

## 1. General Information

In these conditions and under any resulting Contract:

- “Buyer” means Perellion, Inc. dba Perellion.
- “Buyer’s Agent” means the employee of Perellion that places this Order.
- “Seller” means the person or entity with whom this Order is placed.
- “Order” means these General Terms and Conditions of Purchase, the purchase order or purchase contract, and any additional Buyer-generated documents submitted as part of the Order or referenced therein.
- “Deliverables” means all deliverable goods, items, products, tools, materials, software or services or other deliverables described in this Order.
- “Acceptance” shall be used in these terms when reflecting the acceptance and/or rejection of Deliverables by the Buyer.
- Buyer and Seller may also be referred to herein as a “Party” or collectively as the “Parties.”

The headings used herein are for convenience only and shall not define, limit, or extend the scope or the intent of the sections to which the headings refer.

## 2. Order Authorization and Conditions

This Order, which incorporates by reference these Standard Terms and Conditions of Purchase and all other terms, conditions, or provisions set forth on the face of the Order, constitutes Buyer’s offer to purchase the Deliverables as specified in this Order. Acceptance of this offer is strictly limited to the terms and conditions in this Order. Unless specifically agreed to in writing by Buyer, Seller’s acknowledgement, acceptance of payment, or commencement of performance, shall conclusively evidence Acceptance of this Order as written. Buyer hereby objects to any additional or different terms contained in Seller’s acceptance. No work outside the terms of the Order shall be performed without the prior written authorization of Buyer. Any work performed without prior written authorization of Buyer will not be paid.

## 3. Confidentiality

Seller will acquire knowledge of Buyer’s Confidential Information (as defined below) in connection with its performance hereunder and agrees to keep such Confidential Information in confidence during and following termination or expiration of this Order. “Buyer’s Confidential Information” includes but is not limited to all information, whether written or oral, in any form, including without limitation, information relating to the research, development, products, methods of manufacture, trade secrets, business plans, customers, suppliers, finances, personnel data, Work Product (as defined herein) and other material or information considered proprietary by Buyer relating to the current or anticipated business or affairs of Buyer which is disclosed directly or indirectly to Seller. In addition, Buyer’s Confidential Information means any third party’s proprietary or confidential information disclosed to Seller in the course of providing Services or Goods to Buyer. Buyer’s Confidential Information does not include any information (i) which Seller lawfully knew without restriction on disclosure before Buyer disclosed it to Seller, (ii) which is now or becomes publicly known through no wrongful act or failure to act of Seller, (iii) which Seller developed independently without use of the Buyer’s Confidential Information, as evidenced by appropriate documentation, or (iv) which is hereafter lawfully furnished to Seller by a third party as a matter of right and without restriction on disclosure. In addition, Seller may disclose Buyer’s Confidential Information which is required to be disclosed pursuant to a requirement of a government agency or law so long as Seller provides prompt notice to Buyer of such requirement prior to disclosure.

Seller agrees not to copy, alter or directly or indirectly disclose any Buyer’s Confidential Information. Additionally, Seller agrees to limit its internal distribution of Buyer’s Confidential Information to Seller’s employees who have a need to know, and to take steps to ensure that the dissemination is so limited, including the execution by Seller’s employees of nondisclosure agreements with provisions substantially similar to those set forth herein. In no event will Seller use less than

the degree of care and means that it uses to protect its own information of like kind, but in any event not less than reasonable care to prevent the unauthorized use of Buyer's Confidential Information.

Seller further agrees not to use the Buyer's Confidential Information except in the course of performing hereunder and will not use such Buyer's Confidential Information for its own benefit or for the benefit of any third party. The mingling of the Buyer's Confidential Information with information of Seller shall not affect the confidential nature or ownership of the same as stated hereunder. Seller agrees not to design or manufacture any products which incorporate Buyer's Confidential Information. All Buyer's Confidential Information is and shall remain the property of Buyer. Upon Buyer's written request or the termination of this Order, Seller shall return, transfer or assign to Buyer all Buyer's Confidential Information, including all Work Product, as defined herein, and all copies thereof.

#### 4. Assignment, Subcontracting, and Outsourcing

Seller shall not assign, delegate, subcontract, outsource, or transfer this Order, the work required to be done, or any payments to be made hereunder without prior written approval from Buyer. When assignment, delegation, subcontracting, outsourcing, or transfer is approved, Seller shall continue to be liable with respect to all requirements, obligations, and liabilities it assumed by accepting this Order and hereby guarantees satisfactory performance of this Order by its assignee, delegate, subcontractor, or transferee. Seller shall enter into a written agreement with any approved assignee, delegate, subcontractor, or transferee, which flows down all applicable requirements of this Order, meets the insurance requirements of these Terms, and includes provisions protecting Buyer's Confidential Information in a manner consistent with the terms of this Order.

Notwithstanding any other provision of this Order, Seller shall not procure from a third party any completed or substantially completed Deliverables described in the Purchase Order without first obtaining the written approval of Buyer.

#### 5. Quality System

Seller shall establish and maintain a quality management system ("QMS") acceptable to Buyer in accordance with the Quality terms as specified in this Order and in compliance with any other specific quality requirements for the Deliverables identified in the Order. Independent third-party certification (e.g. ISO 9001, AS9100) is strongly recommended and encouraged. Seller shall permit Buyer to review procedures, practices, processes and related documents to determine such acceptability.

When this Order is for manufactured parts, the quality system shall include process controls that will provide for inspection and verification of all critical parameters or operations on a regular or continuing basis throughout the manufacturing process. Seller agrees to maintain a minimum of ten (10) years of quality records such as material specifications, heat treat lot numbers, and final acceptance records. Upon expiration of the retention period, if Seller wishes to dispose of these records, Seller agrees to do so securely in a manner that ensures confidentiality and prevents unauthorized access.

When this Order includes software, the software must come with a certification from the originator of the software that the software has been tested and is safe for use, or be identified in writing with any limitations in application.

Sellers initially approved for use via Certification (ISO 9001, AS9100, ISO17025, AS9120, etc.) must notify our organization of any changes to that certification.

Buyer reserves the right of access by our representatives, our customers, any regulatory authorities to the applicable areas of all the facilities, at any level of the supply chain involved in the order, and to all applicable records.

#### 6. Quality

Seller warrants that the Deliverables will conform to all applicable descriptions and specifications and will be free from all defects in design, material, and workmanship (other than Buyer's design). No variation from the requirements of the Order shall be permitted without the Buyer's prior written authorization. Buyer shall have the right to inspect and test any

Deliverables before Acceptance if such inspection and test are made within a reasonable time or as provided in the specifications. Buyer may reject any and all Deliverables which are not conforming to the specifications, drawings, samples or descriptions. Seller shall pay the cost of inspecting and testing of all Deliverables rejected and all return transportation charges. Any rejected Deliverables held by Buyer pending Seller's disposition will be at the Seller's risk. Upon request of Buyer, Seller (at its sole expense) shall repair, or replace all or any part of, any Deliverables covered by this Order which prove, within one (1) year from the date it is placed in operation but no later than eighteen (18) months from date of shipment, to be defective in design, material, or workmanship.

All special processes required by this Order must be performed by qualified personnel.

Buyer reserves the right of final approval of product, procedures, processes, and equipment.

Seller shall maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.

If Seller becomes aware or suspects that a Deliverable contains non-conforming materials, Seller shall:

1. Notify Buyer of nonconforming product immediately upon discovery
2. Obtain Buyer's approval for nonconforming product disposition
3. Notify Buyer of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations

Seller shall not deliver Deliverables containing non-conforming materials to Buyer unless instructed to do by Buyer. Buyer, in turn, may also notify its Customer(s) and government representatives and reserves the right to withhold payment for the Deliverable(s) pending results of the investigation.

## 7. Warranty

Seller warrants that all Deliverables furnished under this Order will (i) be new and unused; (ii) be of satisfactory and merchantable quality; (iii) be fit for their purpose; (iv) be free from defects in material and workmanship; (v) conform to applicable specifications, samples, drawings and descriptions or other requirements, and if of Seller's design, will be free from design defects; and (vi) be free from any materials that are or may be hazardous or harmful to any user or require special handling or treatment, except as specifically agreed to by Buyer. Services will be of high quality, utilizing good workmanship, and performed on time and to recognized local, national, or international standards that will be outlined on the purchase documents. Buyer may reject Deliverables which do not conform to these warranties. Buyer may at its option continue to hold the rejected Deliverables at Seller's risk and expense or return them to Seller's facility at Seller's expense. Buyer may reject services that are part of the Deliverables as substandard and request that they be brought up to the agreed standard. If the Seller is not able to do this in a reasonable timeframe or to the specified standard, then Buyer reserves the right to bring in another service supplier to do the job at the Seller's expense. The failure of Buyer in any one or more instances to insist on performance of any of the provisions of this Order shall in no way be construed to be a waiver of such provisions in the future. The Seller shall, at its own cost immediately and without prejudice to any other right of Buyer, at Buyer's discretion, replace or repair any defective Deliverables for a period of 12 months from date of Acceptance or as mutually agreed between the parties and documented writing. If action to remedy such defect or damage is not taken by Seller quickly and the defect or damage is not remedied within a reasonable time, Buyer may proceed to replace or repair the Deliverables at Seller's risk and expense. The Seller warrants that the title to the Deliverables conveyed to Buyer shall be good and that such title shall be conveyed to Buyer free and clear of all security interests, liens, or other encumbrances. All warranties shall apply to Buyer and Buyer's customers.

## 8. Installation and Work

To the extent that any of the Deliverables require the services of a supervisor, expert, or other person connected with or employed by Seller ("Expert"), in connection with the installation, adjustment, repair, replacement, or other services to be performed on the Deliverables, Seller agrees to furnish the Expert without charge unless otherwise indicated. The Expert in performing the services shall not be deemed to be the agent or employee of Buyer. Seller assumes sole responsibility for the Expert's acts and omissions as well as liability for any taxes or contributions imposed by federal, state, or local law including but not limited to payroll, Social Security, unemployment, and other taxes.

Buyer may require any Expert providing services on Buyer's premises to pass a drug screening test that Buyer administers. Seller agrees to employ only competent and skilled personnel to perform the services and shall use all reasonable means to ensure the continued employment of the Expert pursuant to this Order. Seller warrants that any Expert that Seller assigns to Buyer's facilities shall have a prior satisfactory work record in a responsible capacity; have no felony criminal record; and be in good health without any physical or mental conditions which would prevent the performance of essential functions of the job. If Seller is or becomes a party to any collaborative bargaining agreement involving the Expert, no provision in that agreement shall be binding upon Buyer, unless otherwise required by law. Seller further agrees, while Seller's Expert is on Buyer's premises, that Expert will abide by Seller's normal rules of work. Buyer may request that Seller remove any Expert whose performance or behavior is deemed unacceptable.

## 9. Transportation Charges

Except as otherwise mutually agreed to in writing, (a) where transportation charges are separately charged to Buyer by Seller, such charges shall in no event exceed the lowest legal freight charges via the carrier or routing specified as of the date of shipment and (b) where transportation charges are allowed to Buyer by Seller, such allowance shall not be less than the actual freight charges paid by Buyer or, where Buyer performs the transportation, such allowance shall be in an amount equal to the freight charges which would have been assessed for a like movement via common carrier.

Deliveries shall be consolidated into the fewest reasonable lots that meet all schedule requirements. Quotes for shipping shall reflect this requirement. The added costs for partial shipments, express deliveries and all other delivery methods not agreed to in the Order, must either be absorbed by the Seller or specifically authorized in writing by the Buyer. Buyer will not authorize payment for express shipments or partial shipments when the need for these is due to late delivery by Seller or Seller's supply chain.

## 10. Packing and Shipping

Unless otherwise specified, the Deliverables Seller sells to Buyer shall be (a) packed, packaged, marked, and otherwise prepared for shipment in a manner which is in accordance with good commercial practice, (b) acceptable to common carriers for shipment at the lowest rate for the particular goods and in accordance with applicable regulations, and (c) adequate to ensure safe arrival at the named destination. Seller agrees to mark all containers with necessary lifting, handling, and shipping information including Order numbers, date, or dates. A packing list must be enclosed in all shipments showing the Order number and exact quantity and description of the goods shipped. No charges will be allowed for packing, crating, freight express, or cartage unless specified in this Order. Seller shall maintain controls to assure accomplishment of preservation, packaging, and shipping requirements of this Order. The price includes all charges for such packing and packaging and transportation to the Delivered at place (DAP). Packaging of Hazardous Substances must conform to all applicable laws and regulations.

## 11. Delivery

Except as hereinafter specified, delivery shall be strictly in accordance with the delivery schedule, the applicable specifications, and quantities set forth in this Order. Buyer reserves the right to return over shipments and early shipments at Seller's expense. Seller shall be liable for all storage/handling charges incurred as a result of over shipments and early

shipment. Whenever it appears Seller will not meet the delivery schedule, Seller shall immediately notify Buyer of the reason and estimated length of the delay. Seller shall make every effort to avoid or minimize the delay to the maximum extent possible including the expenditure of premium time and most expeditious transportation. Any additional cost caused by these requirements shall be borne by Seller. Time is of the essence. If Seller is unable to meet the required delivery schedules for any reason, other than a change directed by Buyer, Buyer shall have the option to (a) terminate this Order for default; and/or (b) fill such Order or any portion thereof, from sources other than Seller and to reduce Seller's Order quantities accordingly at no increase in unit price, without any penalty to Buyer; and/or (c) accept late delivery and recover from Seller any reasonable costs Buyer incurs caused solely by the Seller's late delivery capped at Item/Service cost; and/or (d) recover liquidated damages from Seller in the amount of one percent (1%) of the Order value for each week or partial week period that the Seller fails to deliver the Goods up to ten percent (10%) of the total value of the Order. This condition shall not limit Buyer's rights under the default clause contained herein and the payment of liquidated damages shall not affect any other claims for damages. Seller acknowledges and agrees that this amount is a reasonable estimate of Buyer's anticipated losses and damages and is paid and received as liquidated damages and not as a penalty. All Parties expressly agree that time is and shall remain a material element of this Order and no acts of Buyer, including without limitation, modifications to this Order or acceptance of late deliveries, shall constitute a waiver of this provision.

## 12. Inspection and Acceptance of Deliverables

Payment by Buyer for the Deliverables delivered hereunder shall not constitute Buyer's acceptance. Buyer retains the right to inspect the products or services performed and to reject any or all of the products or services performed which are in Buyer's judgment defective, as well as the right to inspect Seller's manufacturing operations, handling and storage of products and raw material, including the equipment used to manufacture the Deliverables. Buyer will give Seller reasonable notice of any planned Seller site visit. No inspection or test made prior to final acceptance shall relieve Seller for defects or other failure to meet the requirements of this Order. Products rejected by Buyer and products supplied in excess of quantities called for herein may be returned to Seller at Seller's expense. In addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking, and reshipping such goods. In the event Buyer receives goods whose defects or nonconformity is not apparent on examination, resulting in deterioration of Buyer's finished product, Buyer reserves the right to require the replacement of said goods, as well as payment of any resulting damages. When a shipment is rejected based upon Buyer's inspection, and such rejection increases the risk of jeopardizing Buyer's production schedules by reason of the fact that at least some of the Deliverables are necessary to meet such production schedules, then Buyer, at its option, may charge Seller for the reasonable costs of an increased level of inspection up to and including inspection of each of the products comprising such shipment.

Buyer reserves the right to approve or specify any designs, tests, inspection plans, verification, use of statistical techniques for product acceptance, and any applicable critical items, including key characteristics.

Buyer reserves the right to designate requirements for test specimens for design approval, inspection/verification, investigation, or auditing.

## 13. Changes by Buyer

Seller agrees to incorporate into this Order any revised clause or additional clause as Buyer may reasonably deem necessary to enable Buyer to comply with the provisions of the higher-tier contract and any modifications thereto. Additionally, Buyer shall have the right at any time to make changes in the drawings, designs, specifications, quantities, delivery schedules, methods of shipment or packaging and place of inspection, acceptance and/or point of delivery of any item in this Order, and Seller agrees to be bound thereby. No change shall be effective unless authorized in writing by Buyer. If such changes result in delay or an increase or decrease in cost to Seller, Seller shall notify Buyer immediately and negotiate an equitable adjustment, provided, however, that Seller shall, in all events, proceed diligently to perform the work or services or supply the items contracted for under this Order as so changed. No claim by Seller for such equitable adjustment shall be valid unless submitted to Buyer in writing within ten (10) days from the date of such Change Notice, accompanied by an estimate of

charges resulting from such change. Buyer's engineering and technical personnel may, from time to time, render assistance or give technical advice to or effect an exchange of information with Seller's personnel in a liaison effort concerning the Goods to be furnished hereunder. However, such exchange of information or advice shall not vest Seller with the authority to change the Goods hereunder or the provisions of the contract, nor shall such change in the Goods or provisions of the contract be binding upon Buyer unless incorporated as a change directed in writing by Buyer.

#### 14. Changes by Seller

Included in any quotation or proposal, Buyer will be advised of any actual or proposed change in raw material formulation or process from that previously supplied to Buyer by Seller. Where no formal quotation or proposal was generated by Seller, Seller shall advise Buyer of such changes prior to any acceptance or acknowledgement of Buyer's Order. Upon receipt of such advice, Buyer shall have the right to terminate such Order without liability.

#### 15. Procurement Control

Seller shall review their sub tier suppliers to ensure that (a) all quality requirements of Buyer's Order are flowed down and met; (b) only Buyer-designated special process sources are used when required by contract and (c) quality assurance documentation including test data and manufacturer's material certification is made available to Buyer. The use of Buyer-designated sources does not relieve Seller of the commitment to meet all product requirements. Unless otherwise requested by Buyer, invoices shall (a) conform to the terms outlined in this Order; (b) be rendered separately for each delivery; (c) cover no more than one Order; and (d) indicate Buyer's Order number.

#### 16. Price

The price payable for the Deliverables will be the price set out in the Order. Unless otherwise expressly agreed, the contract price will be a fixed price and will include the risk of delivery to the Buyer's premises or other designated and agreed location as specified in the Order.

#### 17. Payment Terms and Invoices

Unless otherwise agreed in writing between the Parties, payment terms are Net 60 days from date of receiving invoice at Buyer's corporate office. Buyer may withhold by way of set-off, credit, or counterclaim any amount which is due to Buyer by way of warranty claim, Seller's failure to deliver Deliverables in accordance with the Order, or where Buyer rejects the Deliverables invoiced by Seller. Unless otherwise requested by Buyer, invoices shall (a) conform to the terms outlined in this Order; (b) be rendered separately for each delivery; (c) cover no more than one Order; and (d) indicate Buyer's Order number. In no instance will payments be made prior to the payment milestones agreed to on the face of the Order.

#### 18. Intellectual Property Infringement

Seller warrants and represents that the Deliverables sold and services provided by Seller do not and shall not infringe any third party Intellectual Property Right(s) which may include but are not limited to rights in patent, copyright, trademark, trade dress, or trade secret. In the event that Buyer is notified of a claim of infringement or is otherwise prevented or enjoined from using any of the Deliverables delivered, for any reason, Seller shall indemnify, defend (at Buyer's option), and hold harmless Buyer and Buyer's customer(s) against all damages, costs, losses, changes or expenses, and attorneys' fees incurred as a result of such infringement or alleged infringement and the Seller shall conduct any legal proceedings which may be necessary to protect the Buyer at the Seller's risk and expense and Seller shall, at its option, shall promptly either (a) secure termination of the injunction and procure for Buyer the right to use such Deliverables without any obligation or liability; (b) replace said Deliverables with non-infringing Deliverables or modify same to become non-infringing, all at Seller's expense and to Buyer's satisfaction; or (c) remove said Deliverables at Seller's expense and refund to Buyer the amount paid to Seller.

## 19. Proprietary Information

Unless otherwise expressly provided in this Order, all drawings, blueprints, dies, patterns, tools, printing plates, and other items used in connection with the manufacture of the Deliverables, which are prepared or constructed by Seller in fulfilling this Order, or which are provided by Buyer or the Buyer's customer for the specific use by Seller against this Order, shall be the property of the Buyer or the Buyer's customer, and shall be held in confidence by Seller. All such property shall be identified and marked appropriately as Buyer's or the Buyer's customer's proprietary property, shall only be used by Seller for this Order, and shall be insured by Seller in Buyer's or the Buyer's customer name in the amount of its full replacement value as determined by Buyer or the Buyer's customer. Seller shall not reproduce, use, or disclose any of Buyer's or the Buyer's customer's proprietary property except as necessary in the performance of this Order or as otherwise agreed in writing by Buyer. Buyer shall be considered the person for whom the work was prepared for the purpose of authorship in any copy-rightable work created by Seller pursuant to this Order. Any information which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the Deliverables shall be deemed to have been disclosed by Seller as part of the consideration paid by Buyer against this Order, and Seller shall not assert any claim against Buyer by reason of Buyer's use or disclosure thereof.

Upon completion of the order, all drawings, blueprints, dies, patterns, tools, printing plates, and other items used in connection with the manufacture of the Deliverables, which are prepared or constructed by Seller in fulfilling this Order, or which are provided by Buyer or the Buyer's customer for the specific use by Seller against this Order, shall be returned to the Buyer, unless otherwise agreed in writing with the Buyer.

## 20. Cybersecurity/Information Protection

Seller shall establish and comply with effective policies, standards, procedures, and guidelines for privacy, information protection, and data and systems security, and with all applicable privacy laws and regulations for the protection of Buyer's Proprietary Information and Confidential Information (collectively "Sensitive Information"). Compliance with NIST 800-171 is strongly encouraged and recommended. Seller agrees to preserve the confidentiality, integrity, and accessibility of Sensitive Information with administrative, technical, and physical measures that conform to generally recognized industry standards and best practices commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of Sensitive Information. Any information system belonging to, or operated by or for, the Seller shall provide adequate security to prevent the intentional or unintentional disclosure of Sensitive Information to unauthorized persons; modification, destruction or loss of Sensitive Information; or copying of Sensitive Information to any unauthorized media.

Seller agrees to comply with all applicable laws that require the notification of individuals in the event of unauthorized release of Sensitive Information or other event requiring notification. Seller shall notify Buyer of any security breach, physical or logical, committed by or against Seller within 24 hours of discovery. At the request of Buyer and to the extent permitted by law, the Parties shall cooperate with investigations conducted by or on behalf of Buyer. In the event of a breach of any of Seller's security obligations, or other event requiring notification under applicable law, Seller agrees to assume responsibility for informing all such individuals in accordance with applicable law. Seller shall indemnify, hold harmless and defend Buyer and Buyer's Customer (including their trustees, officers, and employees) from and against any claims, damages, or other harm related to such notification event.

## 21. Software

As from the Effective Date of this Order, Seller shall grant to Buyer a non-exclusive, transferable worldwide right to use each Software for the duration of the legal protection of Background IP Rights and for the purpose of the full and proper performance of the relevant system.

This software license includes the right:

- (a) to reproduce and make a reasonable number of back-up copies of the Software and its related documentation on any media (CD, DVD, flash memory, hard disk or other electronic means) for archival purposes use in binary code;
- (b) to install the back-up of the Software and its related documentation on any computer system for the purpose of exercising the Software on said back-up copies in the event of malfunction that renders the original copy of the software inoperable;
- (c) to use the Software (i.e. no additional license fee) for operation, training, maintenance and test purposes of the Product ("Permitted Use");
- (d) to install the Software on any hardware to allow the Permitted Use of the Software by the Buyer;
- (e) to perform any work or service in order to obtain an interface, which enables the interoperability of the Software, if any, with other software products;
- (f) to sublicense the right to use the Software to third parties, as necessary for the purpose of the Buyer's customer's program for which this Software was purchased.

To the extent necessary, the Buyer hereby grants the Seller a free, revocable, non-exclusive license, in the countries where the Work is performed, for the duration of the project for the relevant systems, as applicable:

- (i) to use the Buyer's Background IP Rights, and
- (ii) to sublicense the right to use Buyer's Background IP Rights, upon its prior written approval, to any of sub-contractors accepted by Buyer as set forth in Article 3 Sub-contracting.

Should the performance of this purchase agreement result in the creation and development by the Seller of certain IP Rights, the Buyer shall be the sole owner of, and shall have full title to such IP Rights upon their creation. However, if by operation of Law, the Seller is the deemed owner of any IP Rights, the Seller hereby grants the Buyer, and will cause its employees, agents, and contractors to grant the Buyer, as soon as created and in consideration of the price set forth in this Order, an exclusive, irrevocable, and worldwide license for the duration of the relevant IP Rights, including, without limitation:

- (a) the right to reproduce, including the right to digitize, reproduce the whole or part of the IP Rights in any form and format (whether known at present or to be discovered in the future), on any analog or digital media, by any process whether known at present or to be discovered in the future, in any language, and to make or have made any original or copies;
- (b) the right to use the IP Rights, in whole or in part, in any language and in any country, by any process inherent in said rights of use including without limitation for operation, training, maintenance and test purposes;
- (c) the right to distribute in whole or in part of the IP Rights, which shall include the right to sell, loan, license, rent, distribute, download in any language and by any means whether known at present or to be discovered in the future;
- (d) the right to modify, adapt, improve, correct, translate in any form and presentation all or part of the IP Rights, in any language, including the right to upgrade by adding or removing;
- (e) to sublicense the right to use the IP Rights to third parties and or to reproduce Spare Parts as necessary for the use and the maintenance of the Product;
- (f) to install the software, its back-up and its related documentation on any computer system;
- (g) the right to perform any work or service in order to obtain an interface, which enables the interoperability of any software, if any, with other software products.

Upon any creation of IP Rights, the Seller shall promptly notify the Buyer. If the Buyer elects to file any patent and more generally register any IP Rights worldwide or in whatever specific jurisdiction in respect of any part or element of the IP Rights, the Seller shall, at no additional cost to the Buyer, assist the Buyer in such registration including without limitation, the



communication of all relevant data, execution of documents, authorizations and any other instruments necessary to enforce and give full effect to the provisions identified herein.

## 22. Insurance

Upon acceptance of an Order, Buyer may require Seller to procure and maintain, at Seller's expense, General liability insurance covering Seller's indemnity obligations in such amounts as are approved by Buyer. In addition, prior to commencing any work on property owned or controlled by Buyer or any party on whose property the Deliverables are installed, Seller shall, at Seller's expense, procure and maintain Worker's Compensation insurance and Employer's Liability insurance in such amounts as are approved by Buyer. As to all coverages, upon Buyer's request, Seller shall furnish to Buyer written certificates establishing (a) the required insurance is being maintained with a carrier rated not less than B+, Best & Co. and (b) that written notice of cancellation shall be given to Buyer at least fifteen (15) days prior to the effective date of such cancellation. Upon Buyer's request Seller shall name Buyer as an additional loss payee in any applicable policy.

## 23. Limitation of Liability

In no event will Buyer be liable to Seller in Tort or in contract for any incidental, special, indirect, or consequential damages. Incidental, special, indirect, or consequential damages are defined as any claim, expense, damages, or loss incurred or suffered, any loss of production, loss of profit (direct or indirect), loss of revenue, loss of contract, loss of anticipated savings, loss or destruction of data, punitive, special or incidental damage, or loss of goodwill. Without prejudice to the above, Buyer's maximum total liability to Seller, whether in respect of one claim or a series of related claims and whether arising in contract, tort (including but not limited to negligence), breach of statutory duty or otherwise, shall not exceed an amount equal to the Price to be paid by Buyer against the Order.

## 24. Indemnity

Seller shall protect, defend (at Buyer's election), hold harmless, and indemnify Buyer, Buyer's customer(s), and any party on whose property the Buyer's Goods are installed, from and against all claims, actions, liabilities, losses, royalties, damages or expenses (including attorney fees): (a) arising out of any actual or alleged infringement of any Intellectual Property Right by any Deliverables sold or provided to Buyer, (b) arising out of any death of or injury, sickness or disease inflicted upon any person, or damage to any property, or any other damage or loss by whomever suffered, regardless of whether the injury or loss is alleged to have resulted from the fault or negligence of Buyer, allegedly resulting or claimed to result in whole or in part from (i) any actual or alleged defect in the Deliverables (latent or patent), or (ii) services rendered in connection with the Deliverables, or (iii) actual or alleged improper or negligent manufacture, construction, installation or design of the Deliverables, or (iv) the failure of the Deliverables to comply with specifications or any express or implied warranties of Seller; (c) arising out of any actual or alleged breach of the terms, warranties and representations made by Seller in this Order or otherwise in the sale of the Deliverables; (d) arising out of any actual or alleged violation, in the manufacture, possession, use or sale of the Deliverables, of any law, statute, regulation, administrative order or rule excepting only such claims based solely and directly on alteration or modification of the Deliverables by Buyer, (e) arising from the loss or destruction of, or damage to, all tools, equipment and other personal property of Seller, and subcontractor of Seller, or any of their employees or agents, whether or not such loss, destruction or damage was in any way connected with the negligence of Buyer. Seller agrees to submit to the jurisdiction and venue of any state or federal court in which a lawsuit is filed against Buyer. In addition to the rights set out above Buyer shall have the right to recover from Seller its expenses, including attorney fees incurred (a) in collecting any amount owed to Buyer by Seller, (b) as a result of a dispute between Seller and Buyer over the terms of this Order, or (c) in responding to any request for information for any reason including lawsuits, regulatory proceedings or any other legal matter.

## 25. Termination for Convenience

Buyer may terminate this Order, in whole or in part, at any time for its convenience by providing notice to Seller in writing. On receipt of such notice, Seller shall immediately stop all work and shall immediately cause all of its suppliers and subcontractors to stop work and take any action necessary to protect property in Seller's possession in which Buyer has or may acquire an interest. Seller shall continue all work not terminated. Within thirty (30) days of receipt by Seller of such notice, Seller may submit to Buyer a claim reflecting the work performed prior to the effective date of termination. Based on the validity of the termination claim, and subject to Buyer's right to audit in accordance with Article 27, herein, Buyer may pay Seller for the amounts due for work done and Deliverables completed, delivered and accepted or services completed under this Order, and not theretofore paid for prior to the effective date of termination and any sums which, consistent with applicable lead times, have necessarily and reasonably been paid by the Seller to its suppliers or subcontractors in support of the Order requirements, excluding any and all costs of Deliverables which either can be diverted to other orders of Seller or retained by Seller for Seller's own use for future orders. The total settlement shall not exceed the Order price and if it appears the Seller would have sustained a loss on the entire contract, had it been completed, an appropriate adjustment shall be made reducing the amount of the claim to reflect the indicated percentage of loss. Seller shall promptly reimburse Buyer for any overpayment by Buyer to Seller as the result of a termination.

SELLER AGREES THAT ITS FAILURE TO SUBMIT A CLAIM WITHIN THE TIME PERIOD SET FORTH HEREIN SHALL CONSTITUTE A WAIVER THEREOF UNLESS BUYER GRANTS SELLER AN EXTENSION THEREOF IN WRITING.

## 26. Termination for Default

Buyer may forthwith terminate this Order in whole or in part for default if the Seller fails to perform any condition or requirement of this Order and, if capable of remedy, fails to remedy such breach within ten (10) days of written notice by Buyer; or in the event of Seller's bankruptcy, suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors, any mergers with another party or acquisition of the Seller by another party, or bad publicity that may bring disrepute upon the good name of the Buyer. Upon such termination, Buyer shall pay the Order price for any completed Deliverables that have been accepted by Buyer. Seller shall transfer title and deliver to Buyer any completed Deliverables, partially completed Deliverables and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (collectively "Manufacturing Materials") that Seller has specifically produced or acquired for the cancelled portion of the Order. Seller shall also protect property in its possession in which Buyer may have an interest. Buyer shall have the right to use, without charge, any technical information and intellectual property rights of Seller or its subcontractors necessary for Buyer to continue the provisioning of the Deliverables. Seller shall reimburse Buyer for any claims and excess re-procurement costs incurred by Buyer as a result of Seller's default, and Buyer shall be entitled to set off any such claims and costs against amounts owed to Seller. Seller shall provide to Buyer, or Buyer's nominee, without charge, any assistance as the Buyer may require to ensure the successful transfer or provisioning of the Deliverables to another provider.

## 27. Buyer Audit Rights

Seller agrees to maintain its books, records, documents, computerized records, projections and other supporting data in accordance with generally accepted accounting principles and practices which properly reflect all direct and indirect elements of cost of whatever nature whether incurred or anticipated to be incurred for the performance of any work hereunder or anticipated work hereunder for same or similar Goods ("Documents"). Seller agrees to make such Documents available for inspection, audit, reproduction and retention by any authorized representative of Buyer or, at Buyer's option, the Government department or agency having jurisdiction.

## 28. Force Majeure

Neither Party shall be liable to the other for default or delay in performing obligations hereunder if caused by fires, floods, earthquakes, pandemics, strike, riot, war, acts of God, or acts of the government in either its sovereign or contractual capacity. The Party whose performance is prevented by any such occurrence shall notify the other Party in writing as soon as is reasonably possible after the commencement of such occurrence, setting forth the full details of the occurrence and expected delay, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the other Party of the cessation of such occurrence. Buyer shall make no payment to Seller for any expenses incurred by Seller by reason of such default or delay. Seller shall use all reasonable efforts to avoid or minimize all such failures or delays, including exercising work-around plans or obtaining Deliverables from other sources. If Seller cannot remedy the delay within a reasonable time, as determined by Buyer, the Buyer may terminate the Order, in whole or in part, without liability, by providing written notice to Seller.

## 29. Compliance with Laws

Seller shall comply fully with all applicable federal, state and local laws in the performance of this Order including, but not limited to, all applicable employment, tax, export control and environmental laws.

Seller agrees that no Deliverables provided against this Order have been imported, directly or indirectly, from countries currently identified on the Office of Foreign Assets Control (OFAC) sanctions lists which can be found at:

<http://www.treas.gov/ofac/>

## 30. Non-Waiver

No waiver by either Party of any breach of any of the terms of this Order to be performed by the other Party shall be construed as a waiver of any subsequent breach whether of the same or of any other term of this Order.

## 31. Remedies

The rights and remedies of Buyer set forth in this Order are not exclusive and are in addition to all other rights and remedies of Buyer.

## 32. Severability

If any provision of this Order or the application of any provision hereof to any circumstances is held invalid, unenforceable, or otherwise illegal, the remainder of the Order and the application of such provision to other circumstances shall not be affected, and the provisions so held to be invalid, unenforceable, or otherwise illegal shall be reformed to the extent necessary to make it enforceable, valid, and legal. Upon any such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties shall negotiate in good faith to modify this Order so as to effect the original intent of the Parties, as expressed in the terms hereof, as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

## 33. Governing Law and Disputes

The validity, interpretation, and performance of this Order shall be governed by the law of the State of Washington (without reference to the conflict of law principles thereof that would result in the application of the internal laws of any other jurisdiction), excluding the United Nations Convention on Contracts for the International Sale of Goods. Seller agrees to submit to the jurisdiction and venue of any state or federal court in which Buyer issues this Order. Any dispute arising under this Order which is not settled by agreement of the Parties may be settled by appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Order, Seller shall proceed diligently with the performance of this Order in accordance with the decision of Buyer.

### 34. Employee Awareness

Buyer requires Supplier to ensure all of Supplier's employees and subcontractors are aware of their contribution to product and service quality, their contribution to product safety, and the importance of ethical behavior.

### 35. Code of Business Conduct and Ethics

The Seller warrants that it has not (a) offered, given or agreed to give or receive, and/or requested or accepted any financial or other advantage of any kind as an inducement or reward for doing or not doing any improper act or for the improper performance of any function associated with the Order or the Deliverables; or (b) acted in any way which would constitute an offense by the Seller or would cause the Buyer to commit an offense under any anti-bribery legislation; or (c) utilized child labor.

### 36. Counterfeit Goods

Seller shall not furnish Counterfeit Goods to Buyer, defined as Goods or separately identifiable items or components of Goods that:

1. are an unauthorized copy or substitute of an Original Equipment Manufacturer or Original Component Manufacturer (collectively, "OEM") item;
2. are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture;
3. do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design;
4. have been re-worked, re-marked, relabeled, repaired, refurbished, or otherwise modified from OEM design but not disclosed as such or are represented as OEM authentic or new; or
5. have not successfully passed all OEM-required testing, verification, screening, and quality control processes.

Notwithstanding the foregoing, Goods or items that contain modifications, repairs, rework, or re-marking as a result of Seller's or its subcontractor's design authority, material review procedures, quality control processes or parts management plans, and that have not been misrepresented or mismarked shall not be deemed Counterfeit Goods. Counterfeit Goods shall be deemed nonconforming to this Contract.

All Deliverables provided by the Seller, including any goods or components thereof provided by the Seller's subcontractors, must be original and genuine, and in full compliance with all of the Buyer's contract requirements, specifications, certifications, and any supporting data representing contract performance. The Seller warrants that it has purchased components or materials to be incorporated into the Deliverables and delivered to Buyer that are purchased directly from the OEM, or through an OEM-authorized distributor chain, and that such components and materials have not been acquired from independent distributors or brokers unless approved in advance in writing by Buyer. Seller shall require its suppliers and subcontractors to provide all data necessary to comply with this obligation and the Seller shall validate all such data, making it available to Buyer upon request. The Seller will ensure that none of the Deliverables are counterfeit, inaccurately marked, or in any manner misrepresented. The Seller shall have in place an operable counterfeit control process for the Deliverables consistent with these provisions and reasonable commercial terms, to include AS5553A, and the Buyer shall have the right to audit, inspect and/or approve the process at any time before or after delivery of the Deliverables. If any of the Deliverables delivered or to be delivered under this Order are discovered to be or suspected to be counterfeit, the Buyer shall have the right to impound the Deliverables for further investigation. Such investigation may include the participation of third parties or governmental investigative agencies as required by law or regulations or by the Buyer's customer, or by the Buyer, in its sole discretion. The Seller shall cooperate in good faith with any investigation conducted by the Buyer, including, but not limited to, cooperation by the Seller with respect to the disclosure of all design, development, manufacturing, and traceability records in respect of the Deliverables. Upon the Buyer's request, the Seller shall provide the Buyer certificates of conformance as required hereunder for the Deliverables. The Buyer shall not be liable for payment to the Seller for any suspected counterfeit Deliverables under investigation.

### 37. Safety and Environmental Regulation

Seller agrees that any work performed and all Deliverables provided under this Order shall comply in all respects with applicable environmental, health and safety laws and regulations. Accordingly, Seller shall indemnify and hold harmless the Buyer from and against all damages, costs, losses, charges, expenses, or liabilities whatsoever, caused by, or arising out of, any breach by the Seller of such laws or regulations.

### 38. Hazardous Materials

Seller shall include in any quotation or proposal, notice of any hazardous or harmful materials, which are contained in the Goods, which require special handling or treatment. Where no formal quotation or proposal was generated by Seller, upon receipt of Buyer's Order and prior to Seller's acceptance of such Order, Seller shall disclose to Buyer the existence of any hazardous or harmful materials which require special handling or treatment. Seller agrees to comply with all U.S. and international environmental, health, and safety laws, regulations and directives relating to the supply of Goods and hazardous materials.

If the Deliverables purchased herein are considered toxic or hazardous, Seller shall provide a copy of the appropriate Safety Data Sheet (SDS) with each shipment or as otherwise specified on the Purchase Order.

### 39. Export Regulation and Trade Compliance

The Parties shall comply with all export and import laws, regulations, decrees, orders, and policies of the United States Government and the Government of any country in which the Parties conduct business pursuant to this Contract, including but not limited to the Export Administration Regulations ("EAR") of the U.S. Department of Commerce, the International Traffic in Arms Regulations ("ITAR") of the U.S. Department of State, the U.S. Customs & Border Protection Regulations, the Harmonized Tariff Schedule, and the anti-boycott and embargo regulations and guidelines as set forth in the EAR and in the U.S. Department of the Treasury, Office of Foreign Assets Control (collectively, "Trade Control Laws").

Seller shall control the disclosure of, and access to, controlled items or technical data provided by Buyer related to performance of this Contract in compliance with all applicable Trade Control Laws. Seller shall not transfer (to include transfer to foreign persons employed by or associated with, or under contract to Seller, or Seller's sub-tier suppliers or Seller's non-U.S. subsidiaries) any export-controlled item, data, or services, without providing advance notice to Buyer and obtaining the requisite export and/or import authority.

Subject to applicable Trade Control Laws, Seller shall provide Buyer with the export control classification of any commodity or technology, including software.

Seller represents that it maintains an effective export/import control compliance program in accordance with all applicable Trade Control Laws. A copy of process control documents and other documents reasonably requested by Buyer related to Seller's compliance with applicable Trade Control Laws shall be made available to Buyer upon request.

Seller hereby represents that neither Seller nor any parent, subsidiary or affiliate of Seller is included on any of the restricted party lists maintained by the U.S. Government and shall promptly notify Buyer if Seller 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 Governmental entity.

Seller shall inform Buyer in a timely manner of any actual or alleged violations of any applicable Trade Control Laws, including any suits, actions, proceedings, notices, citations, inquiries, or other communications from any government agency concerning any actual or alleged violations, in Seller's performance under this Contract and shall comply with all reasonable requests from Buyer for information regarding any such violations.

Seller shall incorporate into any contracts with its sub-tier supplier's obligations no less restrictive than those set forth in this Article requiring compliance with all applicable Trade Control Laws.

Seller shall indemnify and save harmless Buyer from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorney fees, arising out of claims, suit, allegations, or charges of Seller's failure to comply with all applicable Trade Control Laws. Any failure of Seller to comply with the provisions of this Export Regulation and Trade Compliance clause shall be a material breach of the Order.

Information provided by Seller as part of or in support of this Order may include information subject to ITAR or EAR. Export-controlled information can be disseminated only to U.S. citizens or immigrant aliens (Green Card holders). All documents that contain export-controlled technical data are marked with the following:

*WARNING — This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C., Sec. 2751, et seq.) or the Export Administration Act of 1979, as amended (Title 50, U.S.C., App. 3401 et seq.). Violations of these export laws are subject to severe criminal penalties.*

#### 40. Flow-down of Requirements

Buyer's customers may require that Buyer accept specific terms which must also be flowed down to Buyer's suppliers. Seller agrees to accept the application of such flow down terms applicable to this Order. Where such flow down terms are applicable and not already included in these terms, Buyer will include such required flow down terms in an amended document to which Seller will be required to comply. Seller shall flow down the terms of this agreement to its sub-contractors to ensure the terms of this agreement are met in full. In no event shall the failure of a sub-contractor of the Seller to perform be the responsibility of the Buyer.

#### 41. Government Contracts

Where this Order bears a U.S. Government contract number or the designation "Government", this Order shall be subject to all applicable provisions of, and will contain all clauses and agreements required by, the terms of any U.S. Government contract under which or for which this Order is used, including all federal laws and regulations. Failure by the Seller to comply will render the Deliverables as non-conforming.

#### 42. Material Furnished to Seller

Any material or parts furnished by Buyer intended for use by Seller in Seller's execution of Seller's duties as required by this Order are held by Seller on consignment. All such materials or parts not used by Seller in connection with this Order shall be returned to Buyer at Buyer's expense unless Seller is otherwise directed in writing. If not accounted for or not returned to Buyer upon request, Seller shall pay or reimburse Buyer for such materials or parts. All such materials or parts will be kept insured by Seller at Seller's expense in an amount equal to the replacement cost.

#### 43. Calibration Services

If Seller provides calibration services to Buyer, all calibration certificates must identify standards used and must be traceable to NIST (National Institute of Standards and Technology) or another National Metrology Institute. All calibration methods/standards must be in accordance with ANSI/NCSS-Z540 standards and/or ISO/IEC/EN 17025.

#### 44. Obsolete Parts/End of Life

Buyer may desire to place additional orders for Deliverables purchased hereunder. Seller shall provide Buyer with a Last Time Buy notice at least twelve (12) months prior to any action to discontinue the manufacturing capability of any Deliverables purchased under this Order, provided that the Deliverables have also been offered for sale to Seller's other customers.

#### 45. Suspension and Debarment

Seller shall notify Buyer in writing at the earliest practicable time if Seller or any employee of Seller (a) is suspended, debarred, or proposed for suspension or debarment from doing business with the U.S. Government, or (b) is listed or proposed to be listed by the U.S. Government for U.S. export administration purposes in any "denial orders," as a "blocked person," as a "specially designated national," or as a "specially designated terrorist" by the U.S. Department of Commerce, Bureau of Industry and Security (collectively, "Debarment"). Seller shall indemnify and hold Buyer harmless against any and all loss or damage suffered by Buyer as a result of Seller's actual or prospective Debarment.

#### 46. Relationship of the Parties

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

#### 47. No Third-Party Beneficiaries

This Order is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Order.

#### 48. News Releases and Publicity

Seller shall not make or authorize any news release, advertisement, or other disclosure that relates to this Order or the relationship between Buyer and Seller, denies or confirms the existence of this Order, or makes use of Buyer's name or logo, without the prior written consent of Buyer.

#### 49. Non-Exclusive Agreement

This is not an exclusive agreement. Buyer is free to engage others to perform services or provide goods the same as or similar to Seller's. Seller is free to, and is encouraged to, advertise, offer, and provide services and goods to others; provided however, that Seller does not breach the terms of this Order.

#### 50. Right of Access

Buyer reserves the right to witness any and all tests during production as well as final inspection prior to shipment. Right of access by Buyer, Buyer's customers, and regulatory authorities to the applicable areas of all facilities, at any level of the Seller's supply chain involved in fulfilling this Order, and to all applicable records is implied in the acceptance of this Order.

#### 51. Entire Agreement

This Order, including all change orders, attachments, exhibits, supplements, specifications, schedules, and including incorporation of referenced customer flow down and U.S. Government contractual requirements, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. This Order supersedes any and all prior agreements, understandings, or communications between the Buyer and Seller, whether oral or written, related to the subject matter of this Order. Neither course of performance nor course of dealing nor usage of trade shall be used to interpret, construe, qualify, explain, or supplement any of the terms of this Order. This Order shall not be amended except in writing signed by the parties.

## Appendix A: Federal Subcontract Clauses

The clauses in this appendix are not applicable unless called out on the face of the Purchase Order, either individually or as a group. For example, "All terms in Appendix A apply" or "Terms 1 and 5 of Appendix A apply."

1. This order is a rated order under DPAS (15 CFR 700):
  - 1.1. The rating is to be specified on the Purchase Order.
  - 1.2. You are required to follow all provisions of the Defense Priorities and Allocations Systems regulation (15 CFR 700).
  - 1.3. DPAS Regulations require written acceptance/rejection of this order within 10 working days after receipt.
2. This order is a subcontract subject to FAR 52.204-21 Basic Safeguarding of Covered Contractor Information Systems. You must comply with this FAR clause, including paragraph (c).
3. This order is a subcontract under DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting.
  - 3.1. You must comply with this DFARS clause, including paragraph (m).
  - 3.2. You must notify us when submitting a request to vary from a NIST SP 800-171 security requirement to the Contracting Officer, in accordance with paragraph (b)(2)(ii)(B) of the DFARS clause.
  - 3.3. You must provide the incident report number, automatically assigned by DoD, to us as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of the DFARS clause.
4. This order is for services that include support for the activities related to safeguarding covered defense information and cyber incident reporting. You must comply with DFARS 252.204-7009, Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information.
5. This order is a sub-contract for a Federal project.
  - 5.1. You must comply with FAR:
 

52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity

If this order exceeds \$10,000, you must also comply with FAR:

52.222-40	Notification of Employee Rights Under the National Labor Relations Act
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  - 5.2. If this order exceeds \$150,000, you must also comply with FAR:
 

52.222-35	Equal Opportunity for Veterans
52.222-36	Equal Opportunity for Workers with Disabilities
52.222-37	Employment Reports on Veterans
  - 5.3. If this order exceeds \$500,000, you must also comply with FAR:
 

52.222-50	Combating Trafficking in Persons
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6. This order is a sub-contract for non-commercial items for a Federal project. You must comply with FAR:



6.1. You must comply with FAR:

- 52.232-40 Providing Accelerated Payments to Small Business Subcontractors
- 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving
- 52.225-13 Restrictions on Certain Foreign Purchases

6.2. If this order exceeds \$30,000 and, in your preceding fiscal year, you received (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and (B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance, you will, prior to the 15<sup>th</sup> of the month following the month of the award of this order, provide us with the information required to comply with FAR 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards.

6.3. If this order exceeds \$35,000, you must also comply with FAR:

- 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment

6.4. If this order is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States, you must comply with FAR 52.222-50, Combating Trafficking in Persons.

7. This order is a sub-contract for a Department of Defense project.

7.1. You must comply with DFARS:

- 252.203-7002 Requirement to Inform Employees of Whistleblower Rights
- 252.204-7015 Notice of Authorized Disclosure of Information for Litigation Support
- 252.223-7008 Prohibition of Hexavalent Chromium
- 252.225-7048 Export-Controlled Items
- 252.244-7000 Subcontracts for Commercial Items
- 252.247-7023 Transportation of Supplies by Sea

7.2. If this order exceeds \$500,000, you must also comply with DFARS:

- 252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns

# Revision Log

Reviewed & Approved by	Effective Date	Rev.	Description of Change(s)
Reese Allen	2020-12-17	A	Initial Release
Reese Allen	2023-01-05	B	Incorporated AS9100-specific T&Cs into existing T&Cs structure; added Appendix A
Reese Allen	2023-08-09	C	Updated section 5 to include instructions about disposition of quality records.
Jim Almvig	2025-02-13	D	Annual Review and new document number