification of Employee Rights Under the National Labor Relations Act   |
| 52.222-50 | Combating Trafficking in Persons   |
| 52.222-54 | Employment Eligibility Verification  |
| 52.223-3  | Hazardous Material Identification and Material Safety Data   |
| 52.223-7  | Notice of Radioactive Materials  |
| 52.223-11 | Ozone Depleting Substances and High Global Warning Potential Hydrofluorocarbons                                |
| 52.223-18 | Contractor Policy to Ban Text Messaging While Driving  |
| 52.225-1  | Buy American Act - Supplies  |
| 52.225-8  | Duty-Free Entry  |
| 52.225-13 | Restrictions on Certain Foreign Purchases  |
| 52.227-3  | Patent Indemnity   |
| 52.227-9  | Refund of Royalties  |
| 52.227-11 | Patent Rights – Ownership by the Contractor  |
| 52.227-13 | Patent Rights – Ownership by the Government  |
| 52.227-14 | Rights in Data – General   |
| 52.228-4  | Worker's Compensation and War-Hazard Insurance Overseas  |
| 52.230-2  | Cost Accounting Standards  |
| 52.236-13 | Accident Prevention  |
| 52.244-6  | Subcontracts for Commercial Items  |
| 52.245-1  | Government Property  |
| 52.246-2  | Inspection of Supplies   |
| 52.247-63 | Preference for U.S.-Flag Air Carriers  |





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| 52.249-2   | Termination for Convenience of the Government (Fixed Price)  |
| 252.204-7000   | Disclosure of Information  |
| 252.204-7009   | Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information                 |
| 252.204-7012   | Safeguarding Covered Defense Information and Cyber Incident Reporting  |
| 252.204-7015   | Notice of Authorized Disclosure of Information for Litigation Support  |
| 252.211-7003   | Item Unique Identification and Valuation   |
| 252.222-7000   | Restrictions of Employment Personnel   |
| 252.222-7006   | Restrictions on the Use of Mandatory Arbitration Agreements  |
| 252.222-7007   | Representation Regarding Combating Trafficking in Persons  |
| 252.223-7008   | Prohibition of Hexavalent Chromium   |
| 252.225-7001   | Buy American Act and the Balance of Payments Program   |
| 252.225-7002   | Qualifying Country Sources as Subcontractors   |
| 252.225-7007   | Prohibition on Acquisition of United States Munitions List items from communist Chinese Military Companies         |
| 252.225-7009   | Restriction on Acquisition of Certain Articles Containing Specialty Metals   |
| 252.225-7013   | Duty Free Entry – Qualifying Country Supplier (End Produce and Components)   |
| 252.225-7016   | Restriction on Acquisition of Ball and Roller Bearings   |
| 252.225-7036   | Buy American Act-Free Trade Agreement – Balance of Payments Program  |
| 252.226-7001   | Utilization of Indian Organizations, Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns |
| 252.227-7013   | Rights in Technical Data – Noncommercial Items   |
| 252.227-7015   | Technical Data – Commercial Items  |
| 252.227-7016   | Rights in Bid or Proposal Information  |
| 252.227-7017   | Identification and Assertion of Use, Release, or Disclosure Restrictions   |
| 252.227-7023   | Drawings and Other Data Become Property of Government  |
| 252.227-7033   | Rights in Shop Drawings  |
| 252.227-7037   | Validation of Restrictive Markings on Technical Data   |
| 252.228-7001   | Ground and Flight Risk   |
| 252.228-7005   | Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles                       |
| 252.236-7000   | Modification Proposals – Price Breakdown   |
| 252.244-7000   | Subcontracts for Commercial Items  |
| 252.246-7001   | Warranty of Data   |
| 252.246-7003   | Notification of Potential Safety Issues  |
| If this purchase order exceeds various thresholds \$100,000, \$150,000, \$500,000, \$650,000, or \$700,000, or depending upon the requirements of the Buyer's higher tier contract, and/or a Certificate of Current Cost or Pricing Data has been furnished, the following are incorporated herein by reference; |  |
| 52.203-7   | Anti-Kickback Procedures   |
| 52.203-12  | Limitation on Payments to Influence Certain Federal Transactions   |
| 52.203-13  | Contractor Code of Business Ethics and Conduct   |
| 52.214-26  | Audit and Records – Sealed Bidding   |
| 52.214-27  | Price Reduction for Defective Cost or Pricing Data – Modifications   |
| 52.214-28  | Subcontractor Cost of Pricing Data - Modifications   |
| 52.215-10  | Price Reduction for Defective Cost or Pricing Data   |
| 52.215-12  | Subcontractor Certified Cost and Pricing Data  |
| 52.215-13  | Subcontractor Certified Cost and Pricing Data – Modifications  |
| 52.215-14  | Integrity of Unit Prices   |
| 52.222-35  | Equal Opportunity for Veterans   |
| 52.222-37  | Employment Reports on Veterans   |
| 52.227-1   | Authorization and Consent  |
| 52.227-2   | Notice and Assistance regarding Patent and Copyright infringement  |
| 52.230-3   | Disclosure and Consistency of Cost Accounting Practices  |
| 52.230-6   | Administration of Cost Accounting Standards  |
| 52.248-1   | Value Engineering  |
| 252.225-7006   | Quarterly Reporting of Actual Contract Performance Outside the U.S.  |
| 252.249-7002   | Notification of Anticipated Contract Terminations or Reductions  |

(e) **Government Property:** Seller shall maintain and administer, in accordance with sound industrial practices, a program for the maintenance, repair, protection, and preservation of Government property. Seller shall comply with the provisions of FAR subpart 52.245-1 "Government Property" as in effect on the date of this order, which subpart is hereby incorporated by reference and made a part of this order. Seller assumes risk of and shall be responsible for any loss or damage to Government property, except for reasonable wear and tear and except to the extent that such property is incorporated in the Goods delivered under this order. Upon completion of this order or at such earlier times as Buyer may request. Seller shall submit, in acceptable form, inventory schedules covering all items of Government property pertaining to this order. To the extent that such use will not interfere with



Seller's performance of this or other orders from Buyer, this clause shall not limit the use by the Seller of property to which the Government has title in the production of end items on direct Government orders; however, nothing herein will be deemed to contravene the rights of the Government under FAR 45.106 or FAR 52.245-2.

- (f) **NASA Regulations:** Under any individual procurement which references a NASA prime contract, the following are incorporated by reference NASA FAR 1827.404 Basic Rights in Data, NASA FAR 1827.405 Other Data Rights Provisions, NASA FAR Part 1849 Termination of Contracts. All NASA orders are subject to NASA FAR Part 1844 Subcontracting Policies and Procedures.
32. **FLOWDOWNS:** Seller shall include as part of its subcontracts all applicable clauses to the Seller's suppliers or subcontractors. In addition, Seller shall provide access to Buyer or Buyer's Customer to enable Buyer to determine whether Seller has properly incorporated such requirements into its subcontracts.
33. **DISPUTES/JURISDICTION & VENUE:** Any dispute arising under this order which is not disposed of by agreement of the parties shall be decided by a court proceeding. The jurisdiction and venue of any dispute shall be submitted to the King County Superior Court, State of Washington and each party submits to the jurisdiction of that court for such purpose. Any removal to Federal Court shall be to the Western District, Seattle, Washington, and pending settlement of final decision of any such dispute. Seller agrees to proceed diligently with the performance of this order hereunder, including the delivery of Goods or Services, regardless of a pending resolution of a dispute or claim, unless otherwise instructed by the Buyer.
34. **COMPLETE AGREEMENT:** This order, and any supplemental sheets and riders annexed hereto by Buyer, contains the complete and entire agreement between the parties as to the subject matter hereof, and replaces and supersedes any prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to such subject matter. Subject headings provided herein are for convenience and clarity and do not affect interpretation of any of the terms or their legal effect.

**DEFINITIONS:** 'FAR' Federal Acquisition Regulation as in effect on date of this order.

'Seller' – includes Seller and its suppliers or subcontractors.

'Buyer' – includes Buyer, Buyer's Customers, and/or any competent regulatory authority.