

ALBANY AEROSTRUCTURES COMPOSITES LLC
STANDARD COMMERCIAL FIXED PRICE TERMS AND CONDITIONS AND FAR FLOWDOWN PROVISIONS

For Subcontracts and Purchase Orders Issued Under A U.S. Government Contract for Commercial Items (as defined in Federal Acquisition Regulation 2.101)

ITEM 1 - ARTICLES APPLICABLE TO ALL ORDERS

DEFINITIONS AND RULES OF CONSTRUCTION

As used throughout this Purchase Order, the following terms are defined as specified below unless otherwise specifically stated:

“AMS” means the Federal Aviation Administration’s Acquisition Management System.

“Buyer” means Albany Aerostructures Composites LLC, a limited liability corporation organized and existing under the laws of the state of Delaware, and all of its affiliates.

“Buyer’s Representative” means the agent of Buyer with the actual authority to make legally binding commitments on behalf of Buyer, such as a procurement representative or subcontract administrator.

“Day” or “Days” means calendar day(s). All periods of days referred to in this Order shall be measured in calendar days. Where a date referenced in this Order falls on a weekend or federal holiday, the date shall be deemed to fall on the next business day.

“DFARS” means the Defense Federal Acquisition Regulation Supplement.

“FAA” means the Federal Aviation Administration.

“FAR” means the Federal Acquisition Regulation.

“Item” means goods, parts, components, supplies, or items including, without limitation, those part numbers model numbers, and/or descriptions set forth on the face of this Order and any Services supplied with them, and shall also include computer software or hardware (including any software, firmware or other hardwired logic embedded within the hardware) delivered or to be delivered under this Order. It shall also include Services not supplied with Items as the context requires.

“Government” means the Government of the United States, unless otherwise specified.

“Government Contract” means one of Buyer’s contracts with the Department of Defense, National Aeronautics and Space Administration (“NASA”), the National Security Agency (“NSA”), FAA or any other agency of the United States including without limitation the Department of Homeland Security and the General Services Administration.

“NFS” means the National Aeronautics and Space Administration (“NASA”) FAR Supplement.

“NSA” means the National Security Agency.

“Parties” means Buyer and Seller, and, if the context requires, their employees, officers, agents (including without limitation, carriers and riggers), subcontractors, wholly-owned subsidiaries, and others acting at their respective direction and control or under contract to either.

“Purchase Order” or “Order” means this contractual instrument, or any Purchase Order issued hereunder, including written change notices, supplements, amendments, or other written modifications thereto, together with any referenced certifications, certificates (including Seller’s Annual Certification), exhibits, attachments or other documents, as well as the Subcontract (if any) and includes these terms and conditions, and the Statement of Work, if any.

“Seller” means the legal entity performing work pursuant to this Order and, if the context requires, its employees, officers, agents (including without

limitation, carriers and riggers), subcontractors, and others acting at its direction and control or under contract to it.

“Seller’s Annual Certification” means the certifications and representations set forth in Albany Aerostructures Composites’ Annual Certification document, attested to and executed by a duly authorized representative of Seller’s company.

“Services” means any effort supplied by Seller incidental to the sale of Items by Seller under this Order including, without limitation, installation, repair, and maintenance services. The term “Services” shall also include, without limitation, any effort specifically required by this Order, including all associated efforts such as design, engineering, repair, maintenance, technical, construction, consulting, professional, or other services.

1. CONTENTS AND ORDER OF PRECEDENCE: This Order integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the Parties and shall govern the performance and/or delivery of Items and/or Services provided pursuant to the Order. The provisions of this Order shall be construed and interpreted as consistent whenever possible. Any conflicts in this Order shall be resolved in accordance with the following descending order of precedence

- (a) the Purchase Order;
- (b) these Terms and Conditions (which are incorporated by reference in any Purchase Order issued hereunder); and
- (c) the Statement of Work.

These Terms and Conditions shall be construed and interpreted as consistent whenever possible. In the event of a conflict in the Articles contained in ITEM 1 and applicable clauses contained in ITEM 2, the applicable clauses in ITEM 2 shall control to the extent necessary for Buyer to comply with Buyer’s Government Contract.

2. ACCEPTANCE OF THIS ORDER: Any of the following acts by Seller shall constitute acceptance of this Order, regardless of whether Buyer has received a signed Order from Seller:

- (a) execution of the acceptance copy of this Order and receipt by Buyer;
- (b) initiation of any aspect of performance, or notification to Buyer that Seller is commencing performance, under this Order;
- (c) shipping of any Items in performance of this Order; or
- (d) acceptance of any form of payment, partial or complete, under this Order.

Any additional or different terms proposed by Seller, including any contained in Seller’s acknowledgment form, are rejected unless expressly agreed to in writing by Buyer’s Representative.

Seller’s staff shall perform such work as may be ordered by Buyer. The entire direction, scope, control, and interpretation of any work to be performed by Seller’s staff shall be made exclusively and solely at the discretion of Buyer. Seller shall at all time employ persons to perform the tasks who are fully experienced and properly qualified to perform the same.

In accordance with the Department of Defense Priorities and Allocations Systems (“DPAS”), codified at 15 C.F.R. § 700, Seller must sign and return the Order acceptance copy within five (5) days of Seller’s receipt if this Order is DX rated, within ten (10) days after receipt if DO rated. For unrated Orders, Seller shall sign and return the Order acceptance copy within ten (10) days after receipt.

3. PRICE, PAYMENT AND CLOSE-OUT:

- (a) Buyer shall pay Seller, upon the submission of proper invoices or vouchers, the prices stipulated in this Order for Items delivered and accepted or Services rendered and accepted, less any deductions provided in this Order.
- (b) Invoicing.
 - (1) Seller shall issue a separate invoice, in English, for each shipment or each billing period. Payments will be made from

“Original” invoices only. Fax copies, statements, or invoice copies will not be accepted. “Duplicate Original” invoices must not be sent without prior authorization from Buyer. Unless otherwise instructed by Buyer, each invoice shall include:

- (i) the Invoice date and number;
- (ii) Buyer’s Government Contract Number, Purchase Order Number and Line number;
- (iii) Buyer Line Description (as referenced on the Order);
- (iv) a description of the quantity, unit of measure, unit price, extended price, and total price of the Items and/or Services delivered;
- (v) Seller’s invoice number and date;
- (vi) the payment terms as agreed by the Parties and stated in the Purchase Order; and
- (vi) a description of the work performed.

(c) Payments.

- (1) Each payment made shall be subject to reduction to the extent of amounts which are found by Buyer or Seller not to have been properly payable, and shall also be subject to reduction for overpayments. Seller shall promptly notify Buyer of any such overpayments found by Seller and shall:
 - (i) Remit the overpayment amount to Buyer along with a description of the overpayment including the—
 - (A) Circumstances of the overpayment (e.g., duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);
 - (B) Affected contract number and delivery order number, if applicable;
 - (C) Affected contract line item or subline item, if applicable; and
 - (D) Seller point of contact.
 - (ii) Provide a copy of the remittance and supporting documentation to Buyer’s Representative.
- (2) Buyer, and any affiliate of Buyer, may withhold, deduct and/or setoff all money due, or which may become due, from Buyer or any affiliate of Buyer, arising out of Seller’s performance under this Order or any other transaction Buyer and its affiliates may have with Seller.
- (3) If Buyer chooses to make interim payments for Order financing, Buyer will make such payments on the 45th day after the payment office designated on the Purchase Order receives a proper payment request. In the event that Buyer or Buyer’s Customer requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the Order, Buyer is not compelled to make payment by the specified due date.
- (4) Payment terms begin upon Buyer’s receipt of an acceptable invoice. Payments are not scheduled based upon the date of Seller’s invoice. Seller must correctly indicate agreed upon terms in each invoice compliant with the terms set forth on the face of the Purchase Order. Any applicable discount period will run from the date of receipt of a correct invoice to the date Buyer issues a check.

- (d) No subcontract placed under this Order shall provide for payment of a cost-plus-a-percentage-of-cost basis.

4. RESERVED.

5. ARTICLE HEADINGS: The headings and subheadings of Articles contained herein are used for convenience and ease of reference and do not limit the scope or intent of the Article.

6. ASSIGNMENT AND SUBCONTRACTING: Neither this Order itself, nor any interest or obligation hereunder, shall be assigned or transferred by Seller without the prior written consent of Buyer. Seller shall not subcontract the furnishing of any of the complete or substantially complete Items or Services required by this Order, without the prior written approval of Buyer; however, this Article shall not be construed to require the approval of contract of employment between Seller and personnel assigned for Services hereunder. Assignment and Subcontracting: Seller shall flow down all applicable requirements, including Buyer’s customer’s requirements and the clauses set forth in ITEM 2, to Seller’s subcontractors and assignees, if any. Seller further agrees to select subcontractors (including vendors or suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of this Purchase Order. Seller shall remain primarily responsible for the performance of obligations which it

subcontracts hereunder and shall reasonably supervise such work. However, Seller may assign rights to be paid amounts due, or to become due, to a financing institution if Buyer is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned to an assignee shall be subject to setoffs or recoupment for any present or future claims of Buyer against Seller. Buyer shall have the right to make settlements and adjustments in price with Seller without notice to the assignee. Seller shall give Buyer immediate written notice of any action or suit filed and prompt notice of any claim made against Seller by any subcontractor or vendor that, in the opinion of Seller, may result in litigation related in any way to this Order, with respect to which Seller may be entitled to reimbursement from Buyer. Buyer may assign this Order, at no cost to Buyer, to any affiliated company, any successor in interest, or Buyer’s customer.

7. AUDIT, INSPECTION OF RECORDS: Buyer and Buyer’s customer, including the Government and regulatory authorities, if Buyer agrees with the customer’s request to audit Seller’s records or Buyer is otherwise obligated to grant the customer access to records, shall have the right to audit Seller’s records: (a) in the event of cancellation, termination, or default; (b) in connection with any equitable adjustment request; (c) with respect to any Order for which the price is based on time and cost of material or where the terms of this Order, law and regulation, or applicable standard, including the AS9100, otherwise entitle Buyer and/or its Customer to audit Seller’s records and/or facilities, including the records and/or facilities of Seller’s assignees or subcontractors, if any; (d) in connection with internal investigations of alleged violations of law including, but not limited to, the U.S. Foreign Corrupt Practices Act; or (e) any type of litigation. Seller shall keep reasonably detailed records of direct labor costs, material costs, and all other costs of the performance of this Order for a period of no less than four (4) years from the date of final payment or termination of any warranty or Item support under this Order, whichever is later. Seller shall provide Buyer, Buyer’s Customer and regulatory authorities access to all facilities involved in the Order and to all applicable records.

8. BANKRUPTCY: If Seller enters into proceedings relating to bankruptcy, whether voluntary or involuntary, Seller shall furnish by certified mail written notification of the bankruptcy to Buyer. This notification shall include the date on which the bankruptcy petition was filed and the identity of the court where the bankruptcy petition was filed.

9. BUYER’S RIGHT TO USE INFORMATION DISCLOSED BY SELLER: Unless otherwise expressly set forth in this Order or a separate written agreement, Buyer shall have the right to use, for any purpose, information concerning Seller’s Items, manufacturing methods or processes which Seller has disclosed to Buyer, without restrictions, prior to or during the performance of this Order. In the event of a conflict between the terms of this Article and the terms and conditions of any separately executed and applicable Non-Disclosure Agreement between Buyer and Seller, the terms and conditions of the Non-Disclosure Agreement shall control.

10. APPLICABLE LAW AND DISPUTES: Any disputes under this Order that are not disposed of by mutual agreement of the Parties may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, Seller shall diligently proceed with performance of this Order as directed by Buyer. Any dispute over any question of fact or law arising under this Order shall be governed by the laws of the State of New York, except that any clause in ITEM 2 of this Order (i.e., FAR, DFARS, NFS, FAA AMS or other U.S. Government contract clauses and certifications) shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contract appeals, and quasi-judicial agencies of the Federal government.

Seller consents to personal jurisdiction in Indiana and any litigation under this Order, if commenced by Seller, must be brought exclusively in a Court of competent jurisdiction in the State of Indiana, without regard to conflicts of law principles. The Parties hereby mutually agree to waive their respective rights to trial by jury. The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies provided in law or equity. Subject to any specific provisions in this Order, including clause 46(e), Seller shall be liable for any damages incurred by Buyer as a result of Seller’s failure to perform its obligations in the manner required by this Order.

The Parties specifically disclaim application to this Order of the United Nations Convention on Contracts for the International Sale of Goods.

11. CHANGES AND EQUITABLE ADJUSTMENTS:

- (a) Buyer may at any time and without notice to third parties, including sureties (if any), by written instructions from Buyer's Representative to Seller, unilaterally make changes to these terms and conditions and/or in the Services to be performed or the Items to be furnished hereunder in any one or more of the following:
- (1) drawings, designs or specifications;
 - (2) method of shipment or packing;
 - (3) time and/or place of delivery, inspection or acceptance,
 - (4) the quantity of Items ordered or Services to be performed;
 - (5) the statement of work;
 - (6) method or manner of performance of the work; and
 - (7) property, facilities, equipment, or materials, to be provided under this Order.

During performance of this Order, Seller shall not make any changes in the Services to be performed or in the design of Items or manufacturing of Items to be furnished by Seller under this Order, including any changes to the process, manufacturing location, or use of suppliers, without advance notification to and written approval of Buyer. Items or Services that have changed without prior notification and consent shall be nonconforming Items or Services under this Order. Changes shall not be binding upon Buyer, except when confirmed in writing by a member of Buyer's Representative. The issuance of information, advice, approvals or instructions by Buyer's technical personnel or other representative shall be deemed expressions of personal opinion only, and shall not affect Buyer's and Seller's rights and obligations hereunder, unless the same is in writing signed by Buyer Representative and which expressly states that it constitutes an amendment to this Order. If Seller considers that Buyer's conduct constitutes a change, Seller shall notify Buyer's Representative immediately in writing as to the nature of such conduct and its effect upon Seller's performance.

- (b) If any change under this Article causes an increase or decrease in the allocation of hours by labor category, change to material costs anticipated or the time required for performance of the Order, an equitable adjustment to the Order price and/or delivery schedule may be made and the Order modified in writing accordingly, provided however, that any equitable adjustment in price to which Seller may be entitled as a result of an increase in the quantity of Items or Services ordered shall not exceed the funded value or unit price established for such Items or Services herein. Any claim by Seller for adjustment must be submitted in writing in the form of a complete change proposal, fully supported by factual information to Buyer's Representative within fifteen (15) days from the date Buyer issued the change order. Buyer may, in its sole discretion, increase the funded value and may consider any such claim regardless of when asserted, except that no claim for equitable adjustment shall be allowed after final payment of this Order. Consistent with Article 10, for any claims seeking an equitable adjustment or other relief in excess of \$100,000 submitted by Seller under this Order, Seller shall submit to Buyer a signed certificate that states as follows, substituting Seller's legal name where indicated:

"I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the Order adjustment for which [Seller] believes Buyer is liable; and that I am duly authorized to certify the claim on behalf of [Seller]."

If requested by Buyer, Seller shall identify that portion of its claim for which it believes the Government is liable and shall execute the certification above, substituting "the Government" for "Buyer" as to such amount.

If Buyer and Seller are unable to agree upon an equitable adjustment in the event of any change directed by Buyer, the matter will be resolved in accordance with the disputes provisions of Article 10. Nothing contained herein, including failure of the Parties to agree upon any equitable adjustment to be made under this Article, shall excuse Seller from proceeding without delay with the Order as changed by Buyer's written direction.

- (c)
- (1) Notwithstanding any other provisions in this Order, any decision of the Contracting Officer under Buyer's Government Contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this Order:

- (2)
 - (i) Seller will pay all direct costs and expenses of any such appeal reasonably incurred by Buyer in providing assistance to Seller in Seller's appeal.
 - (ii) Seller will be solely responsible for prosecuting the appeal and preparing and presenting all pleadings, evidence and argument, and
 - (iii) Seller will provide monthly written reports to Buyer of the progress of the appeal and will furnish Buyer copies of all pleadings and non-privileged correspondence filed or received by it concerning the appeal.
- (3) Any decision upon such appeal, when final, shall be binding upon Seller.
- (4) Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.
- (d) Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this Order, Seller shall proceed diligently, as directed by Buyer, with the performance of this Order.
- (e) Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way to restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.
- (f) As used in this clause, the word "appeal" means an appeal taken under the Contract Disputes Act of 1978, as amended.
- (h) In no event shall the Seller acquire any direct claim or direct course of action against the United States Government.

12. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS:

Seller agrees to comply with all applicable national, state, provincial and local laws, orders, rules, regulations, and ordinances. Seller shall procure all licenses/permits, pay all fees, and other required charges and shall comply with all applicable guidelines and directives of any local, state and/or federal government authority.

- (a) Buyer may proceed as provided for in subparagraph (b) below if, as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by Seller, its officers, employees, agents, suppliers, or subcontractors at any tier:
- (1) Buyer's contract price or fee is reduced;
 - (2) Buyer's costs are determined to be unallowable;
 - (3) any fines, penalties, withholdings, or interest are assessed on Buyer; or
 - (4) Buyer incurs any other costs or damages.
- (b) Upon the occurrence of any of the circumstances in subparagraphs (a) above, Buyer may make a reduction of corresponding amounts (in whole or in part) in the price of this Order or any other contract with Seller, and/or may demand payment (in whole or in part) of the corresponding amounts. Seller shall promptly pay amounts so demanded. In the case of withholding(s), Buyer may withhold the same amount from Seller under this Order.

13. COMPLIANCE WITH THE U.S. FOREIGN CORRUPT PRACTICES ACT:

Seller warrants and represents that it is familiar with and will strictly comply with the requirements of the U.S. Foreign Corrupt Practices Act of 1977, as amended. Seller will not offer, pay or promise to pay, give, or authorize payment of any money or anything of value to any government or public official (including political parties, officials or candidates for political office) for the purpose of influencing any act or decision of such official in his official capacity, including failure to perform his official function. Seller agrees that no expenditures for other than lawful purposes will be made with respect to the performance of this Order.

14. GRATUITIES/KICKBACKS: No gratuities (in the form of entertainment, gifts, travel, or anything of value) or kickbacks shall be offered or given by Seller or by any agent, representative, affiliate or subcontractor of Seller to any officer or employee of Buyer's customer or Buyer. This restriction specifically prohibits the direct or indirect inclusion of any kickback amounts in any invoices or billings submitted under this Order or any other agreement with Buyer. Buyer may, by written notice to Seller, immediately terminate the right of Seller to proceed under this Order if it is found that gratuities (in the form of entertainment, gifts, travel or

anything of value) or kickbacks were offered or given by Seller, or by any agent or representative of Seller, to any officer or employee of Buyer's customer or Buyer.

15. CONFIDENTIAL RELATIONSHIP: Seller shall treat as proprietary and confidential all specifications, drawings, blueprints, nomenclature, samples, models and other information supplied by Buyer, except for any such information provided by the Government or to which the Government has other than unlimited rights, in which case Seller shall use and disclose the information in accordance with applicable provisions and/or restrictive markings concerning Seller's use and disclosure of such information. Unless the written consent of Buyer is first obtained, Seller shall not in any manner advertise, publish, or release for publication, including without limitation by news releases, articles, brochures, advertisements, or speeches, any statement mentioning Buyer or the fact that Seller has furnished or contracted to furnish to Buyer Items and/or Services required by this Order, or quote the opinion of any employees of Buyer. Seller shall not disclose any information relating to this Order to any person not authorized by Buyer to receive it. Seller shall use the information supplied by Buyer only to accomplish work covered by this Order and for no other purpose. Upon completion, all information is to be returned to Buyer upon Buyer's written request. In the event of a conflict between the terms of this Article and the terms and conditions of any separately executed and applicable Non-Disclosure Agreement between Buyer and Seller, the terms and conditions of the Non-Disclosure Agreement shall control.

Seller is expressly prohibited from communicating with Buyer's Customer with respect to Buyer's Government Contract and/or the Order, including any discussion of management issues, pricing, payments, specific tasking or Seller's performance of Orders, without Buyer's prior express consent. However, nothing in this Article 15 shall be construed to restrict (1) the discussion of day-to-day operational issues, or (2) limit Seller's communications with Buyer's Customer pursuant to FAR 52-203-6. Any authorized communications, other than those expressly provided for herein, between Seller and Buyer's Customer shall be conducted in the presence of Buyer's Representative unless otherwise agreed by the Parties.

16. TERMINATION:

- (a) Default. Buyer may terminate this Order for default in whole or in part by written notice to Seller if:
 - (1) Seller becomes insolvent or makes a general assignment for the benefit of creditors;
 - (2) a petition under any bankruptcy act or similar statute is filed by or against Seller and not vacated within ten (10) days after it is filed;
 - (3) Seller fails to make delivery of the Items or to perform the Services within the time specified in this Order;
 - (4) Seller fails to perform any of the other obligations of this Order, or fails to make progress, so as to endanger performance of this Order, in accordance with its terms;
 - (5) Seller's financial condition endangers completion of performance, (provided with respect to (4) and (5) Seller fails to remedy any such condition within seven (7) days from the date of receipt of a notice from Buyer concerning the existence of the condition);
 - (6) it is found that gratuities (in the form of entertainment, gifts, travel or anything of value) or kickbacks were offered or given by Seller, or by any agent or representative of Seller, to any officer or employee of Buyer's customer or Buyer;
 - (7) control of Seller changes. A change of control includes: (a) the sale, lease or exchange of a substantial portion of Seller's assets used for the production of the Items; (b) the sale or exchange of a controlling interest in the shares of Seller; or (c) the execution of a voting or other change of control. Seller will provide Buyer with written notice of change of control within ten (10) days after the change of control has become effective. Buyer will have sixty (60) days from the date that Buyer receives written notice from Seller within which to notify Seller of its decision to terminate this Order. The effective date of the termination will be no sooner than thirty (30) days after the effective date of the written notice of termination according to the terms of notice;
 - (8) Seller fails to agree upon any deletion, amendment, or addition to this Order which is required by statute, executive order, applicable regulations, or is otherwise deemed

- appropriate by Buyer as a result of or relating to a modification of Buyer's Government Contract;
 - (9) Seller is sanctioned, suspended, or debarred by the Government;
 - (10) it is found that Seller has a potential, actual or apparent personal or organizational conflict of interest related to or arising out of its performance of this Order and Buyer determines that such conflict(s) cannot be adequately avoided or mitigated; or
 - (11) Seller's business systems are deemed inadequate by the Defense Contract Audit Agency or the Defense Contract Management Agency.
- (b) Termination for Convenience. Buyer shall have the right to terminate this Order in whole or in part at any time, and from time to time, by written notice effective upon receipt by Seller, even though Seller is not in breach of any obligation hereunder. In the event of such termination, Seller shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work, additionally Seller shall comply with Buyer's instructions concerning disposition of completed and partially completed Items, work in progress and materials acquired pursuant to this Order. Subject to the terms of this Order, Seller shall be paid a percentage of the Order price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges Seller can demonstrate to the satisfaction of Buyer using its standard record keeping system, have resulted from the termination. Seller shall not be paid for any work performed or costs incurred which reasonably could have been avoided. In no event, however, shall the said payment exceed the price specified herein for such Items. Seller shall advise Buyer, in writing, of Seller's claim, if any, for termination costs within thirty (30) days after receipt of the notice of termination.
 - (c) Applicable Procedures
 - (1) In the event Buyer terminates this Order for default, in whole or in part, Buyer may procure, upon such terms and in such manner as Buyer deems appropriate, Items or Services similar to those canceled. Seller shall continue the performance of this Order to the extent not canceled under the provisions of this Article.
 - (2) After receipt of notice of such termination for default or convenience, and upon Buyer's direction, Seller shall stop work under this Order on the date and to the extent specified in the notice of termination, and shall transfer title and deliver to Buyer satisfactorily completed work and such work in process as directed by Buyer. Payment for completed Items delivered to and accepted by Buyer shall be at the price set out in the Order. Buyer may withhold from Seller moneys otherwise due Seller for completed Items and/or materials in such amounts as Buyer determines necessary to protect Buyer against loss due to outstanding liens or claims against said Items or materials

17. DELAYS AND NOTICE OF LABOR DISPUTES:

- (a) Seller shall be liable for delays in delivery unless nonperformance is caused by an occurrence beyond the reasonable control of Seller and without Seller's fault or negligence such as acts of God or of the public enemy, fire, floods, epidemics, quarantine restrictions, strikes or freight embargoes, provided that:
 - (1) Seller immediately gives written notice to Buyer of any difficulty or anticipated difficulty in meeting the delivery schedule set forth in the Order;
 - (2) Seller immediately gives written notice to Buyer of any actual or potential situation that is delaying, or threatens to delay the timely performance of the Order, including an actual or potential labor dispute; and,
 - (3) the delay does not materially effect Buyer's scheduling on any system or process.
- (b) If requested by Buyer, Seller shall use additional effort, including premium effort, to avoid or minimize delay to the maximum extent possible. All of the costs of the additional effort shall be borne by Seller. The rights and remedies pursuant to this Article are in addition to rights and remedies provided to Buyer under this Order.
- (c) Notwithstanding the above, if such delays extend for more than thirty (30) days from the delivery or performance date, or threatens Buyer's delivery commitments under its Government Contract, Buyer may terminate such part of this Order remaining to be performed without liability to Buyer except for the fair value of work already completed and accepted.

18. DELIVERY: Shipments made pursuant to this Order must be shipped as specified in the Purchase Order. If Seller does not use Buyer's specified carrier(s) and Buyer incurs additional freight cost as a result, such additional freight cost shall be Seller's responsibility. Moreover, unless otherwise specified, Seller hereby agrees to the following:

- (a) Buyer reserves the right to refuse shipments made in advance of the schedule set forth in this Order. If Seller tenders Items for delivery to Buyer in advance of the delivery date specified in Buyer's delivery schedules, Buyer may, in its absolute discretion, either (i) refuse delivery, return early deliveries at Seller's expense, and require re-delivery at Seller's expense on the delivery date, or (ii) retain such Items and make payment in accordance with the original payment schedule in the Purchase Order regardless of the actual date of delivery. Seller bears the risk of loss of all Items delivered in advance of the delivery date specified in Buyer's delivery schedules.
- (b) Overshipment allowances require prior Buyer authorization, and will be applied to the entire Order. Unauthorized overshipments shall be returned to Seller at Seller's sole expense. Seller has the right to deem overshipments uneconomical to return, relieving Buyer of responsibility to return or pay for the overshipment.
- (c) Time is of the essence in Seller's performance of the Order, and Seller shall deliver Items and Services by the delivery date specified in Buyer's delivery schedules. If Seller tenders Items for delivery to Buyer after the delivery date specified in Buyer's delivery schedules:
 - (1) Buyer may, in its sole discretion, refuse late deliveries.
 - (2) If Buyer agrees to accept deliveries after the contracted delivery date the Parties agree that delays which are not excusable or mutually agreed upon shall be subject to liquidated damages of one percent (1%) of the total order value per day, up to a maximum amount of twenty-five percent (25%) of the Purchase Order value, for each day delivery or performance is delayed beyond the date set forth in the Schedule of this Purchase Order, to be paid within forty-five (45) days of Buyer's acceptance of such deliveries. Buyer's right hereunder to recover liquidated damages for Seller's delayed performance is not an exclusive remedy for delay and shall be in addition to all other rights and remedies that Buyer has under this Order and at law and equity. The liquidated penalty amount shall be subtracted from the line item value. If the delivery delay was as a result of any action taken on the part of Buyer, Seller shall notify Buyer in writing at the time the delay occurs and request that Buyer waive the penalty assessment. Failure to notify Buyer will result in penalty. Seller may not refuse shipment of said line item to avoid late delivery penalty.
 - (3) If Buyer agrees to accept deliveries after the delivery date has passed, Buyer shall have the right to direct Seller to make shipments by the most expeditious means and the total cost of such expedited shipment and handling shall be borne by Seller.
 - (4) Acceptance of late deliveries shall not be deemed a waiver of Buyer's right to hold Seller liable for any loss or damage resulting therefrom, nor shall it act as a modification of Seller's obligation to make future deliveries in accordance with the delivery schedule set forth in this Order.
 - (5) Seller at the request of Buyer, shall provide a written explanation for the root cause of the delay, Seller's corrective action plan to address the late deliveries and assurances that Seller will make all future deliveries in accordance with the Order requirements and schedule.
- (d) Delivery shall be to the location directed by Buyer.

19. WARRANTY:

- (a) Seller warrants that all the Items and Services furnished hereunder shall:
 - (1) conform fully with all requirements of this Order, including any and all specifications, drawings, and performance requirements;
 - (2) conform to approved sample or samples, if any;
 - (3) unless detailed designs have been furnished by Buyer, be fit for the use intended by Buyer whether expressed or reasonably implied;
 - (4) be free from defects in material, workmanship, design and fabrication;
 - (5) be free from security interests, liens or encumbrances and of good title; and
 - (6) be performed with that degree of skill and judgment normally exercised by recognized professionals delivering or performing

the same or similar Items or Services. In the event that an employee of Seller should prove to be unsatisfactory during that employee's first 80 billable hours of work on Buyer's Order, Buyer may request the removal of Seller's employee from performance of the Order with no billable charges incurred.

- (b) Except for latent defects, Seller guarantees all Services and Items, parts, components, and assemblies furnished hereunder against any defects in design, material, or workmanship for eighteen (18) months from the date of acceptance at Buyer's location. In the case of latent defects, Buyer's rights to corrective action by Seller shall commence upon Buyer's discovery of the latent defect and notification of Seller thereof.
- (c) Neither approval by Buyer of Seller's design or material used nor Buyer's inspection of same shall relieve Seller from any obligations under the warranties set forth in this Article.
- (d) The word "Item(s)" as used herein includes parts, components, assemblies, materials, equipment, services and data required under this Order.
- (e) Any Services or Item(s) corrected or replaced pursuant to this Article shall be subject to all provisions of this Article to the same extent as Services and Item(s) initially delivered.
- (f) The aforesaid warranties shall survive acceptance and payment and shall run to Buyer, its customers and the users of these Services and Item(s) and shall not be deemed to be the exclusive rights of Buyer but shall be in addition to other rights of Buyer under law, equity, and the terms of this Order.
- (g) Seller shall furnish Buyer a certificate of Seller's compliance with these Article 19 warranty conditions upon Buyer's request.

20. QUALITY CONTROL/INSPECTION/REJECTION/ ACCEPTANCE:

- (a) Seller shall establish and maintain a quality management system acceptable to Buyer for the Items or Services purchased under this Order. Seller shall permit Buyer to review procedures, practices, processes and related documents to determine such acceptability. Seller shall have a continuing obligation to promptly notify Buyer of any violation or deviation from Seller's approved inspection/quality control system and to advise Buyer of the quantity and specific identity of any Items or Services provided to Buyer during the period of any such violation or deviation. Seller will maintain the accepted quality management system throughout the duration of the Order. If Seller is cited for compliance violations, Seller shall within forty-eight (48) hours so notify Buyer and within sixty (60) days must rectify the non-compliance issues. If the violation is not corrected and certification has not taken place within this time frame, then Buyer at its sole discretion may terminate this Order. Seller will notify Buyer of any significant changes that affect quality within twenty-four (24) hours of that change. These changes include – but are not limited to – change in key management or personnel, change in source of supply of key materials, change in address or site configuration.
- (b) Buyer and/or its customer, to the extent practicable at all times and places including the period of manufacture or performance, may inspect and test material, work in process, services, and supplies. . This Order may include requirements for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instructions for acceptance by Buyer, and as applicable critical items including key characteristics and requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection/verification, investigation or auditing. This Order grants Buyer and its customer the right to so inspect and test, but not the obligation. Seller retains the obligation to ensure proper inspection and testing.
- (c) Seller shall not provide non-conforming Services or Items. Buyer shall have the right to reject any Services or Items or lots of Items which it determines are defective in material or workmanship or otherwise not in conformity with the requirements of this Order and to require their correction or replacement, or to provide other disposition direction for the non-conforming Services or Items. Rejected Services or Items shall be removed or if permitted or required by Buyer, corrected in place by and at the expense of Seller promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If Seller fails to promptly replace, correct, or remove such Services or Items or lots of Items which are required to be removed, Buyer may:

- (1) replace or correct such Services or Items and charge to Seller the cost occasioned Buyer thereby;
 - (2) pay for such Services or Items at a reduced price which is equitable under the circumstances;
 - (3) cancel this Order, or any portion thereof, for default as provided in Article 16; or
 - (4) exercise any other applicable rights or remedies.
- (d) If Buyer rejects any Services or Items as non-conforming, and Seller fails to inform Buyer in writing of the manner in which Seller desires that Buyer dispose of non-conforming Services or Items within forty-eight (48) hours of notice of Buyer's rejection of non-conforming Services or Items (or such shorter period as is reasonable under the circumstances), Buyer will be entitled to dispose of the non-conforming Services or Items without liability to Seller, provided, however, that in any event Buyer may elect to arrange for the shipment of any non-conforming Services or Items back to Seller at Seller's expense. Seller will bear all risk of loss with respect to all non-conforming Services or Items and will promptly pay or reimburse all costs incurred by Buyer to return, store or dispose of any non-conforming Services or Items.
- (e) Buyer's payment for any non-conforming Items or Services will not constitute acceptance by Buyer, limit or impair Buyer's right to exercise any rights or remedies, or relieve Seller of responsibility for the non-conforming Items or Services. In the event Buyer decides for any reason to accept non-conforming Items or Services, any costs incurred by Buyer testing, evaluating and manufacturing, relating to the design changes to any of the Items or Services, shall be responsibility of Seller, and Seller may not pass along any costs in relation to the design change(s).
- (f) If any inspection or test is made by Buyer and/or its customer on the premises of Seller or a lower tier subcontractor, Seller without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of Buyer and/or customer inspectors in the performance of their duties. In the case of rejection, Buyer shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by Buyer and/or its customer shall be performed in such a manner as not to unduly delay the work. Buyer reserves the right to charge to Seller any additional cost of inspection and test when Items or Services are not ready at the time such inspection and test was requested by Seller or when reinspection or retest is necessitated by prior rejection. Unless otherwise provided herein, final inspection and acceptance or rejection of Items or Services shall be made as promptly as practicable after delivery to Buyer's facility. Buyer's failure to inspect or accept or reject Items or Services in a timely manner shall neither relieve Seller from full compliance with all requirements of this Order, nor impose responsibility on Buyer therefore.
- (g) Seller shall provide and maintain an inspection system acceptable to Buyer covering the Items or Services hereunder. Records of all test and inspection work by Seller shall be kept complete and available to Buyer and/or its customer for six (6) years following completion of an order, or for a longer period of time if required to comply with FAR 4.703. Such records shall be stored, maintained and handled in accordance with the requirements set forth in FAR 4.805.
- (h) Inspection and test by Buyer or its customer of any Services or Items or lots thereof does not relieve Seller from any responsibility regarding defects or other failures to meet Order requirements which may be discovered prior to acceptance or during the warranty period set forth in Article 19. In the event Seller discovers a Service or Item is non-conforming subsequent to performance or delivery, Seller shall promptly notify Buyer. Disposition shall be in accordance with paragraphs (c) and (d) of this Article.
- (i) If, prior to or at the time of final acceptance or within the warranty period, it was known or should be known by Buyer that said Items or Services would not or did not conform to the requirements of this Order, final acceptance shall not be construed as a waiver of any rights Buyer may have with respect to the Items or Services purchased under this Order, notwithstanding the failure of Buyer to timely inform Seller of such nonconformance.
- (j) Final acceptance by Buyer of the Items or Services provided hereunder shall take place only after complete delivery of all Items or Services in accordance with the delivery schedule specified herein or later agreed upon by the Parties in writing and after final inspection of those Items or Services by Buyer and Buyer's customer. Final acceptance shall be contingent upon agreement by Buyer and Buyer's customer that the Items or Services conform to the requirements of

this Order. Final acceptance by Buyer shall be conclusive, except for latent defects, negligent or intentional misrepresentations by Seller that a nonconformity or defect would be or had been cured or did not exist, acceptance induced by false or negligent assurances of Seller, or as otherwise provided in this Order or applicable law. Seller shall not consider acceptance to be Buyer's Final acceptance until Buyer issues a Final Acceptance Document. Final acceptance by Buyer of the Items or Services delivered hereunder shall not limit or affect the warranty or indemnity granted by Seller hereunder.

21. ITEM CONTENT: Seller agrees to provide to Buyer all Item content information required to satisfy both Buyer's content reporting obligations and Buyer's customers' reporting obligations.

22. RISK OF DAMAGE/INDEMNIFICATION/INSURANCE: All personal property belonging to Buyer in Seller's custody or possession, shall be at Seller's risk from loss or damage from all hazards. Seller agrees, to the fullest extent permitted by applicable law, to indemnify and hold harmless Buyer, its officers and employees, from and against any and all claims, liabilities, causes of action, losses, costs, damages and expenses by reason of property damage or personal injury, including death, of whatsoever nature or kind, including special, incidental or consequential damages, for any reason, arising out of or as a result of Seller activity or omissions under this Order, whether arising out of the actions or inactions of Seller or of its employees, subcontractors, and lower tier subcontractors. Seller and its subcontractors and lower tier subcontractors shall maintain, at their own expense:

- (a) Comprehensive General Liability policies for an amount of at least \$2,000,000 combined single limit for bodily injury and property damage; \$2,000,000 annual aggregate
- (b) Comprehensive Automobile Liability policies shall be for an amount of at least \$2,000,000 combined single limit for bodily injury and property damage; \$2,000,000 annual aggregate
- (c) Worker's Compensation in accordance with such laws as may be applicable to the work to be performed.
- (d) Employer's Liability: \$2,000,000/\$2,000,000

Proof of compliance with applicable legal requirements shall be obtained for all subcontractors working on Buyer's premises, and may be provided by the subcontractor's insurer. Satisfactory evidence by copy of certificate of insurance thereof shall be submitted annually to Buyer upon Buyer's request. Such insurance shall be carried during the term of this Order, including extension, and for at least three (3) years thereafter.

23. MODIFICATION OF ORDER: This Order contains all the agreements of the Parties with respect thereto and no course of dealing or usage of the trade shall be applicable unless expressly incorporated in this Order. The terms and conditions contained in this Order may not be added to, modified, superseded or otherwise altered except by a written instrument signed by Buyer Representative and delivered by Buyer to Seller. Modifications of this Order shall be handled pursuant to Article 11 "Changes and Equitable Adjustments". Each shipment received from Seller shall be deemed to be exclusively upon the terms and conditions contained in this Order notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice, correspondence or other documents of Seller, and notwithstanding Buyer's act of accepting or paying for any shipment or similar act of Buyer.

24. NO WAIVER OF CONDITIONS: Buyer's failure to insist upon or enforce strict compliance by Seller with any aspect of this Order shall not be deemed a waiver or relinquishment to any extent of any of Buyer's right to assert or rely upon any such provisions or rights in that or any other instance; rather, the same shall remain in full force and effect. Waiver of a right under this Order shall not constitute a waiver of any other right, waiver or default under this Order.

25. OFFSET/COUNTERTRADE CREDIT: In connection with the sale of Buyer's Items to certain foreign government customers, Buyer may incur direct and/or indirect offset/countertrade obligations. Seller hereby exclusively grants to Buyer all offset or countertrade credit that may be obtained from this Order, or from Seller's placement of its purchase orders and subcontracts, for Buyer's use on the offset/countertrade program of Buyer's choice. Buyer retains the right to assign any such offset or countertrade credits to third parties. Seller shall include this clause, for the benefit of Buyer, in all lower-tier purchase orders and subcontracts awarded in the performance of this Order. Seller shall maintain a record of its purchases under this Order or subcontract and Buyer reserves the right to review such record not more often than every six (6) months to determine

offset availability. This Article 25 shall survive two (2) years beyond the completion of this Order.

26. PACKING: Unless otherwise specified in this Order, Seller shall be responsible for safe and adequate packing conforming to the requirements of carriers' tariffs or, in the absence of such requirements, conforming to the best commercial practices. All expendable packaging materials must be legally and economically disposable or recyclable. Seller shall separately number all cases, packages, etc., showing the corresponding numbers on the invoices. An itemized packing slip, bearing this Order number must be placed in each container. No extra charge shall be made for packaging or packing materials unless authority therefore is set forth in this Order.

27. PATENT/INTELLECTUAL PROPERTY INDEMNITY BY SELLER: Seller warrants that the Items and Services performed and delivered under this Order will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. For Items and Services delivered hereunder, Seller shall be liable for, defend, indemnify and hold harmless Buyer, and each subsequent purchaser or user thereof, from all loss or damage of any kind (including all costs and expenses including attorneys' fees) arising out of any and all allegations, actions, proceedings, claims, or awards for any infringement, misappropriation, or wrongful use suit or action, including, without limitation, any proceeding under 28 U.S.C. § 1498, alleging that manufacture, use or sale infringes any patent, trademark, copyright, trade secret, mask work right or other proprietary or intellectual property right (collectively "Infringement Claim(s)") in connection with any Items, software or data furnished hereunder, whether such are provided alone or in combination with other Items, software or processes. Seller hereby agrees to defend any and all such actions, at Seller's expense, if requested to do so by Buyer. If, however, the Infringement Claim arises as a necessary consequence of Seller's compliance with Buyer's drawings and specification, which describe that aspect of the Items and Services upon which the Infringement Claim is based, Seller shall have no obligation to indemnify Buyer.

Seller and Buyer agree to notify each other as soon as they become aware of a challenge of infringement or wrongful use in connection with any such Items, software or data furnished hereunder. Seller, if required to indemnify Buyer under this Article, shall promptly assume and diligently conduct the entire defense of such Infringement Claim at its own expense. Buyer shall have the right to reasonably reject counsel selected by Seller and the right to reject any settlement that would negatively impact Buyer as determined solely by Buyer. Buyer shall have the right to participate with Seller in determining the strategy to defend any such suit or action, and shall have the right, with the permission of the court, to intervene in any such Infringement Claim.

Notwithstanding any of the above provisions, Buyer shall have the further right, at its own election, to supersede Seller in the defense of any such alleged infringement and thereafter to assume and conduct the same according to Buyer's sole discretion. Upon Buyer's election, Seller shall be released from its obligation to pay for attorneys fees and court costs. Further, Seller, if requested in writing by Buyer, shall cooperate with Buyer in Buyer's defense of any alleged infringement claim.

If the use or sale of such Item or Services, in respect to which Seller indemnifies Buyer, is enjoined as a result of such action or proceeding, Seller, at no expense to Buyer, shall obtain for Buyer and its customers, the right to use and sell said Item or Services or shall substitute an equivalent Item or Service acceptable to Buyer and extend this patent indemnity with respect to such equivalent Item or Service. In the event that Seller is unable to secure such right of use for Buyer or its customer or to secure an equivalent Item or Service as a substitute, Seller will indemnify Buyer and its customer for any and all losses or damages sustained by reason of such injunction.

Seller's obligation to defend, indemnify, and hold harmless Buyer and its customers under this Article shall not apply to the extent FAR 52.227-1 "Authorization and Consent" applies to Buyer's Government Contract for infringement of a U.S. patent and Buyer and its customers are not subject to any actions for claims, damages, losses, costs, and expenses, including reasonable attorneys fees by a third party.

28. RIGHTS IN DATA AND INVENTIONS:

(a) All specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a non-proprietary basis and may be used and/or disclosed by Buyer without restriction, unless:

- (1) otherwise required by the U.S. Government Regulations included in Item 2 hereto, or
 - (2) Buyer has executed a separate agreement restricting the use and disclosure of such information, data, software and the like.
- (b) Unless otherwise expressly agreed in writing to the contrary and subject to this Article 28(d) below, all specifications, information, data, drawings, software and other items which are: supplied to Seller by Buyer, or obtained or developed by Seller in the performance of this Order or paid for by Buyer, shall be proprietary to Buyer, shall be used only for purposes of providing Items or Services to Buyer pursuant to this Order, and shall not be disclosed to any third party without Buyer's express written consent. All such Items supplied by Buyer or obtained by Seller in performance of this Order or paid for by Buyer shall be promptly provided to Buyer on request or upon completion of this Order.
- (c) Subject to this Article 28(d) below, any invention or intellectual property first made or conceived by Seller in the performance of this Order or which is derived from or based on information supplied by Buyer shall be considered to be the property of Buyer and Buyer shall own all right, title, and interest in such property. Seller shall execute all documents necessary to perfect Buyer's interest in and title thereto, including, without limitation, assigning any and all right, title and interest Seller has in any subject property to Buyer. Seller shall ensure that any third party with whom Seller has subcontracted to deliver Items or Services also executes and assigns any and all rights, titles, and interest in any such intellectual property to Buyer. Subject to this Article 28(d) below, any work performed pursuant to this Order which includes any copyright interest shall be considered a "work made for hire."
- (d) Applicable Government procurement regulations incorporated into this Order shall, when applicable, take precedence over any conflicting provision of this Article 28 to the extent that such regulations so require. The incorporation by reference of such Government regulations dealing with subcontractors rights in technical data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the Parties.

29. ITEM SUPPORT:

- (a) Seller shall agree to support the Items purchased hereunder during the operational life of the Items or for a period of ten (10) years from the date of final shipment under this Order if Buyer funds such support. Said support includes, but is not limited to, technical service and maintenance of Seller's stock of subassemblies and spare parts as may be required to be ordered to support the operation of the Items.
- (b) In the event Seller discontinues manufacture of the aforementioned Items, subassemblies and spare parts therefore, and does not provide for another qualified source, Seller shall give Buyer not less than six months notice of such decision to discontinue and thereupon make available to Buyer all drawings, specifications, data, and know how which will enable Buyer or its customers to manufacture or procure said Items, subassemblies and spare parts under a royalty free license which is hereby granted.

30. SHIPPING INSTRUCTIONS: Seller shall comply with Buyer's routing and shipping instructions. If Buyer's routing and shipping instructions are not attached to the Purchase Order or have not been previously received by Seller, Seller shall immediately request the Instructions from Buyer. Seller shall remain liable for any and all additional charges which accrue as a result of Seller's failure to comply with Buyer's Routing and Shipping Instructions.

31. SUSPENSION OF WORK:

- (a) Buyer shall have the right to direct Seller in writing to suspend all or any part of the work for a period of time not to exceed ninety (90) days, and for any further period as the Parties may agree, unless extended by Buyer's customer. Upon receipt of the written notice, Seller shall immediately comply with the terms of the notice and shall take all reasonable measures to mitigate the costs allocable to the suspended portion of the work.
- (b) If work is suspended, an adjustment may be made in accordance with the provisions of Article 11 for any increase in the time and the cost (exclusive of profit) of performing this Order necessarily caused by such suspension prior to incurrence of costs in excess of the funded

value, and this Order may be modified in writing accordingly. In no event, however, is Buyer obliged to increase the funded value, therefore Seller shall ensure costs never exceed the funded value.

- (c) A claim shall not be allowed under this Article unless the claim, in an amount stated, is asserted in writing within thirty (30) days after Buyer's issuance of the notice of termination of the suspension. Suspension may only be terminated by written notice from Buyer, regardless of the expiration of the original or extended suspension period. When the suspension has been terminated, Seller shall immediately commence performance, notwithstanding the fact that there is no agreement as to a revised schedule or the cost of completing this Order.

32. TAXES: Unless otherwise notified by Buyer in writing, the price of this Order includes and Seller shall be responsible for the payment of any Federal, State, and Local taxes, duties, tariffs, transportation taxes, or other similar taxes or fees which are required to be imposed upon the Items or Services ordered hereunder by Buyer or Buyer's customer, unless Seller obtains any applicable exemptions. Seller represents that its price does not include any taxes, impositions, charges or exactions for which it has obtained a valid exemption certificate or other evidence of exemption. Any taxes included in this Order shall be itemized separately in Seller's invoice.

33. TITLE AND RISK OF LOSS: Unless otherwise specified in the Order, Seller shall bear the risk of loss and damage to all Items to be supplied hereunder until final acceptance by Buyer. Buyer shall have equitable title to all Items for which partial or progress payments have been furnished to Seller.

34. TOOLS, MATERIALS AND INFORMATION: Refer also to Articles 28 (Rights in Data and Inventions). If any designs, sketches, drawings, blueprints, patterns, dies, molds, models, tools, gauges, equipment or special appliances should be made or procured by Seller especially for producing the Items covered by this Order, then immediately upon manufacture or procurement they shall become the property of Buyer or Buyer's customer. Seller shall maintain a current inventory list of the foregoing. Except for tools, material and information owned by the Government or to which the Government has unlimited rights, any such item or any materials or any engineering data or other technical or proprietary information related thereto furnished by or paid for by Buyer shall: (a) become and shall be identified as property of Buyer, (b) be held by Seller on consignment at Seller's risk, (c) be used exclusively in the production and/or provision for Buyer of Items and/or Services required by this Order, and (d) be subject to disposition by Buyer at any and all times and upon demand they shall be returned to Buyer. Seller shall maintain procedures for the adequate accountability, storage, maintenance and inspection of such items and shall make such records available to Buyer upon request.

35. FURNISHED PROPERTY:

- (a) Buyer may provide to Seller property owned by either Buyer or its customer (Furnished Property) as set forth in the Order. Furnished Property shall be used only for the performance of this Order, or for the performance of a direct contract between Buyer's customer and Seller where Seller has obtained specific approval from Buyer's Customer authorizing such use.
- (b) Title to Furnished Property shall be retained by Buyer or its customer. Seller shall clearly mark (if not already marked) all Furnished Property to show ownership. While Furnished Property is in Seller's possession, Seller shall prevent the comingling of Furnished Property with other materials in Seller's possession, except in accordance with Buyer's written instructions.
- (c) Except for reasonable wear and tear, Seller assumes all risk of loss, destruction, or damage of Furnished Property while in Seller's possession, custody, or control. Upon request, Seller shall promptly provide Buyer with adequate proof of insurance against such risk of loss. Seller shall promptly notify Buyer of any loss or damage. Without additional charge, Seller shall manage, maintain, and preserve Furnished Property in accordance with good commercial practice.
- (d) At Buyer's request or at completion of this Order, Seller shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposition in accordance with instructions from Buyer.

- (e) With respect to government-furnished property, or property to which the Government may take title under this Order: [1] For this Purchase Order, the clause at FAR 52.245-1 shall apply and is incorporated by reference. [2] Seller shall provide to Buyer immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the Government of its property control system.

36. FACILITIES: Seller represents that it now has or can readily procure without the assistance of Buyer or the Government all facilities necessary for the performance of this Order, except as set forth herein.

37. FOREIGN TRANSACTIONS AND EXPORT CONTROL: Seller, at its sole expense, agrees to comply with all laws and regulations of the United States and other countries related to exports and imports including obtaining all required authorizations from the U.S. or other applicable governments. Seller shall immediately notify Buyer Representative if Seller's export privileges are denied, suspended or revoked in whole or in part by any U.S. or other Government entity or agency. Buyer may deem Seller's failure to comply with the requirements of this Article a material failure to perform under this Order that shall subject Seller to termination in accordance with Article 16, Termination.

(a) **ITAR CONTROLLED HARDWARE, TECHNICAL DATA OR SERVICES.** Seller is hereby notified that certain hardware (e.g., finished goods, parts, components, accessories, attachments, samples, prototypes, test equipment, firmware, software, or systems), technical data (e.g., technical specifications, drawings, photos, instructions, or other technical information in any form), and/or services provided by Buyer for purposes of this Order are or may be subject to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. §§ 120-130). In addition, Seller is hereby notified that hardware, technical data, and/or services sold by Seller that are designed, developed, modified, adapted or configured from hardware, technical data, and/or services provided by Buyer are or may also be subject to the ITAR. The ITAR is accessible at the U.S. Department of State, Directorate of Defense Trade Controls (DDTC) website at <http://www.pmddtc.state.gov>.

- (1) If Seller is a manufacturer and/or exports Defense articles or Defense services, Seller represents that it is registered with the U.S. Department of State and will maintain said registration in order to be eligible to engage in the manufacture and/or export of defense articles and defense services as required by the ITAR (22 C.F.R. § 122.1(a)).
- (2) The ITAR restricts access to Buyer's and Seller's controlled hardware, technical data, or services to U.S. citizens and permanent residents (i.e., U.S. person) only. Seller is advised and acknowledges that controlled hardware, technical data, and/or services shall not be exported out of the U.S. or transferred to a non-U.S. person inside the U.S. without prior authorization of the U.S. Government. Seller will be informed by Buyer of the export control status of all hardware, technical data, and/or services provided to Seller by Buyer. Hardware and technical data will be clearly marked as export controlled or not. Seller agrees that it will not transfer or provide access to any ITAR-controlled hardware, technical data, or services provided by Buyer to non-U.S. persons employed by or associated with Seller, whether located in the U.S. or not, without U.S. Government authorization and permission from Buyer.
- (3) If this Order is in an amount of \$500,000 or more, or if this Order is amended so that the total amount of the Order is in an amount of \$500,000 or more, Seller shall, within fifteen (15) days of the date of this Order, or such amendment, inform Buyer in a written statement if Seller has paid, offered or agreed to pay, in respect of the sale for which the Items will be used, political contributions or fees or commissions, within the meaning of 22 C.F.R. Part 130. Seller's statement shall conform to the requirements of 22 C.F.R. Part 130. Failure of Seller to provide Buyer with such a statement within the specified time-frame, or any extension thereof, shall constitute a certification by Seller that it has not paid, offered, or agreed to pay such political contributions, fees or commissions.
- (4) Seller shall indemnify Buyer and be solely responsible for all losses, costs, claims, fines, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents,

- suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.
- (b) **GOODS, TECHNOLOGY, SOFTWARE SUBJECT TO U.S. EXPORT ADMINISTRATION REGULATIONS.** Seller is hereby notified that certain hardware (e.g., finished goods, parts, components, accessories, attachments, samples, prototypes, test equipment, firmware, software, or systems), technology (e.g., technical specifications, drawings, photos, instructions, or other technical information in any form), and/or software provided by Buyer for purposes of this Order are or may be subject to the Export Administration Regulations (EAR). In addition, Seller is hereby notified that the hardware, technology, technical data, and/or software sold by Seller that is derived from hardware, technology, and/or software provided by Buyer are or may also be subject to the EAR. The EAR is accessible at the U.S. Department of Commerce, Bureau of Industry and Security website at <http://www.bis.doc.gov>.
- (1) The EAR restrict the shipment, transmission, or transfer of certain of Buyer's and Seller's controlled hardware, technology, technical data and/or software from the U.S. to foreign countries, as well as to foreign nationals located inside the U.S. ("deemed export.")... Seller is advised and acknowledges that certain controlled hardware, technology, technical data and/or software may not be exported out of the U.S. or to a non-U.S. person inside the U.S. without prior authorization of the U.S. Government. Seller will be informed by Buyer of the export control status of all hardware, technology, and/or software provided to Seller by Buyer. Hardware and technology will be clearly marked as export controlled or not. Seller agrees that it will not transfer or provide access to any EAR-controlled hardware, technology, technical data, or software provided by Buyer out of the United States or to non-U.S. persons employed by or associated with Seller, whether located in the U.S. or not, without U.S. Government authorization and permission from Buyer.
- (2) Seller agrees that it will inform Buyer of the export control status of all hardware, technical data, technology, software, and/or services sold to Buyer under this Order to include clearly marking all hardware and/or technical data.
- (3) Seller also certifies to Buyer that it does not, and shall not, participate or comply with any boycott (both domestic and international), or boycott-related request or engage in any restrictive trade practices which are in contravention of a United States Government law or regulation including 15 C.F.R. § 760.
- (4) Where Seller is a signatory under a Buyer export authorization, Seller shall provide prompt notification to Buyer Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of applicable export regulations that could affect Seller's performance under this Contract.
- (5) Seller shall indemnify Buyer and be solely responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.
- (c) **U.S. ECONOMIC AND TRADE SANCTIONS.** Seller understands that the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. Seller agrees that it will comply with these OFAC administered regulations and policies, and will not transfer any Items or Services to or from, or otherwise engage with entities or persons listed on the Specially Designated Nationals (SDN) List. The SDN List is accessible at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>.
- (d) **HARDWARE, TECHNOLOGY, OR TECHNICAL DATA RECEIVED WITHOUT MARKING.** Seller is hereby notified that, to the extent it should receive any hardware, technology, or technical data from Buyer that is not marked as export controlled (i.e., under the ITAR or EAR), Seller must treat such hardware, technology, or technical data in conformance with the most restrictive standard potentially applicable unless it requests and receives specific written instructions from Buyer that releases Seller from this requirement.
- (e) **IMPORTS APPEARING ON THE U.S. MUNITIONS IMPORT LIST.** If performance under this Purchase Order requires Seller to permanently import into the U.S. articles appearing on the U.S. Treasury Department, Bureau of Alcohol, Tobacco & Firearms (BATF) U.S. Munitions Import List at 27 CFR Part 47, Subpart C, Seller is advised and hereby acknowledges that such items may not be permanently imported into the U.S. without an approved import permit issued by BATF pursuant to 27 CFR Part 47, Subpart E, unless an exemption applies. Additionally, if Seller is engaged in the business, in the U.S., of importing articles appearing on the U.S. Munitions Import List, Seller must register with BATF pursuant to 27 CFR Part 47, Subpart D. Downloadable copies of the BATF regulations and forms are accessible at the BATF website at <http://www.atf.treas.gov/regulations/index.htm>.
- (f) **ITEMS REQUIRING APPROVED BATF PERMITS.** If performance under this Purchase Order requires Seller to export out of the U.S. machine guns, destructive devices, explosives, and certain other firearms, as defined in 27 CFR Part 179, Subpart B, Seller is advised and hereby acknowledges that such items may not be exported out of the U.S. without an approved export permit issued by BATF pursuant to 27 CFR Part 178, Subpart K and 27 CFR Part 179, Subpart H. Seller is also advised that an approved export license issued by ODTIC may also be required pursuant to the relevant requirements of the ITAR.
- (g) **RECORD KEEPING.** Seller agrees to bear sole responsibility for all regulatory record keeping associated with the use of licenses and license exceptions/exemptions. Without limiting the foregoing, Seller agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Seller or Seller's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception. Seller agrees to notify Buyer if any deliverable under this Contract is restricted by export control laws or regulations. Seller shall immediately notify Buyer Representative if Seller is, or becomes, listed in any Denied Parties List or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- (h) Upon Buyer's request, Seller shall provide a report of all sources outside the United States utilized by Seller or its lower-tier subcontractors in the fulfillment of this Order, including the names and locations of the sources, and a description of the items or services obtained from such sources.
- 38. CLASSIFIED REQUIREMENTS:** In the event this Order requires access to classified information, Seller, at its sole expense, agrees to comply with all laws and regulations of the United States related to such classified requirements, including obtaining all required authorizations from the U.S. pursuant to, among other requirements, those set forth in the National Industrial Security Program Operating Manual (NISPOM) and any specific agency supplements to the NISPOM or other classified requirements as directed by Buyer. A copy of the NISPOM is available for download at https://www.dss.mil/GW/ShowBinary/DSS//isp/fac_clear/download_nispom.html.
- 39. CUSTOMS:**
- (a) **Credits and Refunds.** Transferable credits or benefits associated with or arising from Items purchased under this Order, including trade credits, export credits or rights to the refund of duties, taxes or fees, belong to Buyer. Seller will, at its expense, provide all information necessary (including written documentation and electronic transaction records in Buyer-approved formats) to permit Buyer to receive these benefits, credits, or rights. Seller will furthermore, at its expense, provide Buyer with all information, documentation, and electronic transaction records relating to the items necessary for Buyer to fulfill any customs-related obligations, origin marking or labeling requirements and certification or local content reporting requirements, to enable Buyer to claim preferential duty treatment for items eligible under applicable trade preference regimes, and to make all arrangements that are necessary for the items to be covered by any duty deferral or free trade zone programs(s) of the country of import. Seller will, at its expense, provide Buyer or Buyer's nominated service provider with export documentation to enable the items to be exported, and obtain all export licenses or authorizations necessary for

the export of the items unless otherwise indicated in this Order, in which event Seller will provide all information as may be necessary to enable Buyer to obtain such licenses or authorization(s).

- (b) Customs-Trade Partnership Against Terrorism. To the extent any item covered by this Order is to be imported into the United States of America, if requested by Buyer, Seller shall comply with all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative. Upon request, Seller shall certify in writing its compliance with all applicable recommendations or requirements of the C-TPAT initiative.

40. NEW MATERIAL:

- (a) "Material," as used in this clause, includes, but is not limited to raw material, parts, items, components and end Items. "New," as used in this clause, means previously unused or composed of previously unused materials allowing for typical in-factory or site use including, but not limited to integration, installation, assembly, test, burn-in, training, troubleshooting, and rework as required.
- (b) Unless Buyer specifies in writing otherwise, Seller shall deliver New Material under this contract that are fully warranted and do not contain any counterfeit material. Material verification includes documentation that Seller is purchasing product directly from the original equipment manufacturer or authorized franchised distributor. In addition, the New Material is not of such age or so deteriorated, due to storage factors, as to impair its usefulness or safety.

41. PROHIBITED SOFTWARE:

- (a) This clause only applies to Services/Items that include the delivery of software.
- (b) As used herein, "Prohibited License" means the General Public License ("GPL") or Lesser/Library GPL, the Artistic License (e.g., PERL), the Mozilla Public License, the Netscape Public License, the Sun Community Source License, the Sun Industry Standards License, or variations thereof, including without limitation licenses referred to as "GPL-Compatible, Free Software License."
- (c) As used herein, "Prohibited Software" means software that incorporates or embeds software in, or integrates software in connection with, as part of, bundled with, or alongside any
 - (1) open source, publicly available, or "free" software, library or documentation; or
 - (2) software that is licensed under a Prohibited License; or
 - (3) software provided under a license that:
 - (i) subjects the delivered software to any Prohibited License; or
 - (ii) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge; or
 - (iii) obligates Buyer to sell, loan, distribute, disclose or otherwise make available or accessible to any third party:
 - i. The delivered software, or any portion thereof, in object code and/or source code formats; or
 - ii. Any Items incorporating the delivered software, or any portion thereof, in object code and/or source code formats.
- (d) Unless Seller has obtained Buyer's prior written consent, which Buyer may withhold in its sole discretion, Seller shall not use in connection with this Order, or deliver to Buyer, any Prohibited Software.
- (e) Seller agrees to defend, indemnify, and hold harmless Buyer, its customers and suppliers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, to the extent Seller caused Buyer to use or deliver Prohibited Software in connection with this Order.

42. COMPLIANCE WITH HAZARDOUS SUBSTANCES AND WASTE RECYCLING LAWS:

- (a) Seller warrants that the sale, resale, supply, export or delivery of any Item (whether used as a component or otherwise) by Buyer in any market will not violate any law or regulation in any jurisdiction world-wide on the use of hazardous substances, or the recycling or treatment of waste equipment including, but not limited to the laws implementing the European Directive (2002/95/EC) on the Restriction on the Use of Certain Hazardous Substances in Electronic and Electrical Equipment "RoHS Directive", and European Directive (2002/96/EC) on Waste Electrical and Electronic Equipment ("WEEE Directive"), the U.S. Environmental Protection Act ("EPA") including

Resource Conservation Recovery Act ("RCRA") 40 CRF Part 260 though 265, and the European regulation EC 1907/2006 on the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH") (together, "Environmental Laws").

- (b) Seller hereby represents and warrants that the Items contain no asbestos containing materials or mercury.
- (c) Buyer may sell products containing Seller's Items in California, and Seller shall disclose in writing to Buyer all materials and components in the Items, and the amounts therein, that require labeling under California Proposition 65 or the laws of other states.
- (d) As soon as Seller is aware of any non-compliance but in no event any later than prior to the shipment of any Item, Seller shall identify in writing to Buyer (e.g., in a Material Safety Data Sheet):
 - (1) any and all components and materials contained in the Items that may require recycling or other treatment during the product lifecycle under the laws and regulations implementing the Environmental Laws, and
 - (2) the location of any component or material that is hazardous within the meaning of the WEEE Directive or other Environmental Laws, and any Item that is required by the Environmental Laws to be marked shall be so marked by Seller.
- (e) Seller shall, upon request, provide Buyer with written confirmation of its compliance with the Environmental Laws, in the form, manner and within the timeframe reasonably directed by Buyer, including but not limited to, evidence that Supplier has registered, notified and communicated supplied materials for Buyer's intended use as required by REACH.
- (f) Buyer shall have the right to audit Seller's compliance with the Environmental Laws. Seller shall provide Buyer with all such information and documentation that it may reasonably require (including access to its staff and facilities) to enable Buyer to satisfy itself of Seller's compliance with all Environmental Laws and that the warranty contained in subsection (a) above remains true and accurate.
- (g) Seller shall bear all costs and expenses, including those related to recycling or taking back the Items, arising out of or related to either Buyer or Seller complying with the Environmental Laws and placing the Items on, or their importation into, any jurisdiction worldwide.
- (h) Seller shall indemnify and hold Buyer harmless from any cost, expense, liability or damage suffered by Buyer by reason of any breach or alleged breach of any of the Environmental Laws arising out of or related to the Items.

43. TOXIC, HAZARDOUS OR CARCINOGENIC SUBSTANCES AND SUBSTANCES OF VERY HIGH CONCERN (SVHC):

- (a) Seller represents and warrants that the following are not prohibited by any laws or regulations of any country or other jurisdiction in the world:
 - (1) the Items, and substances contained therein including parts, subparts, components, and chemical constituents;
 - (2) substances used in the manufacture of the Items, including parts, subparts, components and chemical constituents;
 - (3) use of the Items in the manner intended, and
 - (4) substances required for the maintenance of the Items provided under this Order.
- (b) Laws and regulations referenced in subparagraph (a) above include, without limitation, those of:
 - (1) The United States through a Department or Agency such as the Environmental Protection Agency acting under the Toxic Substances Control Act (15 U.S.C., § 2601 et seq.) or the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (21 U.S.C. § 346a et seq.) or any other statute or regulation;
 - (2) Individual states in the U.S.;
 - (3) The European Community through European Community Council Directive of 27 July 1976 "on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and uses of certain dangerous substances and preparations" (76/769/EEC) and other Directives and Regulations;
 - (4) The European Community through EC 1907/2006 Registration, Evaluation, Authorization and Restriction of Chemicals (REACH);
 - (5) Nations in the European Community that have implemented legislation concerning 76/769/EEC and other Directives; and

- (6) Nations that are not in the European Community but which implement legislation similar to 76/769/EEC and other Directives.
- (c) Seller represents and warrants that:
- (1) each chemical substance, including chemical substances contained in the Items delivered under this Order, is on the Inventory List (see 40 C.F.R. § 710) published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.) at the time of such delivery;
 - (2) delivery of any Items, including their chemical constituents, under this Order shall be made in accordance with transportation, labeling and other requirements enacted by any government or regulatory body anywhere in the world, and
 - (3) the Items, including their chemical constituents, shall meet the environmental, health and safety requirements of all jurisdictions, including under any applicable exclusions, exceptions or waivers, such that Buyer may freely transport, export, import, use, maintain, market and sell the Item or article throughout the world.
- (d) Where there are regulations or restrictions pertaining to the Item, Seller shall:
- (1) inform Buyer of such regulations or restrictions in writing, specifying the jurisdictions in which the Item is regulated,
 - (2) provide Buyer with a written copy of the appropriate compliance recommendations on handling or use, and
 - (3) obtain Buyer's written approval for the delivery of any Items that are regulated or restricted.
- (e) Seller certifies, based on its qualitative determination, that the Items or parts it manufactures for this Order do not contain asbestos or polychlorinated biphenyls (PCBs), nor were they manufactured with chlorofluorocarbons (CFCs), and Seller will not introduce into the Items or any replacements any materials that contain asbestos or PCBs, nor manufacture the Items with CFCs.
- (f) Seller shall establish a process to assure that current governmental and safety constraints on restricted, toxic and hazardous substances/materials are in compliance, relative to the purchased Items as stated on purchase orders.
- (g) If Seller provides Items under this Order which:
- (1) contain a toxic or hazardous substance identified under Occupational Safety and Health Standards, 29 C.F.R. § 1919.20 or 29 C.F.R. § 1910.1000 et seq. (Subpart Z), or
 - (2) contain a carcinogenic substance, or
 - (3) the use of which is regulated or restricted under 76/769/EC or other European Community Directive, or
 - (4) contain SVHCs or materials requiring registration, notification or communication under REACH, or
 - (5) contain substances or materials that are regulated as waste by RCRA.
- Seller shall provide Buyer with a Material Safety Data Sheet (meeting the requirements of 29 C.F.R. § 1910.1200(g) and the latest revision of Federal Standard No 313 and REACH), that shall include information on the presence of all chemical substances in the Item, including concentrations of chemicals equal to or greater than 0.1% and any other information required by any applicable law. Seller shall provide this information to Buyer prior to the initial shipment of the item and again with the initial shipment of the item. When a change in formulations occurs Seller shall provide Buyer with a copy of any new restrictions on handling, use, or disposal and receive approval from Buyer prior to shipment. Seller shall label each container of such Items in a clearly legible and conspicuous form, stating that a toxic or hazardous substance is contained therein, and providing Buyer with a copy of any existing or new restrictions on handling or use. Material Safety Data Sheets for all other materials shall be retained by Seller and made available to Buyer upon request.
- (h) Notwithstanding anything in this Order to the contrary, for Items supplied to Buyer's Defense unit as a defense contractor, nothing herein shall require or permit Seller to change in any manner the lead composition of any Item without the prior written approval of Buyer.

44. OZONE DEPLETING SUBSTANCES: Seller agrees that the Items delivered hereunder shall be accurately labeled in accordance with the requirements of Section 611 of the 1990 Clean Air Act Amendments and the regulations promulgated thereunder, including but not limited to requirements contained in 40 C.F.R. §§ 82.114 and 82.116. At Buyer's request, Seller shall certify in a form satisfactory to Buyer whether the Items

were manufactured with a controlled substance, as defined in 40 C.F.R. § 82.104.

45. HAZARDOUS CONDITIONS/INDEMNIFICATION:

- (a) Seller shall comply with applicable occupational, health and safety laws and regulations, including any specifications included by Buyer as part of this Order. Seller shall comply with the appropriate revision and section of MIL-STD-882 or Buyer equivalent, which Buyer will make available upon Seller's request. In the event that Seller or Buyer learns of any issue relating to a potential safety hazard or unsafe condition in any of the Items, materials or Services produced hereunder, or is advised of such by competent authorities of any government having jurisdiction over such Items, materials or Services, it will immediately advise the other party by the most expeditious means of communication. When any change occurs that affects requirements or recommendations for safe handling, use, or disposal Seller shall provide Buyer with a copy of any new restriction on handling, use, or disposal and receive approval from Buyer prior to shipment.
- (b) Expenses associated with the correction of a safety hazard or unsafe condition, caused by or associated with Items or Services produced by Seller, including reasonable attorneys' fees, court costs, expenses, and the like, if they become necessary, shall be solely Seller's responsibility, subject only to any other arrangement negotiated by the Parties in light of the particular facts and circumstances then existing.
- (c) Seller agrees to protect, defend, hold harmless, indemnify, and reimburse Buyer, its officers, directors, agents, employees, distributors, dealers, affiliates, insurers, and customers during the term of this Order and any time thereafter for any and all costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses, overhead, settlements, judgments, and court costs) arising out of or related to any liability, demand, lawsuit, or claim alleging or asserting in whole or in part:
- (1) any Failure of Items or Services to comply with applicable specifications, warranties, and certifications under this Order (including those set forth in Seller's Annual Certification);
 - (2) the negligence or fault of Seller in design, testing, development, manufacture, or otherwise with respect to Items or parts therefore;
 - (3) claims, demands, or lawsuits that, with respect to the Items or any parts thereof allege product liability, strict product liability, or any variation thereof;
 - (4) any claim based on the death or bodily injury to any person, destruction or damage to property, or contamination of the environment and any associated clean up costs;
 - (5) Seller failing to satisfy the Internal Revenue Service's guidelines for an independent contractor; or
 - (6) any claim based on the negligence, omissions or willful misconduct of Seller or any of Seller's agents, subcontractors, employees or anyone acting on behalf of Seller.
- (d) Buyer agrees to protect, defend, hold harmless, and indemnify in a similar fashion from and against any liability, claim, demands, or cost or expense that is the result of design or other special requirements specified by Buyer and actually incorporated in the Items or Services over the written objection of Seller. Buyer also agrees to protect, defend, hold harmless, and indemnify Seller in a similar fashion from and against any liability, claim, demands, or cost or expense arising out of death of or injury to any person or damage to tangible property which is the result of the negligence or other fault of Buyer.
- (e) Should Buyer's use, or use by its distributors, subcontractors or customers, of any Items or Services purchased from Seller be enjoined, be threatened by injunction, or be the subject of any legal proceeding, Seller shall, at its sole cost and expense, either:
- (1) substitute fully equivalent non-infringing Items or Services;
 - (2) modify the Items or Services so that they no longer infringe but remain fully equivalent in functionality;
 - (3) obtain for Buyer, its distributors, subcontractors or customers the right to continue using the Items or Services; or,
 - (4) if none of the foregoing is possible, refund all amounts paid for the infringing Items or Services.
- (f) Seller shall without limitation as to time, defend, indemnify and hold Buyer harmless from all liens which may be asserted against property covered hereunder, including without limitation mechanic's liens or claims arising under Worker's Compensation or Occupational Disease laws and from all claims for injury to persons or property arising out

of or related to such property unless the same are caused solely and directly by Buyer's negligence.

46. INDEMNITY AGAINST CLAIMS/LIMITATION OF LIABILITY:

- (a) Seller shall keep its work and all Items supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of this Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment. To the extent not covered by the Patent/Intellectual Property Indemnity provision in Article 27, Seller shall, without limitation, indemnify, save, and hold harmless Buyer and its customer(s) and their respective officers, directors, employees and agents from and against every liability, claim of liability, allegation, judgment, cost, expense, attorneys fees, cause of action, loss or damages whatsoever, including, without limitation, (i) any and all claims (including claims under Workers' Compensation or Occupational Disease laws) and resulting costs, expenses and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the Services or other Items supplied by Seller pursuant to this Order, including, without limitation, latent defects in such Services or other Items, except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.
- (b) Seller agrees to notify Buyer as soon as practicable of any such claim described in subparagraph (a) above. Seller, if required to indemnify Buyer under this Article, shall promptly assume and diligently conduct the entire defense of such claim at its own expense. Buyer shall have the right to reasonably reject counsel selected by Seller and the right to reject any settlement that would negatively impact Buyer as determined solely by Buyer. Buyer shall have the right to participate with Seller in determining the strategy to defend any such suit or action, and shall have the right, with the permission of the court, to intervene in any such claim.
- (c) Notwithstanding any of the above provisions, Buyer shall have the further right, at its own election, to supersede Seller in the defense of any such claim and thereafter to assume and conduct the same according to Buyer's sole discretion. Upon Buyer's election, Seller shall be released from its obligation to pay for attorneys fees and court costs. Further, Seller, if requested in writing by Buyer, shall cooperate with Buyer in Buyer's defense of any alleged claim.
- (d) In the event Buyer should bring action to enforce the indemnification provisions of this Article 46 and prevail in such action, Seller agrees that Buyer shall be entitled to be awarded its reasonable attorney's fees and costs.
- (e) Except for any indemnifications provided in this Order, in no event shall either party, their employees, agents or representatives be liable to the other party relating to this Order or for any acts or omissions of either party in connection with this Order for any indirect, special, punitive, incidental or consequential damages of any kind, however caused, or any claims or demands against either party by any other entity, whether such remedy is sought in contract, tort (including without limitation negligence), strict liability or otherwise.

47. ETHICAL STANDARDS OF CONDUCT:

- (a) Buyer is committed to conducting its business fairly, impartially, and in an ethical and proper manner. Buyer's expectation is that Seller also will conduct its business fairly, impartially, and in an ethical and proper manner. Buyer's further expectation is that Seller will have (or will develop) and adhere to a code of ethical standards. If Seller has cause to believe that Buyer or any employee or agent of Buyer has behaved improperly or unethically under this contract, Seller shall report such behavior to appropriate Buyer Points of Contact (POCs). Buyer's Code of Conduct contains listings of its POCs and is available on <http://www.albint.com>. Seller's employees are required to conduct company business with integrity and maintain a high standard of conduct in all business-related activities.
- (b) Seller shall not participate in any personal business, or investment activity that may be defined as a conflict of interest, whether real or perceived. As a material obligation hereunder, Seller must immediately notify Buyer if, at any time during the term of this Order, Seller becomes aware that it has an actual or potential conflict of interest, as defined by FAR 9.5, DFAR 252.209-7009, AMS 3.1.7 and

NMS Part 1803, including without limitation a relationship of any nature which may affect or which may reasonably appear to affect Seller's objectivity or ability to perform the Work ("Conflict of Interest").

- (c) **SELLER COMPLIANCE:** In performing its obligations under this Order, Seller will not use child labor as defined by local law, will not use forced or compulsory labor, will not physically abuse labor and will respect employees' rights to choose whether to be represented by third parties and to bargain collectively in accordance with local law. In addition, in all wage and benefit, working hours and overtime and health, safety and environmental matters, Seller will comply with all applicable laws and regulations. Seller further agrees that, if requested by Buyer, it shall demonstrate, to the satisfaction of Buyer, compliance with all requirements in this paragraph. Buyer shall have the right to inspect any site of Seller involved in work for Buyer, and failure to comply with the obligations in this paragraph shall be cause for immediate termination without penalty or further liability to Buyer.

48. NON-SOLICITATION: During the term of this Order, and for a period of twenty-four (24) months following termination of this Order, Seller shall not, directly or indirectly, solicit for employment, employ or otherwise engage the services of employees or individual consultants of Buyer.

49. GENERAL RELATIONSHIP: Seller's relationship to Buyer in the performance of this Order is that of an Independent Contractor. Neither Seller nor any of the persons utilized by Seller to furnish materials or perform work or Services under this Order are employees of Buyer. Seller shall, at its own expense, comply with all applicable laws and regulations and assume all liabilities and obligations imposed by such laws and regulations with respect to this Order. Seller agrees that neither it nor its personnel are employees of Buyer, or provided to any benefits provided or rights guaranteed by Buyer, or by operation of law, to Buyer's respective employees, including but not limited to group insurance, liability insurance, disability insurance, paid vacation, sick leave or other leave, retirement plans, health plans, stock options and the like. Seller shall be responsible for and hold harmless Buyer and its customers from and against all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Order. Buyer shall be solely responsible for all liaison and coordination with Buyer customer, including the Government, as it affects the applicable Government Contract, this Order, and any related contract. Unless otherwise directed in writing by Buyer Representative, all documentation requiring submittal to, or action by, the Government or the Contracting Officer shall be routed to, or through, Buyer Representative, or as otherwise permitted by this Order.

50. SEVERABILITY: If any part, term, or provision of this Order shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Order, the validity of the remaining portions of provisions shall not be affected thereby. In the event that any part, term or provision of this Order is held void, illegal, unenforceable, or in conflict with any law of the federal, state, or local government having jurisdiction over this Order, Seller agrees to negotiate a replacement provision, construed to accomplish its originally intended effect, that does not violate such law or regulation.

51. SURVIVABILITY: If this Order expires, is completed, or is terminated for default or convenience, Seller shall not be relieved of those obligations contained in this Order for the following provisions:

- (a) Price, Payment and Close-Out, Article 3; Applicable Law and Disputes, Article 10; Compliance with Federal, State and Local Laws, Article 12; Confidential Relationship, Article 15; General Relationship, Article 49; Risk of Damage/Indemnification/Insurance, Article 22; Offset/Countertrade Credit, Article 25; Patent/Intellectual Property Indemnity By Seller, Article 27; Warranty, Article 19; Foreign Transactions and Export Control, Article 37; Compliance With Hazardous Substances and Waste Recycling Laws, Article 42; and Indemnity Against Claims/Limitation of Liability, Article 46.
- (b) Those United States Government flowdown provisions that, by their nature, should survive.

52. CERTIFICATIONS:

By accepting this Order, Seller certifies that:

- (a) there is no litigation or proceeding pending, and that none are anticipated (e.g. claims of fraud, waste or abuse, debarment proceedings, or criminal allegations, against it or any of its officers or employees that may restrict, invalidate or void the Items or Services contemplated by this Order or render the continuation of such Order inadvisable);
- (b) Seller has reviewed the Order and that no person that it provides to perform any services included therein has any legal restrictions as a result of government service that would be pertinent to the Order that would prevent such person from reasonably performing the work contemplated (e.g., post-employment restrictions related to representing a company to the government, accepting compensation for these services or improperly using or disclosing non-public information in these duties);
- (c) if this effort includes support for a competitive proposal, that no person Seller provides for performance of this Order will have worked on the same or a directly related effort for any company in competition with Buyer for this work; and
- (d) Seller has taken reasonable steps to identify and prevent the conflicts referenced above related to the personnel it provides for performance of this Order.
- (e) A duly authorized representative of Seller has attested to and executed Seller's Annual Certification.

Seller further agrees to furnish to Buyer or directly to Buyer's Customer, upon Buyer's request, any certificate required to be furnished under any provisions of this Order, including the clauses set forth and incorporated in Item 2 of this Order.

**ITEM 2 – FAR, DFARS, NFS AND/OR FAA AMS CLAUSES APPLICABLE IF THIS ORDER IS
PLACED UNDER BUYER CONTRACT CONTAINING SUCH CLAUSES**

In addition to the provisions of Item-1, the following provisions shall apply as required by the terms of Buyer’s Government Contract or by operation of law or regulation. Buyer is flowing down to Seller certain provisions and clauses from the Federal Acquisition Regulation (FAR), Department of Defense FAR Supplement (DFARS), NASA FAR Supplement (NFS) and FAA Acquisition Management System (AMS) (all herein “USG Clauses”). These USG Clauses are hereby incorporated by reference, as applicable, and in the manner set forth below (including any parenthetical information and Numbered Notes). USG Clauses inapplicable to the performance of this Order under Buyer’s Government Contract are self-deleting. If the date and/or substance of a USG Clause is different than the date or substance of the clause incorporated in Buyer’s Government Contract, then the date and/or substance of the clause incorporated in Buyer’s Government Contract shall apply instead. The Parties hereby agree to amend this ITEM 2 to include any additional or revised USG Clauses incorporated in Buyer’s Government Contract that are applicable to the performance of this Order. The Parties shall handle any such amendments of this ITEM 2 under Article 11 “Changes and Equitable Adjustments” of this Order. Seller shall flow down to its lower-tier subcontractors all applicable USG Clauses and any other requirements of this Order and applicable law so as to enable and ensure that Buyer and Seller comply with all applicable requirements of Buyer’s Government Contract.

It is intended by the Parties that these USG Clauses shall apply to Seller in such manner as is necessary to reflect the position of Seller as a subcontractor to Buyer, and to insure Seller’s obligations to Buyer and to the Government, and to enable Buyer to meet its contract obligations to the Federal Government. Consequently, in interpreting and applying USG Clauses flowed down to Seller, and as context requires, the terms “Contractor” and “Offeror” shall mean Seller, the term “Contract” shall mean this Order, and the term “Government”, “Contracting Officer” and equivalent phrases shall mean Buyer and/or Buyer Representative. However, as an exception to the foregoing, the terms “Government” and “Contracting Officer” do not change in the following circumstances:

- (a) in the phrases “Government Property,” “Government-Furnished Property,” and “Government-Owned Property;”
- (b) in the Patent Rights clauses incorporated therein, if any;
- (c) when a right, act, authorization or obligation can be granted or performed only by the Government or a Contracting Officer or his/her duly-authorized representative;
- (d) when title to property is to be transferred directly to the Government;
- (e) when access to proprietary financial information or other proprietary data is required, except as otherwise provided in this Order; and
- (f) where specifically modified in this Order.

USG Clauses flowed down by Buyer to Seller pursuant to this provision may require submission of certificates. All such required representations and certifications made by Seller in connection with flow down of USG Clauses, including all such certifications submitted by Seller with its offer, are hereby incorporated in this Order by reference. Seller shall, with respect to applicable USG Clauses flowed down pursuant to this provision, furnish to Buyer (or directly to the Government upon request of Buyer) any certificate required to be furnished by any USG Clause and any certificate required by any further U.S. law, ordinance, or regulation with respect to Seller’s compliance with the terms and provisions of U.S. laws, ordinances, or regulations. As used in this paragraph, the word “certificate” shall include any plan or course of action or record keeping function, as, for example, a small business subcontracting plan for which flow down is required.

Seller shall indemnify and hold Buyer harmless from and against any price reduction in Buyer’s Government Contract, as well as Buyer’s reasonable attorney fees and other direct costs to defend Government Contract claims when said reduction is attributable to the failure of Seller or Seller’s subcontractors to properly discharge applicable duties under the Truth in Negotiation Act and Cost Accounting Standards clauses incorporated by reference in accordance with this provision.

The notation [M] after a FAR Clause name (or Alternate) indicates that the FAR *requires* the clause to be flowed down to subcontractors, or requires the contractor to certify the subcontractor’s compliance.

In addition to the provisions of Item-1, the following provisions shall apply as required by the terms of Buyer’s Government Contract or by operation of law or regulation. The following Federal Acquisition Regulation (FAR) Clauses are hereby incorporated by reference, as applicable, and made a part of this Order.

A. APPLICABLE TO ALL ORDERS:

- [X] 52.203-3 Gratuities [APR 1984]
- [X] 52.203-13 Contractor Code of Business Ethics and Conduct [M] [APR 2010]
- [X] 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 [M] (applies to all Orders funded in whole or in part with American Recovery and Reinvestment Act of 2009 funds) [JUN 2010]
- [X] 52.204-4 Printed or Copied Double-Sided on Post Consumer Fiber Content Paper [MAY 2011]
- [X] 52.204-6 Data Universal Numbering System (DUNS) Number [APR 2008]
- [X] 52.204-7 Central Contractor Registration [APR 2008]
- [X] 52.204-9 Personal Identity Verification of Contractor Personnel [M] (applies if work requires routine access to a Federally-controlled facility and/or to a Federally-controlled information system) [JAN 2011]
- [X] 52.204-11 American Recovery and Reinvestment Act – Reporting Requirements (applies if Buyer’s Contracts is funded in whole or in part with Recovery Act funds; requires Seller to provide to Buyer all information described in paragraphs (d)(10)(i), (ix), (x), (xi), and (xii), such information will be made available to the public as required by section 1512 of the Recovery Act) [JUL 2010]
- [X] 52.209-2 Prohibition on Contracting With Domestic Inverted Corporations- Representation [MAY 2011]
- [X] 52.209-7 Information Regarding Responsibility Matters [JAN 2011]
- [X] 52.209-9 Updates of Publicly Available Information Regarding Responsibility Matters (Alt I applies if included in Buyer’s Government Contract) [JAN 2011]
- [X] 52.209-10 Prohibition on Contracting With Inverted Domestic Corporations [MAY 2011]
- [X] 52.212-3 Offeror Representations and Certifications- Commercial Items (Alt I and/or II apply if included in Buyer’s Government Contract) [MAY 2011]
- [X] 52.212-4 Contract Terms and Conditions- Commercial Items (Alt I applies if included in Buyer’s Government Contract) [JUN 2010]
- [X] 52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders- Commercial Items (Alt I and/or II apply if included in Buyer’s Government Contract) [AUG 2011]
- [X] 52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Alt I (applies if included in Buyer’s Government Contract) [OCT 2010]
- [X] 52.219-8 Utilization of Small Business Concerns [M] [Dec 2010] (applies to all Orders that offer further subcontracting opportunities. If the subcontract exceeds \$650,000, the subcontractor must include in lower tier subcontracts that offer subcontracting opportunities)
- [X] 52.219-9 Small Business Subcontracting Plan [M] (Alt I, Alt II and/or Alt III apply if included in Buyer’s Government Contract) [JAN 2011]
- [X] 52.219-16 Liquidated Damages- Subcontracting Plan [JAN 1999]

1. FAR CLAUSES

[X]	52.219-22	Small Disadvantaged Business Status (Alt I applies if included in Buyer's Government Contract) [OCT 1999]	[X]	52.225-5	Trade Agreements [AUG 2009]
[X]	52.219-25	Small Disadvantaged Business Participating Program- Disadvantaged Status and Reporting [DEC 2010]	[X]	52.225-7	Waiver of Buyer American Act for Civil Aircraft and Related Articles [FEB 2000]
[X]	52.219-26	Small Disadvantaged Business Participation Program- Incentive Subcontracting [OCT 2000]	[X]	52.225-8	Duty-Free Entry [M] (applies if, under this Order, supplies identified in the Schedule to be accorded duty-free entry will be imported into the customs territory of the United States or other foreign
[X]	52.219-28	Post-Award Small Business Program Representation [APR 2009]			supplies in excess of \$15,000 may be imported into the customs territory of the United States either as end products or for incorporation into end
[X]	52.222-18	Certification Regarding Knowledge of Child Labor for Listed End Products [FEB 2001]			products) (Change "20 calendar days" to "30 calendar days" in Para. (c)(1), and "10 calendar
[X]	52.222-19	Child Labor – Cooperation With Authorities and Remedies [JUL 2010]			days" to "20 calendar days" in Para. (c)(2)) [OCT 2010]
[X]	52.222-21	Prohibition of Segregated Facilities [M] [FEB 1999]	[X]	52.225-13	Restrictions on Certain Foreign Purchases [M] [JUN 2008]
[X]	52.222-26	Equal Opportunity [Mar 2007]	[X]	52.225-14	Inconsistency Between English Version and Translation of Contract [FEB 2000]
[X]	52.222-3	Convict Labor [JUN 2003]	[X]	52.225-17	Evaluation of Foreign Currency Offers [FEB 2000]
[X]	52.222-19	Child Labor- Cooperation with Authorities and Remedies [JUL 2010]	[X]	52.225-18	Place of Manufacture [SEP 2006]
[X]	52.222-26	Equal Opportunity [M] [MAR 2007] and Alt I [M] [FEB 1999]	[X]	52.225-19	Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular
[X]	52.222-36	Affirmative Action for Workers with Disabilities [OCT 2010]			Mission Outside the United States [M] (applies if this Order requires Seller to perform outside the
[X]	52.222-40	Notification of Employee Rights Under the National Labor Relations Act [M] (applies if Order will be performed wholly or partially in the United States) [DEC 2010]			United States (1) in a designated operational area during contingency operations, or humanitarian or
[X]	52.222-41	Service Contract Act of 1965 [M] [NOV 2007]			peacekeeping operations, or other military operations or military exercises, when designated
[X]	52.222-43	Fair Labor Standards Act and Service Contract Act- Price Adjustment (Multiple Year and Option Contracts) [SEP 2009]			by the Combatant Commander (2) when supporting a diplomatic or consular mission that
[X]	52.222-44	Fair Labor Standards Act and Service Contract Act—Price Adjustment [SEP 2009]	[X]	52.225-20	Prohibition on Conducting Restricted Business Operations in Sudan-Certification [AUG 2009]
[X]	52.222-50	Combating Trafficking in Persons [M] [FEB 2009] (Alt I applies if included in Buyer's Government Contract)	[X]	52.225-25	Prohibition on Engaging in Sanctioned Activities Relating to Iran-Certification [SEP 2010]
[X]	52.222-51	Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements [M] [NOV 2007]	[X]	52.234-4	Earned Value Management System [M] (applies when the Contracting Officer has listed Seller in
[X]	52.222-53	Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements [M] [FEB 2009]	[X]	52.232-29	Terms for Financing of Purchases of Commercial Items [FEB 2002]
[X]	52.222-54	Employment Eligibility Verification [M] (applies if this Order (1) is for commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item) or construction; (2) has a value of more than \$3,000; and (3) includes work performed in the United States) (applies to contracts executed on or after September 8, 2009) [JAN 2009]	[X]	52.237-11	Accepting and Dispensing of \$1 Coin [SEPT 2008]
[X]	52.222-54	Employment Eligibility Verification [JAN 2009]	[X]	52.239-1	Privacy or Security Safeguards [AUG 1996]
[X]	52.223-4	Recovered Material Certification [MAY 2008]	[X]	52.244-6	Subcontracts For Commercial Items [DEC 2010]
[X]	52.223-9	Estimate of Percentage of Recovered Material Content for EPA-Designated Items (Alt I applies if included in Buyer's Government Contract) [MAY 2008]	[X]	52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels [M] [FEB 2006]
[X]	52.223-15	Energy Efficiency in Energy-Consuming Products [DEC 2007]			
[X]	52.223-16	IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (Alt I applies if included in Buyer's Government Contract) [DEC 2007]			
[X]	52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving [M] (applies to all Orders expected to exceed the micro-purchase threshold) [AUG 2011]	[X]	52.222-36	Affirmative Action for Workers With Disabilities [M] (Para.(b) (2) is revised to delete "provided by or through the Contracting Officer" and insert "provided upon request by the Contracting Officer through Buyer.") [OCT 2010]
[X]	52.225-1	Buy American Act – Supplies [M] [FEB 2009]	[X]	52.226-6	Promoting Excess Food Donation to Nonprofit Organizations [M] (applies to all contracts, task orders, delivery orders, purchase orders, and other similar instruments greater than \$25,000 with its
[X]	52.225-3	Buy American Act—Free Trade Agreements—Israeli Trade Act [M] (Alt I and II apply if included in Buyer's Government Contract) [JUN 2009]			

B. ORDERS EXPECTED TO EXCEED \$15,000 ALSO INCLUDE:

[X]	52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards (applies to Orders expected to exceed \$25,000) [JUL 2010] (the Seller's failure to provide the required information in a timely manner to permit the Buyer to report the information as required by FAR 52.204-10 shall be considered a material breach of this Order. Additionally, Seller shall indemnify and hold Buyer harmless from and against any price reduction in Buyer's Government Contract (or other contractual remedy exercised by the Government), as well as Buyer's reasonable attorney fees and other direct costs to defend Government Contract claims when said reduction or other liability is attributable to the failure of Seller to timely provide the information required by FAR 52.204-10)
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subcontractors or suppliers, at any tier, who will perform, under this contract, the provision, service, or sale of food in the United States) [MAR 2009]

C. ORDERS EXPECTED TO EXCEED \$30,000

- [X] 52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment [M] (applies to first tier subcontracts exceeding \$30,000; Seller shall furnish to Buyer the information required by Para. (b)) [DEC 2010]

D. ORDERS EXPECTED TO EXCEED \$100,000 AND/OR THE SIMPLIFIED ACQUISITION THRESHOLD ALSO INCLUDE:

- [X] 52.203-6 Restrictions on Subcontractor Sales to the Government - Alt I [M] [SEPT 2006] (applies to all Orders that exceed the simplified acquisition threshold)
- [X] 52.222-35 Equal Opportunity for Veterans [M] (applies to all Orders that exceed \$100,000 unless exempted by rules, regulations or orders of the Secretary of Labor) [SEP 2010] and Alt I [DEC 2001]
- [X] 52.222-37 Employment Reports Veterans [M] (applies to all Orders that exceed \$100,000 unless exempted by rules, regulations or orders of the Secretary of Labor) [SEP 2010]

E. ADDITIONAL CLAUSES:

1. Truth In Negotiations (Cost and Pricing Data)

- (a) Unless exempt, Seller shall submit a FAR Part 15 compliant cost proposal inclusive of appropriate updates throughout the negotiation process. At the conclusion of negotiations, and regardless of any prior certification, Seller must certify as to the accuracy, currency and completeness of its information in accordance with the FAR required Certificate of Current Cost or Pricing Data.
- (b) Indemnification. If any price (including profit or fee) negotiated in connection with Buyer's Government Contract or any cost that is reimbursable under said contract is reduced because cost or pricing data furnished by Seller in connection with any proposal submitted by Buyer relating to said contract or in connection with this Purchase Order was not accurate, complete, or current, Seller shall indemnify Buyer in the amount of said reduction. The phrase "cost or pricing data" as used herein shall be deemed to include any such data which related to a lower-tier prospective or actual subcontract, at any level, which was submitted by Seller or which it procured by submission of, in connection with the aforesaid proposal or this Order in support of its cost estimate. If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, Seller shall be liable and shall pay Buyer at the time such overpayment is repaid:
 - (1) Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to Seller to the date Buyer is repaid by Seller at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6621(a)(2); and
 - (2) For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.

At Buyer's election, Buyer may setoff against any amounts due or to become due to Seller from Buyer, whether or not under this Order, all amounts by which this order has been reduced as set forth above.

Notwithstanding the remedies available to Buyer under this Article, Seller shall indemnify and hold harmless Buyer from and against any and all loss or damage, including Buyer's costs, attorney's fees, any penalties resulting from any and all determinations by Buyer's customer set forth in this subparagraph.

- (c) Cost or Pricing Data for Changes. Prior to the pricing of any change or other modification to this Order which involves increases and/or decreases in costs plus applicable profit expected to exceed the threshold for submission of cost or pricing data, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in Federal Acquisition Regulation 15.406-2, submitted either actually or by specific identification in writing, are accurate, complete, and current as of the date of completion of negotiations. When required to

obtain cost or pricing data from its subcontractors, pursuant to the provisions of this Order, Seller shall obtain such data.

2. DEPARTMENT OF LABOR CLAUSE

In accordance with Executive Order 13496, when the items and/or services furnished are for use in connection with a Government Contract or subcontract, and the Order is expected to exceed \$10,000 and is not otherwise exempt, in addition to the provisions of ITEM-1, the Employee Notice Clause at 29 CFR Part 471, Appendix A to Subpart A is hereby incorporated by reference and made a part of this Order. Seller is required to flow down this Employee Notice Clause in all subcontracts expected to exceed \$10,000 that are not otherwise exempt.

3. DFARS CLAUSES

In addition to the provisions of ITEM-1, the following provisions shall apply as required by the terms of Buyer's Government Contract or by operation of law or regulation. The following Defense FAR Supplement (DFARS) clauses, in addition to or in lieu of the FAR clauses set forth above, are hereby incorporated by reference, as applicable, and made a part of this Order.

A. ALL ORDERS INCLUDE:

- [X] 252.203-7000 Requirements for Relating to Compensation of Former DoD Officials [JAN 2009]
- [X] 252.203-7002 Requirements to Inform Employees of Whistleblower Rights [JAN 2009]
- [X] 252.203-7003 Agency Office of the Inspector General [SEP 2010]
- [X] 252.204-7010 Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol [JAN 2009] (applies to all Orders that are subject to the provisions of the U.S.-IAEA AP)
- [X] 252.205-7000 Provision of Information to Cooperative Agreement Holders [DEC 1991]
- [X] 252.209-7001 Disclosure of Ownership or Control by the Government of a Terrorist Country [JAN 2009]
- [X] 252.209-7002 Disclosure of Ownership or Control by a Foreign Government [JUN 2010]
- [X] 252.211-7003 Item Identification and Valuation [M] [JUN 2011]
- [X] 252.211-7006 Radio Frequency Identification [FEB 2007]
- [X] 252.212-7000 Offeror Representations and Certifications-Commercial Items
- [X] 252.212-7001 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items [JUN 2011]
- [X] 252.219-7003 Small Business Subcontracting Plan (DoD Contracts) [OCT 2010]
- [X] 252.219-7004 Small Business Subcontracting Plan (Test Program) [JAN 2011]
- [X] 252.225-7000 Buy American Act - Balance of Payments Program Certificate (Alt I) [DEC 2010] applies if the contract is for the acquisition of end products listed in 225.401-70 in support of operations in Afghanistan) [DEC 2009]
- [X] 252.225-7001 Buy American Act and Balance of Payments Program [JAN 2009] (applies if work contains other than domestic components; "Government" is not changed in this clause) (Alt I [DEC 2010] applies when the Order includes acquisition of end products listed in 225.401-70 in support of operations in Afghanistan)
- [X] 252.225-7008 Restriction on Acquisition of Specialty Metals [JUL 2009]
- [X] 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals [M] (exclude paragraph (d)) [JAN 2011]
- [X] 252.225-7012 Preference for Certain Domestic Commodities [JUN 2010]
- [X] 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools [JUN 2005]

[X]	252.225-7020	Trade Agreements Certificate (exclude Para. (b)) (Alt I [DEC 2010] applies if the Order is for acquisition of end products in support of operations in Afghanistan) [JAN 2005]			Order involves the acquisition of steel as a construction material)
[X]	252.225-7021	Trade Agreements (applies to Orders for end products under Buyer's Government Contract) (Alt I [SEP 2008] applies if Buyer's Contract includes the clause at 252.225-7024, Requirement for Products or Services from Iraq or Afghanistan, unless the clause at 252.225-7024 has been modified to provide a preference only for the products of Afghanistan) (Alt II [DEC 2010] applies if the Order is for the acquisition of end products in support of operations in Afghanistan and Alt I is not applicable) [JUN 2011]	[X]	252.237-7010	Prohibition on Interrogation of Detainees By Contractor Personnel [M] (applies to Orders that may require Seller's personnel to interact with detainees in the course of their duties) [NOV 2010]
[X]	252.225-7027	Restriction on Contingent Fees for Foreign Military Sales [APR 2003]	[X]	252.237-7023	Continuation of Essential Contractor Services (applies to Order for essential services) [M] [OCT 2010]
[X]	252.225-7028	Exclusionary Policies and Practices of Foreign Governments [M] [APR 2003]	[X]	252.237-7019	Training for Contractor Personnel Interacting with Detainees [M] (applies if this Order may require Seller personnel to interact with detainees in the course of their duties) [SEP 2006]
[X]	252.225-7035	Buy American Act – Free Trade Agreements – Balance of Payments Program Certificate (exclude Para. (b)) (Alt I and II apply if included in Buyer's Government Contract) [DEC 2010]	[X]	252.243-7002	Requests for Equitable Adjustment [MAR 1998]
[X]	252.225-7036	Buy American Act—Free Trade Agreements— Balance of Payments Program (applies to orders for end products under Buyer's Government Contract) (Alt I – III apply if incorporated in Buyer's Government Contract) [DEC 2010]	[X]	252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD contracts) [M] [AUG 2011]
[X]	252.225-7038	Restriction on Acquisition of Air Circuit Breakers [JUN 2005]	[X]	252.246-7003	Notification of Potential Safety Issues [M] (applies if this Order is for parts identified as critical safety items; systems and subsystems, assemblies, and subassemblies integral to a system; or repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system; "Government" does not change) [JAN 2007]
[X]	252.225-7039	Contractors Performing Private Security Functions [AUG 2011]	[X]	252.246-7004	Safety of Facilities, Infrastructure, and Equipment For Military Operations [OCT 2010]
[X]	252.225-7040	Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States [M] (applies to Orders that require Seller's personnel to accompany U.S. Armed Forces deployed outside the United States in contingency operations; humanitarian or peacekeeping operations; or other military operations or exercises designated by the Combatant Commander) [JUN 2011]	[X]	252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer (applies if Seller is acting as a motor carrier, broker or freight forwarder) [SEP 2010]
[X]	252.225-7043	Antiterrorism/Force Protection Policy for Defense Contractors Outside The United States [M] (applies where Seller will be performing or traveling outside the U.S. under this Order. For paragraph (d), see applicable information cited in PGI 225.7403-1) [MAR 2006]	[X]	252.247-7023	Transportation of Supplies by Sea [M] (change "prime contractor" in para. (a)(5) to "Seller" and "the prime contract" to "this order"; modify para. (c) to read "Seller and its subcontractors may request that Buyer obtain Government authorization for shipment . . ."; change in para. (d) "Contracting Officer" to "Buyer" in the second sentence; change "45" to "60" days in para. (d) and "30" to "25" in para. (e); delete in para. (e) "and the Maritime Administration Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street, N.W., Washington, DC 20590"; paras. (f) and (g) only apply if this Order exceeds the simplified acquisition threshold; delete in para. (g) "for the purposes of the Prompt Payment clause of this contract") (Alt I [MAR 2000], Alt II [MAR 2000], and Alt III [MAY 2002] apply if in Buyer's Government Contract) [MAY 2002]
[X]	252.227-7015	Technical Data—Commercial Items (applies only when commercial item (as defined in the FAR) technical data from the subcontractor is delivered to the Government by the prime contractor; no substitutions for "Contracting Officer" or "Government" are made) [MAR 2011]	[X]	252.247-7024	Notification of Transportation of Supplies by Sea [M] (applies to Orders when the prime's original response to the solicitation stated that no transportation by sea was contemplated; modify paragraph (a) to read "If, after the award of this order, Seller learns that supplies . . ." [MAR 2000]
[X]	252.227-7037	Validation of Restrictive Markings on Technical Data [M] (applies when Clauses 252.227-7013, 252.227-7014 or 252.227-7015 are used; in para. (b), "Contractor's" remains in the clause with a lower case "c", insert in paras. (c) and (d)(1) "hereunder" after "subcontract"; change in paras. (f) and (g) (2) (i) "this contract" to "the prime contract"; change in para. (i) "a contract" to "the prime contract"; no substitutions for "Government" or "Contracting Officer" are made) [SEP 1999]	[X]	252.247-7027	Riding Gang Member Requirements (applies to Orders for the charter or carriage of cargo by a U.S. flag vessel documented under 46 U.S.C. § 121) [OCT 2010]
[X]	252.235-7002	Animal Welfare [DEC 1991] [M] (applies to Orders involving performance in the United States or its outlying areas involving research on live vertebrate animals)	C. ORDERS EXPECTED TO EXCEED \$500,000 ALSO INCLUDE:		
[X]	252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers [JAN 2009] (applies if this	[X]	252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns [M] [SEP 2004]

4. NFS CLAUSES

If the Purchase Order identifies a NASA contract number, the following NASA FAR Supplement (NFS) clauses, in addition to or in lieu of FAR

clauses set forth above, are hereby incorporated by reference, as applicable, and made a part of this Order. Any NFS clauses without a specified effective date are effective as of the date of the corresponding FAR clause.

A. ALL ORDERS INCLUDE:

- [X] 1852.219-75 Small Business Subcontracting Reporting [M] (applies to noncommercial item Orders that include FAR 52.219-9) [MAY 1999]
- [X] 1852.223-70 Safety and Health [M] (applies to Orders when one or more of four conditions in Para. (g) exist) (Seller shall include the provisions of this clause in any applicable lower tier Orders) [APR 2002]
- [X] 1852.223-72 Safety and Health (Short Form) [M] (applies to orders over the micro-purchase threshold) [APR 2002]
- [X] 1852.223-73 Safety and Health Plan (Alt I [NOV 2004] applies if incorporated in Buyer's Government Contract) [NOV 2004]
- [X] 1852.223-75 Major Breach of Safety or Security (Alt I [FEB 2006] applies if incorporated in Buyer's Government Contract) [FEB 2002]
- [X] 1852.228-72 Cross-Waiver of Liability for Space Shuttle Services [M] (Note 1) [SEP 1993]
- [X] 1852.228-76 Cross-Waiver of Liability for Space Station Activities [M] (Note 1) [DEC 1994]
- [X] 1852.228-78 Cross-Waiver of Liability for NASA Expendable Launch Vehicle (ELV) Launches [M] (Note 1) [SEP 1993]
- [X] 1852.246-72 Material Inspection and Receiving Report [AUG 2003]

- [X] 3.2.2.3-49 Protecting Existing Vegetation, Structures, Equipment, Utilities, and Improvements [JUL 2004]
- [X] 3.2.2.3-50 Property Protection [FEB 2009]
- [X] 3.2.2.3-50 Alternate I Property Protection (applies if hazardous materials or wastes will be involved in contract performance) [JUL 2009]
- [X] 3.2.2.3-51 Operations and Storage Areas [JUL 2004]
- [X] 3.2.2.3-52 Use and Possession Before the Project is Complete [JUL 2004]
- [X] 3.2.2.3-53 Cleaning Up and Roadway Maintenance [JUL 2004]
- [X] 3.2.2.3-54 Preventing Accidents [M] [JUL 2004]
- [X] 3.2.2.3-55 Availability and Use of Utility Services [JUL 2004]
- [X] 3.2.2.3-57 Quantity Surveys [JUL 2004]
- [X] 3.2.2.3-58 Layout of Work [FEB 2009]
- [X] 3.2.2.3-60 Specifications, Drawings, and Material Offers [M] [FEB 2009]
- [X] 3.2.2.3-60 Alternate I Specifications, Drawings, and Material Offers [FEB 2009]
- [X] 3.2.2.3-60 Alternate II Specifications, Drawings, and Material Offers [JUL 2004]
- [X] 3.2.2.3-61 Responsibility of the Architect-Engineer Contractor [JUL 2004]
- [X] 3.2.2.3-64 Dismantling and Demolishing of Property [JUL 2004]
- [X] 3.2.2.3-65 Use of Explosives [JUL 2004]
- [X] 3.2.2.3-66 Contractor's Daily Log [JUL 2004]
- [X] 3.2.2.3-67 Special Precautions for Work at Operating Airports [JUL 2004]
- [X] 3.2.2.3-68 Safety and Health [JUL 2004]
- [X] 3.2.2.3-68 Alternate I Safety and Health [JUL 2004]
- [X] 3.2.2.3-71 Starting, Performing and Completing Work [JUL 2004]
- [X] 3.2.2.3-71 Alternate I Starting, Performing and Completing Work [JUL 2004]
- [X] 3.2.2.3-73 Shipping Spare Parts [FEB 2009]
- [X] 3.2.2.3-74 Site And Depot Level Spare Parts [JUL 2004]
- [X] 3.2.2.3-81 Prohibition Against Contracting With Inverted Domestic Corporations- Representation [JAN 2010]
- [X] 3.2.2.7-7 Certification Regarding Responsibility Matters [JAN 2010]
- [X] 3.2.2.8-2 Variation in Quantity [APR 1996]
- [X] 3.2.2.8-3 Delivery of Excess Quantities [APR 1996]
- [X] 3.2.2.8-4 Variation in Estimated Quantities [APR 1996]
- [X] 3.2.2.8-6 Time of Delivery [NOV 1997]
- [X] 3.2.2.8-6 Alternate I Time of Delivery [NOV 1997]
- [X] 3.2.2.8-6 Alternate II Time of Delivery [NOV 1997]
- [X] 3.2.2.8-6 Alternate III Time of Delivery [NOV 1997]
- [X] 3.2.2.8-7 Desired and Required Time of Delivery [NOV 1997]
- [X] 3.2.2.8-7 Alternate I Desired and Required Time of Delivery [NOV 1997]
- [X] 3.2.2.8-7 Alternate II Desired and Required Time of Delivery [NOV 1997]
- [X] 3.2.2.8-7 Alternate III Desired and Required Time of Delivery [NOV 1997]
- [X] 3.2.4-2 Fixed-Price Contracts with Economic Price Adjustment-Standard Supplies [APR 1996]
- [X] 3.2.4-3 Fixed-Price Contracts with Economic Price Adjustment-Semi-standard Supplies [APR 1996]
- [X] 3.2.4-4 Fixed-Price Contracts with Economic Price Adjustment-Labor and Material [APR 1996]
- [X] 3.2.4-14 Incentive Price Revision-Firm Target [M] [APR 1996]
- [X] 3.2.4-14 Alternate I Incentive Price Revision-Firm Target [APR 1996]
- [X] 3.2.4-15 Incentive Price Revision-Successive Targets [M] [OCT 1996]
- [X] 3.2.4-15 Alternate I Incentive Price Revision-Successive Targets [OCT 1996]
- [X] 3.2.4-21 Execution and Commencement of Work [APR 1996]
- [X] 3.2.4-22 Limitation of Government Liability [APR 1996]
- [X] 3.2.4-23 Contract Price Definitization [JAN 2010]
- [X] 3.2.4-27 Limitation of Price and Contractor Obligations [APR 1996]
- [X] 3.2.4-28 Cancellation of Items [APR 1996]
- [X] 3.2.4-32 Option for Increased Quantity [APR 1996]
- [X] 3.2.4-33 Option for Increased Quantity - Separately Priced Line Item [APR 1996]
- [X] 3.2.4-34 Option to Extend Services [APR 1996]
- [X] 3.2.4-35 Option to Extend the Term of the Contract [APR 1996]

NUMBERED NOTES APPLICABLE TO NASA FAR SUPPLEMENT REGULATIONS

1. Buyer agrees to waive all claims against the entities or persons identified in paragraphs (c) (1) (i) through (c) (1) (iii) of this clause.

5. FAA AMS CLAUSES

In addition to the provisions of ITEM-1, the provisions which Buyer has marked in the following list shall apply as required by the terms of the Government Contract or by operation of law or regulation. The marked FAA AMS clauses, in addition to or in lieu of the FAR clauses set forth above, are hereby incorporated by reference, as applicable, and made a part of this Order:

- [X] 3.1-1 Clauses and Provisions Incorporated By Reference [JUL 2011]
- [X] 3.1.7-1 Exclusion from Future Agency Contracts [M] [AUG 1997]
- [X] 3.1.7-2 Organizational Conflicts of Interest [M] [AUG 1997]
- [X] 3.1.7-4 Organizational Conflict of Interest [FEB 2009]
- [X] 3.1.7-5 Disclosure of Conflicts of Interest [FEB 2009]
- [X] 3.1.7-6 Disclosure of Certain Employee Relationships [M] [JUL 2009]
- [X] 3.1.8-1 Cancellation, Recession and Recovery of Funds for Illegal or Improper Activity [OCT 2009]
- [X] 3.1.8-2 Price or Fee Adjustment for Illegal or Improper Activity [APR 2010]
- [X] 3.2.2.3-23 Place of Performance [JUL 2004]
- [X] 3.2.2.3-25 Reducing the Price of a Contract or Modification for Defective Cost or Pricing Data [JUL 2004]
- [X] 3.2.2.3-27 Subcontractor Cost or Pricing Data [M] (applies to Order expected to exceed \$1 million) [JUL 2004]
- [X] 3.2.2.3-29 Integrity of Unit Prices [JUL 2004]
- [X] 3.2.2.3-33 Order of Precedence [FEB 2009]
- [X] 3.2.2.3-35 Annual Representations and Certifications [JUL 2004]
- [X] 3.2.2.3-41 Performing Work [JUL 2004]
- [X] 3.2.2.3-42 Differing Site Conditions [JUL 2004]
- [X] 3.2.2.3-43 Site Investigation and Conditions Affecting the Work [JUL 2004]
- [X] 3.2.2.3-44 Physical Data [JUL 2004]
- [X] 3.2.2.3-45 Material and Workmanship [JUL 2004]
- [X] 3.2.2.3-46 Supervising the Contract Work [JUL 2004]
- [X] 3.2.2.3-47 Permits and Responsibilities [JUL 2004]
- [X] 3.2.2.3-48 Other Contracts [FEB 2009]

[X] 3.2.5-1	Officials Not to Benefit [APR 1996]	[X] 3.5-14	Representation of Limited Rights Data and Restricted Computer Software [JAN 2010]
[X] 3.2.5-2	Independent Price Determination [OCT 1996]	[X] 3.5-16	Rights in Data - Special Works [JAN 2009]
[X] 3.2.5-3	Gratuities or Gifts [JAN 1999]	[X] 3.5-17	Rights in Data - Existing Works [JAN 2009]
[X] 3.2.5-4	Contingent Fees [OCT 1996]	[X] 3.5-18	Commercial Computer Software License [JAN 2009]
[X] 3.2.5-5	Anti-Kickback Procedures [M] (applies to Orders expected to exceed \$150,000) [OCT 2010]	[X] 3.5-23	Rights to Proposal Data [Technical] [JAN 2009]
[X] 3.2.5-6	Restrictions on Subcontractor Sales to the FAA [M] [APR 1996]	[X] 3.6.1-1	Notice of Total Small Business Set-Aside [JAN 2010]
[X] 3.2.5-6	Alternate I Restrictions on Subcontractor Sales to the FAA Alternate I [APR 1996]	[X] 3.6.1-2	Notice of Very Small Business Set-Aside [JUL 2006]
[X] 3.2.5-7	Disclosure Regarding Payments to Influence Certain Federal Transactions [M] [OCT 2010]	[X] 3.6.1-3	Utilization of Small, Small Disadvantaged and Women-Owned, and Service-Disabled Veteran Owned Small Business Concerns [FEB 2009]
[X] 3.2.5-8	Whistleblower Protection for Contractor Employees [APR 1996]	[X] 3.6.1-4	Small, Small Disadvantaged, Women-Owned and Service-Disabled Veteran Owned Small Business Subcontracting Plan [OCT 2010]
[X] 3.2.5-13	Contractor Code of Business Ethics and Conduct [M] (applies to Orders to large businesses that are expected to be equal to or exceed \$5 million and a performance period of more than 120 days) [APR 2010]	[X] 3.6.1-6	Liquidated Damages - Subcontracting Plan [JAN 2010]
[X] 3.3.1-1	Payments [APR 1996]	[X] 3.6.1-7	Limitations on Subcontracting [JUL 2008]
[X] 3.3.1-8	Extras [APR 1996]	[X] 3.6.1-8	Notification of Competition Limited to Eligible SEDB Concerns [JAN 2010]
[X] 3.3.1-10	Availability of Funds [APR 1996]	[X] 3.6.1-9	Mentor Protégé Program [OCT 2006]
[X] 3.3.1-11	Availability of Funds for the Next Fiscal Year [APR 1996]	[X] 3.6.1-10	Evaluation of Contractor Participation in the FAA Mentor Protégé Program [JAN 1999]
[X] 3.3.1-15	Assignment of Claims [APR 1996]	[X] 3.6.1-11	Mentor Requirements and Evaluation [OCT 2006]
[X] 3.3.1-15	Alternate I Assignment of Claims Alternate I [APR 1996]	[X] 3.6.1-12	Notice of Service-Disabled Veteran Owned Small Business Set-Aside [JAN 2010]
[X] 3.3.1-16	Prohibition of Assignment of Claims [APR 1996]	[X] 3.6.1-15	Post-Award Small Business Program Representation [APR 2011]
[X] 3.3.1-27	Invoices for Equipment Delivered [MAR 1997]	[X] 3.6.2-2	Convict Labor [APR 1996]
[X] 3.3.1-32	Performance Based Payments [NOV 2000]	[X] 3.6.2-3	Walsh-Healey Public Contracts Act Representation [OCT 2010]
[X] 3.3.1-33	Central Contractor Registration [JAN 2008]	[X] 3.6.2-4	Walsh-Healey Public Contracts Act [OCT 2010]
[X] 3.3.1-34	Payment by Electronic Funds Transfer- Central Contractor Registration [FEB 2009]	[X] 3.6.2-5	Certification of Nonsegregated Facilities [M] [FEB 2009]
[X] 3.3.1-35	Certification of Registration in Central Contractor Registration [CCR] [APR 2006]	[X] 3.6.2-6	Previous Contracts and Compliance Reports [APR 1996]
[X] 3.3.1-36	Availability of Funds - Option Periods under a Continuing Resolution [APR 2008]	[X] 3.6.2-8	Affirmative Action Compliance [APR 1996]
[X] 3.3.2-1	FAA Cost Principles [OCT 1996]	[X] 3.6.2-9	Equal Opportunity [AUG 1998]
[X] 3.4.1-1	Proposal Guarantee [APR 1996]	[X] 3.6.2-9	Alternate I Equal Opportunity Alternate I [M][PR 1996]
[X] 3.4.1-2	Deposit of Assets Requirements [APR 1996]	[X] 3.6.2-10	Equal Opportunity Preaward Clearance of Subcontracts [NOV 1997]
[X] 3.4.1-10	Insurance - Work on a Government Installation [M] [JUL 1996]	[X] 3.6.2-11	Notification of Visa Denial [APR 1996]
[X] 3.4.1-13	Errors and Omissions [JUL 1996]	[X] 3.6.2-12	Equal Opportunity for Veterans [M] (applies to Orders expected to exceed \$100,000) [FEB 2011]
[X] 3.4.2-4	Taxes - Fixed-Price Contracts with Foreign Governments [APR 1996]	[X] 3.6.2-13	Affirmative Action for Workers With Disabilities [M] [OCT 2010]
[X] 3.4.2-5	Taxes - Foreign Fixed-Price Contracts [APR 1996]	[X] 3.6.2-14	Employment Reports on Veterans [M] (applies to Orders expected to exceed \$100,000) [FEB 2011]
[X] 3.4.2-6	Taxes - Contracts Performed in U.S. Possessions or Puerto Rico [OCT 1996]	[X] 3.6.2-15	Evaluation of Compensation for Professional Employees [APR 1996]
[X] 3.4.2-7	Federal, State, and Local Taxes - Fixed-Price, Noncompetitive Contract [APR 1996]	[X] 3.6.2-16	Notice to the Government of Labor Disputes [M] [APR 1996]
[X] 3.4.2-8	Federal, State, and Local Taxes - Fixed Price Contract [APR 1996]	[X] 3.6.2-18	Davis Bacon Act [M] [OCT 2010]
[X] 3.4.2-10	State and Local Taxes- Indefinite Delivery Contracts for Leased Equipment [APR 1996]	[X] 3.6.2-19	Withholding-Labor Violations [APR 1996]
[X] 3.5-1	Authorization and Consent [JAN 2009]	[X] 3.6.2-20	Payrolls and Basic Records [FEB 2011]
[X] 3.5-2	Notice and Assistance Regarding Patent and Copyright Infringement [M] (applies if value of Order is expected to exceed the simplified purchasing threshold) [JAN 2009]	[X] 3.6.2-21	Apprentices, Trainees, and Helpers [OCT 2010]
[X] 3.5-3	Patent Indemnity [JAN 2009]	[X] 3.6.2-22	Subcontracts [Labor Standards] [M] [OCT 2010]
[X] 3.5-5	Waiver of Indemnity [JAN 2009]	[X] 3.6.2-23	Certification of Eligibility [APR 1996]
[X] 3.5-6	Royalty Information [JAN 2009]	[X] 3.6.2-24	Affirmative Action Compliance Requirements for Construction [M] (applies to Order expected to exceed \$10,000) [OCT 2010]
[X] 3.5-7	Patents - Notice of Government Licensee [JAN 2009]	[X] 3.6.2-28	Service Contract Act of 1965, as Amended [M] [OCT 2010]
[X] 3.5-8	Refund of Royalties [M] (applies if royalties reported during negotiation of Order exceeds \$250) [JAN 2009]	[X] 3.6.2-29	Statement of Equivalent Rates for Federal Hires [APR 1996]
[X] 3.5-9	Filing of Patent Applications - Classified Subject Matter [M] [JAN 2009]	[X] 3.6.2-30	Fair Labor Standards Act and Service Contract Act - Price Adjustment [Multiple Year and Option Contracts] [APR 1996]
[X] 3.5-13	Rights in Data - General [JAN 2009]	[X] 3.6.2-31	Fair Labor Standards Act and Service Contract Act-Price Adjustment [APR 1996]
[X] 3.5-13	Alternate I Rights in Data - General Alternate I [JAN 2009]	[X] 3.6.2-32	SCA Minimum Wages and Fringe Benefits [Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreements [CBA]] [APR 1996]
[X] 3.5-13	Alternate II Rights in Data - General Alternate II [JAN 2009]	[X] 3.6.2-33	Exemption from Application of Service Contract Act Provisions [for Contracts for Maintenance, Calibration, and/or Repair of Certain ADP, Scientific and Medical, and/or Office and Business Equipment-Contractor Certification] [APR 1996]
[X] 3.5-13	Alternate III Rights in Data - General Alternate III [JAN 2009]	[X] 3.6.2-34	Service Contract Act - Place of Performance Unknown [APR 1996]
[X] 3.5-13	Alternate IV Rights in Data - General Alternate IV [JAN 2009]		
[X] 3.5-13	Alternate V Rights in Data - General Alternate V [JAN 2009]		

[X] 3.6.2-35	Prevention of Sexual Harassment [M] [AUG 1998]	[X] 3.8.4-5	Government Supply Sources [APR 1996]
[X] 3.6.2-38	Certification of Knowledge Regarding Child Labor End Products [JUL 2007]	[X] 3.9.1-1	Contract Disputes [SEP 2009]
[X] 3.6.2-39	Trafficking in Persons [M] [JAN 2008]	[X] 3.9.1-2	Protest After Award [AUG 1997]
[X] 3.6.2.-40	Nondisplacement of Qualified Workers [M] [APR 2009]	[X] 3.9.1-3	Protest [NOV 2002]
[X] 3.6.2-41	Employment Eligibility Verification [M] [SEP 2009]	[X] 3.10.1-2	Production Progress Reports [APR 1996]
[X] 3.6.3-3	Hazardous Material Identification and Material Safety Data [APR 2009]	[X] 3.10.1-4	FOB Origin - Government Bills of Lading or Prepaid Postage [APR 1996]
[X] 3.6.3-4	Recovered Material Certification [APR 2009]	[X] 3.10.1-5	FOB Government Bills of Lading or Indicia Mail [APR 1996]
[X] 3.6.3-5	Estimate of Percentage of Recovered Material for Designated Items to be Used in the Performance of the Contract [APR 2009]	[X] 3.10.1-7	Bankruptcy [APR 1996]
[X] 3.6.3-5	Alternate I Estimate of Percentage of Recovered Material for Designated Items to be Used in the Performance of the Contract Alternate I [JUL 2008]	[X] 3.10.1-8	Suspension of Work [AUG 1998]
[X] 3.6.3-5	Alternate II Estimate of Percentage of Recovered Material for Designated Items to be Used in the Performance of the Contract Alternate II [JUL 2008]	[X] 3.10.1-9	Stop-Work Order [OCT 1996]
[X] 3.6.3-6	Notice of Radioactive Materials [M] [JUL 2008]	[X] 3.10.1-12	Changes - Fixed-Price [APR 1996]
[X] 3.6.3-7	Waste Reduction Program [JUL 2008]	[X] 3.10.1-12	Alternate I Changes - Fixed-Price Alternate I [APR 1996]
[X] 3.6.3-8	Ozone Depleting Substances [JUL 2008]	[X] 3.10.1-12	Alternate II Changes - Fixed-Price Alternate II [APR 1996]
[X] 3.6.3-9	Refrigeration Equipment and Air Conditioners [APR 2009]	[X] 3.10.1-12	Alternate III Changes - Fixed-Price Alternate III [APR 1996]
[X] 3.6.3-10	Certification of Toxic Chemical Release Reporting [APR 2009]	[X] 3.10.1-12	Alternate V Changes - Fixed-Price Alternate V [APR 1996]
[X] 3.6.3-11	Toxic Chemical Release Reporting [M] (applies to Orders expected to exceed \$100,000) [APR 2008]	[X] 3.10.1-15	Changes-Construction, Dismantling, Demolition, or Removal of Improvements [JUL 1996]
[X] 3.6.3-13	Recycle Content and Environmentally Preferable Products [APR 2009]	[X] 3.10.1-22	Contracting Officer's Technical Representative [JAN 2008]
[X] 3.6.3-16	Drug Free Workplace [FEB 2009]	[X] 3.10.1-24	Notice of Delay [FEB 2009]
[X] 3.6.3-17	Efficiency in Energy-Using Products [M] [APR 2008]	[X] 3.10.1-25	Novation and Change-Of-Name Agreements [OCT 2007]
[X] 3.6.3-18	Biobased Product Certification [JUL 2010]	[X] 3.10.1-26	Contractor Performance Assessment Reporting System [JUL 2011]
[X] 3.6.3-19	Affirmative Procurement of Biobased Products Under Service and Construction Contracts [JUL 2010]	[X] 3.10.2-1	Subcontracts [Fixed-Price Contracts] [APR 1996]
[X] 3.6.3-20	IEEEE 1680 Standard for the Environmental Assessment of Personal Computers [JAN 2011]	[X] 3.10.2-1	Alternate I Subcontracts [Fixed-Price Contracts] Alternate I [APR 1996]
[X] 3.6.3-20	Alternate I IEEEE 1680 Standard for the Environmental Assessment of Personal Computers [JAN 2011]	[X] 3.10.3-1	Definitions [APR 2004]
[X] 3.6.4-1	Waiver of Buy American Act for Civil Aircraft and Related Articles [JAN 2011]	[X] 3.10.3-2	Government Property - Basic Clause [APR 2004]
[X] 3.6.4-2	Buy American Act - Supplies [JUL 2010]	[X] 3.10.3-2	Alternate I Government Property - Basic Clause Alternate I [APR 2004]
[X] 3.6.4-3	Buy American Act - Construction Materials [JAN 2011]	[X] 3.10.4-1	Contractor Inspection Requirements [APR 1996]
[X] 3.6.4-4	Buy American Act - Construction Materials Under North American Free Trade Agreement [JAN 2011]	[X] 3.10.4-4	Inspection of Services - Both Fixed-Price & Cost Reimbursement [APR 1996]
[X] 3.6.4-5	Buy American - Steel and Manufactured Products [JUL 2010]	[X] 3.10.4-14	Assignment of a Quality Reliability Officer [QRO] [APR 1996]
[X] 3.6.4-6	Balance of Payments Program [JUL 1996]	[X] 3.10.4-15	Certificate of Conformance [APR 1996]
[X] 3.6.4-8	Buy American Act - NAFTA Implementation Act - Balance of Payments Program [JAN 2011]	[X] 3.10.4-16	Responsibility for Supplies [APR 1996]
[X] 3.6.4-10	Restrictions on Certain Foreign Purchases [M] [JAN 2010]	[X] 3.10.4-19	Government Industry Data Exchange Program [GIDEP] [JAN 2002]
[X] 3.6.4-11	Inconsistency Between English Version and Translation of Contract [APR 1996]	[X] 3.10.4-23	Contractor and Subcontractor Compliance with Fastener Act [M] [NOV 1997]
[X] 3.6.4-14	Balance of Payments Program-Construction Materials-NAFTA [JUL 1996]	[X] 3.10.4-26	Technical Data Quality Requirement for NAS Procurements [DEC 2003]
[X] 3.6.4-15	Buy American Act Certificate [JUL 1996]	[X] 3.10.5-1	Product Improvement/ Technology Enhancement [APR 1996]
[X] 3.6.4-16	Balance of Payments Program Certificate [JUL 1996]	[X] 3.10.6-1	Termination for Convenience of the Government [Fixed Price] [OCT 1996]
[X] 3.6.4-17	Buy American Act-NAFTA Implementation Act-Balance of Payments Certificate [JUL 1996]	[X] 3.10.6-4	Default [Fixed-Price Supply and Service] [OCT 1996]
[X] 3.6.4-18	Certification Regarding Steel and Manufactured Products [APR 2009]	[X] 3.10.7-1	Indemnification under Public Law 85-804 [OCT 1996]
[X] 3.6.4-19	Prohibition on Engaging in Sanctioned Activities Relating to Iran-Certification [JAN 2011]	[X] 3.11-1	Commercial Bill of Lading Notations [APR 1999]
[X] 3.6.5-1	Utilization of Indian Organizations and Indian Owned Economic Enterprises [FEB 2009]	[X] 3.11-29	F.O.B. Origin [APR 1999]
[X] 3.7-1	Privacy Act Notification [OCT 1996]	[X] 3.11-30	F.O.B. Origin, Contractor's Facility [APR 1999]
[X] 3.7-2	Privacy Act [M] [OCT 1996]	[X] 3.11-31	F.O.B. Origin, Freight Allowed [APR 1999]
[X] 3.8.2-9	Site Visit [APR 1996]	[X] 3.11-32	F.O.B. Origin, Freight Prepaid [APR 1999]
[X] 3.8.2-10	Protection of Government Buildings, Equipment, and Vegetation [APR 1996]	[X] 3.11-33	F.O.B. Origin With Differentials [APR 1999]
[X] 3.8.2-11	Continuity of Services [OCT 2008]	[X] 3.11-34	F.O.B. Destination [APR 1999]
[X] 3.8.2-15	Indemnification and Medical Liability Insurance [M] [APR 1996]	[X] 3.11-35	F.O.B. Destination, Within Cosignee's Premises [APR 1999]
[X] 3.8.2-17	Key Personnel and Facilities [JUL 1996]	[X] 3.11-36	F.A.S. Vessel, Port of Shipment [APR 1999]
[X] 3.8.2-18	Certification of Data [OCT 1996]	[X] 3.11-37	F.O.B. Vessel, Port of Shipment [APR 1999]
[X] 3.8.2-19	Prohibition on Advertising [M] [OCT 1996]	[X] 3.11-38	F.O.B. Inland Carrier, Point of Exportation [APR 1999]
		[X] 3.11-39	F.O.B. Inland Point, Country of Importation [APR 1999]
		[X] 3.11-40	Ex Dock, Pier, or Warehouse, Port of Importation [APR 1999]
		[X] 3.11-41	C. & F. Destination [APR 1999]
		[X] 3.11-42	C.I.F. Destination [APR 1999]
		[X] 3.11-43	F.O.B. Designated Air Carrier's Terminal, Point of Exportation [APR 1999]
		[X] 3.11-44	F.O.B. Designated Air Carrier's Terminal, Point of Importation [APR 1999]

- [X] 3.11-45 F.O.B. Origin and/or F.O.B. Destination Evaluation [APR 1999]
- [X] 3.11-46 Shipping Point[s] Used in Evaluation of F.O.B. Origin Offers [APR 1999]
- [X] 3.11-47 Evaluation - F.O.B. Origin [APR 1999]
- [X] 3.11-48 F.O.B. Destination - Evidence of Shipment [APR 1999]
- [X] 3.11-49 Destination Unknown [APR 1999]
- [X] 3.11-50 No Evaluation of Transportation Costs [APR 1999]
- [X] 3.11-51 Evaluation of Export Offerors [APR 1999]
- [X] 3.11-51 Alternate I Evaluation of Export Offerors Alternate I [APR 1999]
- [X] 3.11-51 Alternate II Evaluation of Export Offerors Alternate II [APR 1999]
- [X] 3.11-51 Alternate III Evaluation of Export Offerors Alternate III [APR 1999]
- [X] 3.11-53 F.O.B. Point for Delivery of Government Furnished Property [APR 1999]
- [X] 3.11-54 Transit Arrangements [APR 1999]
- [X] 3.11-55 Transit Privilege Credits [APR 1999]
- [X] 3.11-56 Loading, Blocking and Bracing of Freight Car Shipments [APR 1999]
- [X] 3.11-57 F.O.B. Origin -Carload and Truckload Shipments [APR 1999]
- [X] 3.11-58 Guaranteed Shipping Characteristics [APR 1999]
- [X] 3.11-59 F.O.B. Origin- Minimum Size of Shipments [APR 1999]
- [X] 3.11-60 Specific Quantities Unknown [APR 1999]
- [X] 3.11-62 Preference for Privately Owned U.S. Flag Commercial Vessels [M] [APR 1999]
- [X] 3.11-62 Alternate I Preference for Privately Owned U.S. Flag Commercial Vessels Alternate I [APR 1999]
- [X] 3.11-62 Alternate II Preference for Privately Owned U.S. Flag Commercial Vessels Alternate II [APR 1999]
- [X] 3.11-63 F.O.B. Origin, Prepaid Freight - Small Package Shipments [APR 1999]
- [X] 3.11-64 Returnable Cylinders [APR 1999]
- [X] 3.11-68 F.O.B. Origin - Government Bills of Lading or Prepaid Postage [APR 1999]
- [X] 3.11-69 Report of Shipment [RESHIP] [APR 1999]
- [X] 3.13-1 Approval of Contract [APR 1996]
- [X] 3.13-3 Printing/Copying Double-sided on Recycled Paper [JUL 2008]
- [X] 3.13-4 Contractor Identification Number - Data Universal Numbering System [DUNS] Number [APR 2006]
- [X] 3.13-5 Seat Belt Use by Contractor Employees [JAN 1999]
- [X] 3.13-10 Contractor Attendance at FAA Sponsored Training [JAN 2003]
- [X] 3.13-11 Plain Language [JUL 2006]
- [X] 3.13-13 Contractor Policy to Ban Text Message While Driving [M] (applies to Orders expected to exceed \$150,000) [FEB 2011]
- [X] 3.13-14 Reporting Executive Compensation and First-Tier Subcontract Awards [APR 2011]
- [X] 3.14-1 Security Requirements - Classified Contracts [M] [JUL 2002]
- [X] 3.14-1 Alternate I Security Requirements - Classified Contracts Alternate I [OCT 2010]
- [X] 3.14-1 Alternate II Security Requirements - Classified Contracts Alternate II [JAN 2011]
- [X] 3.14-2 Contractor Personnel Suitability Requirements [M] [JAN 2011]
- [X] 3.14-3 Foreign Nationals as Contractor Employees [M] [APR 2008]
- [X] 3.14-4 Access to FAA Systems and Government-Issued Keys, Personal Identity Verification [PIV] cards, and Vehicle Decals [OCT 2010]
- [X] 3.14-5 Sensitive Unclassified Information [SUI] [JUL 2008]
- [X] 3.17-1 American Recovery and Reinvestment Act-Reporting Requirements [M] [JUL 2010]
- [X] 3.17-2 Authority of the Inspector General and Comptroller General Relating to Contracts Using American Recovery and Reinvestment Act Funding [APR 2009]
- [X] 3.17-3 Whistleblower Protections under the American Recovery and Reinvestment Act [M] [JUL 2010]