

# PURCHASE ORDER TERMS AND CONDITIONS

## 1.01 ACCEPTANCE AND APPLICABILITY OF TERMS

### (a) Seller's Acceptance; Buyer's Right to Withdraw Offer.

"Buyer" and "Seller" are the respective entities so identified in this Purchase Order, and the "Ordered Items" are those items (which may include both goods and services) that Buyer offers to purchase from Seller by delivery of this Purchase Order. Seller's acceptance of Buyer's offer to purchase contained in this Purchase Order is limited to the express terms of this Purchase Order. The first to occur of Seller's written acceptance of this Purchase Order, Seller's acceptance of payment from Buyer, or Seller's shipment of any Ordered Items to Buyer, shall be deemed to constitute Seller's acceptance of this Purchase Order. If Buyer has not received Seller's written acceptance within ten days after the date of this Purchase Order, and Seller has not shipped any Ordered Items to Buyer, then Buyer may withdraw this offer without liability to Seller.

### (b) Variance in Seller's Acceptance.

Buyer objects to and rejects any attempt by Buyer to vary in any degree any of the terms of the offer contained in this Purchase Order, or any proposal by Seller for additional or different terms. Any such proposal by Seller, if it includes variances in description, quantity, price or delivery schedule, shall operate as a rejection and counter-offer. Any other such proposal by Seller shall not operate as a rejection of this offer, but shall be deemed a material alteration thereof, and Seller shall be deemed to have accepted the offer contained in this Purchase Order without said additional or different terms if Seller ships any Ordered Item to Buyer.

### (c) Acceptance of Seller's Prior Offer.

This Purchase Order constitutes Buyer's acceptance of a prior offer by Seller only if expressly stated herein, and in such case, Buyer's acceptance is limited to the express terms contained in these Purchase Order Terms and Conditions.

### (d) Other Agreements.

If the Parties have previously entered into a separate written agreement providing for the purchase and sale of the Ordered Items that remains in effect, this Purchase Order is subject to the terms and conditions set forth in that agreement. In the event of any conflict between the terms and conditions of this Purchase Order and the terms and conditions of that agreement, the terms and conditions of that agreement shall prevail.

## 1.02 PRICE AND PAYMENT

### (a) Invoices and Statements.

Unless otherwise agreed, Seller will send a separate invoice for each shipment of Ordered Items. The invoice must include the description, quantity and price of each Ordered Item shipped, and the number of this Purchase Order, including the release number if the shipment is against a blanket Purchase Order.

### (b) Price.

If Seller's price for any Ordered Item is higher than the price stated in this Purchase Order for such item on the date of shipment, the Purchase Order price will prevail.

### (c) "Most Favored Nation."

Each invoice sent by Seller shall be deemed to certify that the prices for the Ordered Items are not less favorable than those currently extended to any other customer for the same or like articles in equal or lesser quantities. If Seller reduces its prices for such articles before this order is shipped, Seller will reduce the prices to Buyer correspondingly.

### (d) Taxes.

Except as otherwise specifically agreed or as required by law, Seller will pay or assume all taxes imposed upon, or in connection with, the sale of the Ordered Items. If, under applicable law, Buyer is required to withhold any tax on payments to Seller, Buyer will deduct such amounts from the amounts owed under Seller's invoice and remit the applicable taxes withheld to the appropriate taxing authority. Upon request, Buyer will furnish Seller with the official receipt of payment of these taxes to the appropriate taxing authority.

### (e) Set-off.

Any discount and late payment periods shall run from the later of (1) the date Buyer receives an acceptable invoice and (2) the date Buyer receives and accepts the Ordered Items. Buyer may offset any claims or amounts due to Seller under this Purchase Order or otherwise against any claims or amounts owed by Seller to Buyer by reason of this Purchase Order or otherwise.

## 1.03 SHIPPING, DELIVERY AND ACCEPTANCE

### (a) Schedule.

*Postponement by Buyer.* Buyer may postpone delivery of any of the Ordered Items specified herein for up to one week (or the length of time, if any, indicated as a "Permissible Delay" elsewhere in this Purchase Order). Any material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet ordered quantities and delivery schedules are made at Seller's own risk.

*Early Shipment.* If Seller ships Ordered Items ahead of schedule so that Ordered Items are received by Buyer in excess of five (or in the case of international shipment, ten) working days prior to the scheduled date of receipt, Buyer reserves the right either (1) to return the Ordered Items to Seller at Seller's expense or (2) to extend the payment terms for the received Ordered Items by the number of days received early.

*Delayed Shipment.* If, at any time, it appears Seller may not meet the delivery schedule in this Purchase Order, Seller shall immediately notify Buyer of the cause and estimated duration of any delay. Seller shall, upon request by Buyer, take all reasonable steps to prevent such delay (or such

portion thereof as Buyer requires) by appropriate methods, including (without limitation) incurring expenditures for overtime and expedited shipment by air or other means of expedited transport. Any costs incurred by Seller to reduce or prevent such delay shall be borne solely by Seller, unless the delay in delivery arises out of causes beyond the control and without the fault or negligence of Seller or its subcontractors within the meaning of Section 3.01(d) ("Termination for Default"). If because of such a delay by Seller, Buyer is required to obtain substitute items in order to satisfy the requirements of Buyer's customer, then Seller shall be liable to Buyer for any resulting costs or damages, including without limitation the excess of the cost of such substitute items over the price under this Agreement, and any costs relating to expedited shipment made necessary by Seller's delay.

### (b) Quantity.

Except as otherwise specified or approved by Buyer in writing, Seller must ship exact quantities of Ordered Items specified in this Purchase Order. Notwithstanding any custom or practice to the contrary, Buyer is not required to receive or pay for any variance in the quantity of Ordered Items. Buyer may adjust Seller's invoice for over-shipment, shortage and rejection, or return excess shipments or under-shipments at Seller's expense.

### (c) Charges.

No charges of any kind, including without limitation charges for boxing, packaging, transportation, cartage, storage, or freight insurance, will be allowed unless agreed by Buyer in writing. Price based on weight shall be determined according to net weight of the Ordered Items without packaging, unless otherwise agreed in writing by Buyer.

### (d) Documentation.

Seller must deliver original bills of lading (or equivalent documents) to Buyer's Purchasing Department or as otherwise directed by Buyer. In the case of a drop shipment to Buyer's customer, Seller shall send to Buyer two copies of the packing list at time of shipment.

### (e) Packing and Shipping.

Seller shall pack, mark and ship all Ordered Items in accordance with the requirements of this Purchase Order, and all applicable transportation regulations. Subject to the preceding sentence, Seller shall ship freight collect using an account number provided by Buyer. Buyer will not be responsible for freight charges on any in-bound freight not using approved carriers. Any prepay and add charges will be deducted from invoices unless authorized by Buyer in writing, in advance of shipment. Any declared value for insurance will be charged back to the Seller. Any expense, damage or liability incurred by Buyer as a result of improper preservation, packing, packaging, marking or method of shipment for Ordered Items shall be reimbursed by Seller upon demand.

### (f) Quality Assurance.

**(1) Ordered Items Subject to Inspection.** All Ordered Items are subject to inspection and testing by Buyer or its designee at all times prior to shipment by Seller.

**(2) Non-Conforming Product.** Seller shall notify buyer of non-conforming processes, products, or services and obtain approval for their disposition, prior to shipping

**(3) Return of Non-Conforming Product.** If any Ordered Items are found to be defective in material or workmanship (including Ordered Items damaged because of unsatisfactory packaging by Seller), or otherwise not in strict conformity with the requirements of this Purchase Order, including drawings and specifications and approved samples, if any, then Buyer, in addition to any other rights and remedies which it may have under this Purchase Order or applicable law, has the right in its sole discretion to (a) reject and return such Ordered Items at Seller's expense and to receive a full credit for any such rejected Ordered Items, (b) require correction or replacement of any such rejected Ordered Items without additional cost to Buyer, or (c) retain and use the Ordered Items with an equitable reduction in purchase price. Rejected Ordered Items returned to Seller shall not be reshipped to Buyer without prior written authorization. Seller shall bear all risks as to rejected Ordered Items after notice of rejection. Payment shall not be deemed to constitute acceptance.

**(4) Seller's Quality Control System.** Seller shall implement and maintain a quality control system to drive process improvement acceptable to the Buyer for ordered items. Records of all inspection work by Seller shall be kept accurate and complete and available to Buyer during the performance of this Purchase Order and for eleven (11) years after final payment or for such longer period as may be specified elsewhere, and for any longer period of time required by law (including the U.S. Federal Acquisition Regulations ("FAR") if applicable). Buyer's exercise of the right of inspection shall not constitute or be deemed to be Buyer's acceptance of the Ordered Items. Buyer's acceptance of the Ordered Items shall not relieve Seller of any obligation with respect to any warranties or conditions, express or implied, with respect to the Ordered Items, and is without prejudice to Buyer's rights in the event of latent defects, fraud, or gross errors.

### (5) Vendor must insure that personnel are aware of:

- their contribution to product or service conformity;
- their contribution to product safety;
- the importance of ethical behavior.

**(6) Seller shall flow the substance and obligations of the terms, as well as customer requirements herein to its subcontractors and to its sub-suppliers. Sellers shall remain fully responsible for any acts or omissions of such subcontractor(s) and/or sub-supplier(s) as if such subcontractor(s) and/or sub-supplier(s) is/are Supplier.**

Supplier shall use Buyer-Designated or approved external providers, including process sources (e.g. special processes)

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## (g) Title and Risk of Loss.

Seller shall not reserve title or a security interest in goods shipped to Buyer.

Seller shall deliver the Ordered Items in accordance with the terms of shipment specified in the Purchase Order, and the risk of loss of the Ordered Items will transfer in accordance with such terms. Notwithstanding such terms of shipment, however, title to the Ordered Items will transfer from Seller to Buyer only upon receipt of the Ordered Items at Buyer's facility (or, in the case of a consignment arrangement, upon Buyer's use of the Ordered Items).

## 1.04 WARRANTY AND SERVICE

### (a) Terms of Warranty.

Seller includes the following warranties and conditions with respect to all Ordered Items delivered under this Purchase Order, including packaging: The Ordered Items (1) will be merchantable, (2) will be of satisfactory quality, (3) will be free from defects in workmanship and material, and in the case of software will be free from disabling or malicious code, (4) will comply with the terms of this Purchase Order and all applicable specifications, performance criteria, drawings or samples, (5) will not contain asbestos in any form, and, (6) to the extent such items are not manufactured pursuant to detailed designs furnished by Buyer, will be free from defects in design and suitable for their intended use. Buyer's approval of designs furnished by Seller or any approval of Seller's "First Article" shall not relieve Seller of its obligations under this warranty. The aforesaid warranties and conditions are in addition to all other warranties and conditions to which Buyer is entitled under this agreement or by law and do not constitute a waiver of any rights of Buyer, expressed or implied.

### (b) Benefit of Warranty.

All of Seller's warranties are enforceable by Buyer, Buyer's affiliates, successors and assigns, Buyer's customers and any subsequent owner or operator of the Ordered Items. Any inspection or acceptance of such Items by Buyer shall not be deemed to alter, waive, extinguish or otherwise affect the obligations of Seller or the rights of Buyer or any other beneficiary of any warranty.

### (c) Duration of Warranty.

Unless otherwise documented in this Purchase Order or otherwise agreed by Buyer and Seller, all warranties and conditions shall run from the date of receipt and acceptance of the Ordered Items by Buyer for a period of three years.

### (d) Remedies.

In the event of any breach of warranty or condition, Buyer, at its option, may require Seller (1) to replace the defective Ordered Items; (2) to correct such defect or failure in whole or in part; or (3) to provide an equitable reduction in the price. Such optional right of Buyer shall not be construed to negate, replace or limit, but is in addition to, any rights of Buyer arising under this agreement or at law.

## 1.05 LIABILITY

### (a) Indemnity.

Seller hereby agrees to defend and indemnify and to save and hold Buyer, its affiliates, agents, employees, customers, successors and assigns ("Indemnitees") harmless from and against any and all suits, claims, liabilities, losses, damages, demands, costs and expenses (including reasonable attorneys' fees) arising out of or claimed to have arisen out of or in connection with or by reason of (i) any act or omission or any breach of express or implied warranties or conditions by Seller, its affiliates, agents, employees, successors or assigns or (ii) the use or sale by Indemnitees of the Ordered Items; provided, however, Buyer shall notify Seller of any such suit, claim or demand and shall permit Seller to control the defense or settlement thereof. Except to the extent the Ordered Items are manufactured to design specifications provided by Buyer, Seller shall indemnify and hold Indemnitees harmless from any losses, liabilities, damages, or expenses, including (without limitation) attorneys' fees and costs incurred in connection therewith, which may be incurred on account of any actual or alleged infringement of any applicable patent, copyright or trademark rights with respect to such items; provided this indemnity by Seller shall not apply to any alleged or actual infringement arising from use of the Ordered Items in combination with other items where such infringement would not have arisen from the normal use for which the Ordered Items were designed.

### (b) Remedies Cumulative; No Waiver.

The remedies set forth in these Terms and Conditions are cumulative and additional to any other or further remedies provided by law. No failure by Buyer to exercise any of its rights hereunder and no partial or single exercise thereof shall constitute a waiver of such rights. No waiver by Buyer of any obligation or breach of any provision or provisions hereof shall constitute a waiver of any other obligation, past or future, hereunder or any recurring breach of this or any other Purchase Order.

### (c) Work on the Premises of Buyer or Buyer's Customer.

If Seller's work under this Purchase Order involves operations by Seller on the premises of Buyer or Buyer's customer, Seller shall take all necessary precautions to prevent the occurrence of any injury to persons or damage to property during the progress of such work. Except to the extent that any such injury is due solely and directly to Buyer's or its customer's negligence, as the case may be, Seller shall defend and indemnify, save and hold Buyer and its customer, as the case may be, harmless from and against any and all suits, liabilities, demands, costs and expenses (including reasonable attorneys' fees) for injuries to persons, loss of life or damage to property arising out of or

claimed to have arisen out of or in connection with or by reason of any act or omission of Seller, its affiliates, agents, employees or subcontractors, and Seller will protect Buyer or customer, as the case may be, from said risks and from any corresponding claims under any applicable law or regulation including workman's compensation acts.

### (d) Insurance.

Except as Buyer may otherwise agree, Seller will maintain insurance in such amount and scope as are adequate to cover its obligations under this Purchase Order, including Commercial General Liability including premises/operations, products/completed operations, property damage and contractual liability coverage, not less than \$3,000,000 per occurrence. Buyer will be named an additional insured with respect to all products and services to be provided by Seller hereunder, and Seller's insurance will be primary and non-contributory. If Seller will have custody of tooling, test equipment, or other property belonging to Buyer pursuant to Section 3.02(b), Seller will maintain broad form property damage insurance naming Buyer as loss payee and insuring replacement value of property in the care, custody and control of Seller, as applicable. Prior to commencement of work, Seller will provide Buyer certificates of insurance evidencing the required insurance policies, including evidence of additional insured status.

## 2.01 COMMUNICATIONS AND REPORTING

Seller shall not advertise or publish the fact that it has furnished, or contracted to furnish, the Ordered Items to Buyer, or disclose any details of this Purchase Order to any party, without prior written consent of Buyer.

## 2.02 DISPUTE RESOLUTION

The Parties agree to submit any and all claims, demands, disputes, controversies, differences or misunderstandings arising out of or relating to this Purchase Order, or the failure or refusal to perform the whole or any part hereof, to binding arbitration conducted in accordance with the International Arbitration Rules of the American Arbitration Association, except where those rules conflict with this provision, in which case this provision controls. Arbitration shall be conducted before a single arbitrator unless the amount in dispute exceeds \$250,000. If the amount in dispute exceeds \$250,000, it shall be decided by three arbitrators, one to be selected by each party and the two party-appointed arbitrators to agree upon the third. The arbitration shall be held within the judicial district of Buyer's main office location, or in another location if agreed by Buyer and Seller. Absent agreement of the parties, or an order by the arbitrator(s) based upon compelling evidence of need, there shall be no discovery in the arbitration. The arbitrators shall be authorized to award costs and attorney's fees or to allocate them between the parties. Any court with jurisdiction shall enforce this clause and enter judgment on any award.

## 2.03 AUDITS/INSPECTION

### (a) Inspection by Buyer.

Any authorized representative of Buyer, or Buyer's customer, may inspect or audit Seller or Seller's subcontractors' facilities and processes engaged in the performance of this Purchase Order, and may inspect and test Ordered Items to be delivered under this Purchase Order to the extent practicable at any time, whether before or after acceptance. If any such audit, inspection or test is made by Buyer, Seller shall provide all reasonable facilities and assistance for the safety and convenience of the personnel involved.

Seller will grant Buyer, its customer, and relevant regulatory agencies access to its facilities, and all relevant data, records and material in order to observe, evaluate and verify Seller's compliance with its quality obligations under the Order at any level of the supply chain. Seller will further provide buyer, its customer and relevant regulatory agencies with reasonable facilities and assistance for safe and convenient observation, evaluation and verification.

### (b) Process Changes.

Seller shall notify Buyer not less than 90 days in advance of any proposed changes to Seller's manufacturing processes, composition or grade of raw materials used, critical process sources, equipment or facilities that may impact the quality, acceptability, reliability or on-time delivery of the Ordered Items, including any proposed relocations of manufacturing or assembly facilities that produce the Ordered Items. Any such changes must be planned and coordinated between Buyer and Seller prior to implementation and shall not be made without Buyer's written approval; if Seller implements such changes without Buyer's written agreement, this may render the Ordered Items defective and Buyer may reject the items or may terminate this Purchase Order under Section 3.01(d).

## 3.01 GENERAL TERMS; TERMINATION

### (a) Entire Agreement.

When this Purchase Order is signed by Buyer or Buyer's authorized representative and accepted or deemed to be accepted pursuant to Section 1.01 above, it constitutes a complete and exclusive statement of the terms of the agreement between Seller and Buyer with respect to its subject matter, subject to the terms of Section 1.01(d) regarding other written agreements. "Signing" includes the use of fax, email, electronically generated signatures or any other act intended to authenticate a party's assent to the agreement.

### (b) Force Majeure.

(1) **Failure to Perform.** Buyer is not liable for delay in acceptance of Ordered Items, and Seller is not liable for delay in shipment, to the extent occasioned by events beyond such party's reasonable control and without its fault or negligence, such as war,

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strikes, fires, natural disasters, catastrophic weather events, acts of terrorism, acts of a public enemy, acts of governments, transportation difficulties, or other such causes.

(2) **Labor Disputes.** Seller shall immediately notify Buyer if any actual or potential labor dispute is delaying or threatens to delay the timely performance or delivery of this Purchase Order. If such a delay extends for a period greater than ten days, Buyer may terminate this Purchase Order on notice to Seller, and such a termination will be considered a Termination for Convenience under paragraph 3.01(c).

(c) **Termination for Convenience.**

Buyer may terminate any Ordered Item under this Purchase Order in whole or in part at any time by written notice. In the event of such termination, Buyer and Seller agree that an equitable settlement payment for the terminated portion of this Purchase Order shall consist of Seller's provable costs to date of termination plus a reasonable profit thereon, less any value recoverable by Seller. There shall be no allowance for potential or anticipated profits, overhead costs or otherwise.

(d) **Termination for Default.**

(1) **Termination by Buyer.** Buyer may terminate work under this Purchase Order in whole or in part pursuant to Section 2.03(b) ("Process Changes"), or if Seller fails to:

(i) deliver the Ordered Items required by this Purchase Order within ten days after Seller's receipt of notice from Buyer of Seller's failure to provide such delivery within the time(s) specified in this Purchase Order, or

(ii) provide full performance of any other requirement of this Purchase Order in strict compliance with the terms hereof within ten days of Seller's receipt of notice from Buyer specifying such failure, or

(iii) provide adequate assurances of progress within ten days of Seller's receipt of Buyer's demand therefor.

(2) **Transfer of Completed Ordered Items.** If Buyer terminates this Purchase Order in whole or part pursuant to this Section 3.01(d), Buyer may require Seller to transfer title and deliver to Buyer, in the manner and to the extent directed by Buyer, (i) any completed Ordered Items, and (ii) such partially completed Ordered Items and materials, parts, tools, dies, jigs, fixtures, plans, drawings, and information or similar items (hereinafter called "Manufacturing Material"), as the Seller has produced or acquired for the performance of this Purchase Order; and Seller shall, upon direction of Buyer, protect and preserve any property in Seller's possession in which Buyer has an interest. Payment for completed Ordered Items delivered to and accepted by Buyer shall be at the Purchase Order price. Payment for Manufacturing Materials delivered to and accepted by Buyer and for the protection and preservation of property shall be at a price determined by agreement of the parties.

(3) **Assignment of Rights.** If Buyer terminates this Purchase Order in whole or part pursuant to this Section 3.01(d), Seller shall provide to Buyer all information Buyer shall reasonably require concerning Seller's purchase orders, subcontracts or similar rights for materials, services or facilities necessary for the completion of this Purchase Order, and Buyer may require Seller to assign to Buyer some or all of Seller's right, title and interest in such purchase orders, subcontracts or other documents. In the event of such an assignment, (i) Buyer shall not be liable for any amount in excess of the reasonable value of the items received by Buyer (not to exceed that portion of the unpaid purchase price reasonably allocable to such items), and (ii) except to the extent of such reasonable value, Seller shall hold Buyer harmless from all liability, damages, claims, expenses, or loss, including (without limitation) attorneys' fees and costs incurred in connection therewith, related to such assigned orders, subcontracts or rights.

(4) **Seller Liable for Cost of Cover.** If Buyer terminates this Purchase Order in whole or part pursuant to this Section 3.01(d), Buyer may procure substitute items from alternate sources and in such manner as it may deem appropriate and Seller shall be liable to Buyer for the excess of the total cost of such substitute items over the total price Buyer would have paid for such items under this Purchase Order. The rights of Buyer provided in this clause shall be in addition to any other rights provided by law or this Purchase Order.

(5) **Insolvency of Seller.** Without limiting any other provision of this Purchase Order, Buyer may, by written notice to Seller, cancel the whole or any part of this Purchase Order in the event of suspension of Seller's business; insolvency of Seller; institution of bankruptcy, insolvency, reorganization, arrangement or liquidation proceedings by or against Seller; appointment of a trustee, administrator or receiver for Seller's property or business; or any assignment by Seller for the benefit of creditors. If Buyer in good faith believes that Seller may be financially incapable of performing its obligations hereunder in strict compliance with the provisions hereof, it may demand written assurances of Seller's ability to perform, and failing Buyer's receipt of such assurances within five days of Buyer's demand, Buyer may cancel the whole or any part of this Purchase Order. The circumstances described in this subsection shall be deemed defaults, which shall entitle Buyer to exercise any of its remedies described above.

(e) **Applicable Law.**

(1) This agreement is governed by and shall be construed and enforced in accordance with the laws of the State of Pennsylvania without giving effect to the conflict of laws provisions thereof, and, where applicable, by the Federal Acquisition Regulations (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS). The parties hereby exclude application of the U.N. Convention on Contracts for the International Sale of Goods from this agreement and any transaction between them related thereto.

(2) Seller shall comply with all applicable Federal, national, provincial, state and local laws, rules and regulations and, on request, shall furnish Buyer

with such certificates or other evidence of compliance as may be reasonably requested by Buyer or other authorities.

(f) **Assignment and Subcontracting.**

Seller shall not contract with any other party to furnish any of the completed or substantially completed Ordered Items, and shall not assign any of its rights or delegate any of its duties under this Purchase Order without the prior written consent of Buyer.

In the event of an assignment:

- Seller shall flow the substance and obligations of the terms, as well as customer requirements herein to its subcontractors and to its sub-suppliers. Sellers shall remain fully responsible for any acts or omissions of such subcontractor(s) and/or sub-supplier(s) as if such subcontractor(s) and/or sub-supplier(s) is/are Supplier.
- Supplier shall use Buyer-Designated or approved external providers, including process sources (e.g. special processes)
- Not prohibited hereunder, payment to an assignee in accordance with any such assignment shall be subject to setoff or recoupment for any present or future claims by Buyer against Seller or such assignee.
- Buyer reserves the right to make, without notice to Seller's assignee, direct settlements and/or adjustments in price (or other terms) with Seller notwithstanding any assignment, and the right to make, without notice to Seller, direct settlement and/or adjustments in price (or other terms) with Seller's assignee.

(g) **Offset Credits.**

**This section 3.01(g) applies only to Purchase Orders in excess of fifty thousand dollars (\$50,000.00).**

(1) In this section "Offset" means the obligations that Buyer undertakes, in order to market or sell its products, to assist a customer country in reducing any trade imbalance caused by that country's purchases of Buyer's products or to meet other customer country national objectives.

(2) To the exclusion of all others, Buyer or its assignees shall be entitled to all benefits or Offset credits which result from this Purchase Order. Seller shall provide such documentation or information as Buyer or its assignees may reasonably request to substantiate claims for Offset credits.

(3) Seller agrees to use reasonable efforts to identify the foreign content of items that Seller either produces itself or procures from subcontractors for work under this Purchase Order. Promptly after selection of a non-U.S. subcontractor for work under this Purchase Order, Seller shall notify Buyer of the name, address, subcontractor point of contact (including telephone number) and dollar value of the subcontract.

(4) Seller shall include the substance of this clause, in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Purchase Order. In the event that any of the Ordered Items procured hereunder, including any products or services subcontracted by the Seller, originates in any country other than the United States, Seller agrees to transfer all Offset credits for such purchases to Buyer. Seller further agrees to include such a clause in any purchase orders it places on its vendors, in order to permit the transfer of such offset credits to Buyer.

### 3.02 INTELLECTUAL PROPERTY/DATA RIGHTS

(a) **Rights in Inventions.**

If this Purchase Order is for an Ordered Item for which Buyer furnishes the specifications, in whole or in part, Seller hereby conveys and assigns to Buyer (i) all its right, title and interest in and to any inventions, data and knowledge (whether covering processes, formulae, designs, techniques, assembly, manufacture or otherwise and whether patentable or not patentable) conceived or first reduced to practice in connection with such Ordered Item, and (ii) a perpetual royalty-free and fully paid-up right and license (with right to sublicense) to utilize any patents, inventions, data and knowledge of Seller, or any of its subcontractors hereunder, which are incorporated in or utilized in connection with the Ordered Item delivered hereunder. Seller agrees to keep and preserve proper engineering and other records of such inventions, data and knowledge, and to make such records available to Buyer upon request. Seller agrees to execute and deliver all such documents and instruments as Buyer may, from time to time hereafter, reasonably require in order to give effect to Buyer's rights under this Section. Seller will promptly disclose to Buyer in writing any rights acquired under clause (i) hereof.

(b) **Use of Buyer's Property.**

(1) Property paid for or furnished by Buyer to Seller for the production of Ordered Items, including, without limitation, tools, jigs, dies, patterns, press plates, molds, fixtures, offset negatives, material, equipment, drawings, designs and other information and things ("Buyer's Property") is deemed to be included in Seller's quoted price, is deemed to be the property of Buyer and shall be used exclusively for performance by Seller of this Purchase Order. Buyer's Property, and whenever practical, each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as being the property of Buyer, shall be safely stored separate and apart from Seller's property and shall be subject to examination by Buyer. Seller shall maintain Buyer's Property in proper condition, subject to reasonable wear and tear, and shall not encumber, destroy or dispose of such property.

All Buyer's Property shall be subject to removal by Buyer from Seller's plant after completion or termination of this Purchase Order or of the portion hereof relating to such property, or at any time prior thereto upon the issuance of a change order reimbursing Seller for reasonable costs incurred as a result of such early

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removal.

**(c) License to Buyer.**

Seller grants to Buyer the right to reproduce, use and disclose, in connection with the use, maintenance and service of the Ordered Items, all reports, drawings and reproductions thereof, data and technical information delivered to Buyer under this Purchase Order.

**(d) License to Seller.**

Seller acknowledges that, to the extent indicated by notices, legends or other markings, the drawings, specifications, prints or other data furnished by Buyer under this Purchase Order constitute or contain trade secrets that are the property of Buyer. Subject to the limitations and restrictions contained in this Purchase Order, Buyer grants to Seller a nonexclusive license to use said trade secrets for the limited purpose of supplying the Ordered Items required by this Purchase Order. To the extent that said trade secrets describe the Ordered Items required by this Purchase Order, Seller agrees it will not supply identical Ordered Items that have been extracted from Buyer's data, at the direction of or for the use or benefit of, any person other than Buyer or persons designated by Buyer.

**(e) Confidentiality.**

All drawings, specifications, prints or other data furnished or purchased by Buyer:

(1) Remain the property of Buyer, and Seller shall return them at any time without additional cost, upon demand of Buyer;

(2) Shall be held secret and confidential by Seller and shall not be disclosed, in whole or in part, to any third party without the prior written consent of Buyer;

(3) Shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than the performance of this Purchase Order, and if duplicated must include any restrictive legends, copyright notices and other intellectual property rights markings and legends that appear on the versions provided by the Buyer; and

(4) Shall be disclosed only to those employees of Seller who are directly engaged in the performance of this Purchase Order and who have been advised of the restrictions upon duplication, use and disclosure contained herein.

Confidential Information shall not include any information that: (i) is or subsequently becomes publicly available without Seller's breach of any obligation owed to Buyer; (ii) became known to Seller prior to Buyer's disclosure of such information to Seller; (iii) became known to Seller from a source other than Buyer other than by the breach of an obligation of confidentiality owed to Buyer; or (iv) is independently developed by Seller without access to the Buyer's information.

Any breach by Seller of any of the foregoing shall be deemed to be a material breach of this Purchase Order on the part of Seller. In addition to any remedies that Buyer may then have, including Buyer's rights under other agreements, Buyer shall have the right to cancel this and any other unfilled Purchase Order that it has placed with Seller without liability. The provisions of this paragraph 3.02(e) shall survive the completion, expiration or termination of this Purchase Order.

### 3.03 LAWS AND REGULATIONS

**(a) Compliance with Laws.**

Seller warrants that, in the performance of this Purchase Order, it will comply with all applicable Federal, national, provincial, state and local laws. Seller also warrants that it is, and will continue during the period of performance of the Purchase Order to be, in full compliance with the provisions of (i) the Foreign Corrupt Practices Act, (ii) U.S. export control regulations and the International Traffic in Arms Regulations, (iii) sanctions administered by the Office of Foreign Assets Control, and (iv) the Anti-Kickback Act. Seller shall indemnify and hold Buyer harmless from any liability resulting from failure of such compliance. Unless Seller notifies Buyer otherwise, Seller represents that the Ordered Items are classified as EAR99 under the Export Administration Regulations or are not otherwise subject to export regulation under U.S. law.

**(b) Debarred Persons.**

Buyer will not enter into any subcontract or other business relationship relating to United States Government contracts with any individual or business entity listed by a United States Government agency as debarred, suspended or otherwise ineligible for contracting. Seller, as well as any individual or entity that proposes to provide goods or services, including Ordered Items, under this Purchase Order hereby certifies that it is not listed by a United States Government agency as debarred, suspended or otherwise ineligible for contracting.

**(c) Fair Labor Standards Act.**

By acceptance of this Purchase Order Seller hereby certifies that the Ordered Items will be produced in compliance with all applicable requirements of the Fair Labor Standards Act of 1938 (29 USC 201-19), as amended, and of the regulations and orders issued under that Act.

**(d) Equal Employment Opportunity.**

(1) Seller shall, to the extent they apply, abide by the requirements of 41 CFR §§ 60-1.4(a), 60-4.3, 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities; prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin; and require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

(2) Upon receipt of any contract, subcontract or purchase order amounting to \$50,000 or more with Buyer, Seller will file with the appropriate federal agency on or before March 31 of each year or within such other period permitted or required by Executive Order 11246, as amended, complete and

accurate reports on Standard Form 100(EEO-1).

(3) Seller has developed and is currently maintaining a written Affirmative Action Program at each of its establishments pursuant to all the terms of the regulations promulgated by OFCCP, including 41 CFR Part 60-2, 41 CFR §60-741.44, and 41 CFR §60-300.44, and as contained in OFCCP's Rules and Regulations found in 41 CFR Part 60. In accordance with those regulations, the Seller agrees and certifies that if such a program has not been developed, such a program or programs will be developed within one hundred twenty days from the commencement of a covered contract, subcontract, or purchase order.

**(e) Occupational Health and Safety.**

(1) All items supplied under the terms of this Purchase Order shall be certified by Seller to be in compliance with the requirements and standards of the Occupational Safety and Health Act of 1970 (Public Law 91-596), as amended, and all regulations and orders promulgated thereunder. Where required, material safety data sheets will be supplied on all applicable Ordered Items. Failure of Buyer to contest a citation resulting from non-compliance of these items will not relieve Seller of liability under this warranty.

(2) Seller warrants that each and every chemical substance delivered under this Purchase Order shall, at the time of sale, transfer or delivery, be on the "TSCA Inventory" of chemical substances compiled and published by the administrator of the Environmental Protection Agency pursuant to Section 8 of the Toxic Substances Control Act (Public Law 94-469).

(3) Seller warrants that it will have on file the current Material Safety Data Sheet (MSDS) Form OSHA-20 for any material at the ordering plant before such material is shipped on this Purchase Order. If there has been any alteration in the material or the MSDS since the previous order and/or shipment, then a new MSDS must be submitted by the Seller and approved by an authorized Buyer representative prior to shipment.

**(f) Conflict Minerals**

Seller represents that either (i) the Ordered Items do not contain any amounts of tantalum, tungsten, tin or gold, or (ii) none of such materials contained in the Ordered Items originated in the Democratic Republic of the Congo or in any of its bordering countries, or (iii) Seller has already provided to Buyer a completed Conflict Minerals Reporting Template.

### 3.04. NO COUNTERFEIT PARTS.

Seller warrants that all Ordered Items delivered to Buyer will (i) be new; (ii) be and only contain materials obtained directly from the original equipment manufacturer ("OEM") or an authorized OEM reseller or distributor; (iii) not be or contain Counterfeit Items; and (iv) contain only authentic, unaltered OEM labels and other markings.

As used in this Section 3.04, "Counterfeit Item" means a copy or substitute supplied without the legal right or authority to do so, or an item the material, performance or characteristics of which are knowingly misrepresented by a supplier, distributor or manufacturer at any level in the supply chain. Examples include, but are not limited to, parts that have been re-marked to conceal that they are different from those offered by the OEM; previously used parts salvaged from scrapped assemblies; and defective parts scrapped by the OEM.

(i) Unless first approved in writing by Buyer, Seller may purchase Ordered Items only from sources which Seller can show comply with a recognized international standard relating to combatting Counterfeit Items and which ensure that the items purchased from such source are new, unused and authentic Ordered Items.

(ii) Seller shall maintain a method of tracking of the supply chain back to the manufacturer of all items included in the Ordered Items. This tracking method must clearly identify the name and location of all supply chain intermediaries from the manufacturer to the direct source of each item for Seller and shall include the manufacturer's batch identification for the item such as date codes, lot codes, serializations, or other batch identifications. Full supply chain traceability documentation includes but is not limited to OCM, OEM and authorized (i.e. franchised) supplier certificates of conformity, purchase orders and test/inspection data and/or certificates.

(iii) If Counterfeit Items or items suspected to be Counterfeit Items are furnished under this Purchase Order such goods shall be impounded by Buyer. Seller shall promptly replace such goods with Ordered Items acceptable to Buyer and Seller shall be liable for all costs relating to such impoundment, removal and replacement. Buyer may turn Counterfeit Items over to Government authorities for investigation, and Buyer reserves the right to withhold payment pending the results of the investigation.

(iv) This warranty applies in addition to Section 1.04 above.

(v) Seller shall include the substance of this Section 3.04, including this sentence, in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Purchase Order. Buyer must be notified promptly in writing of any inability or unwillingness of a lower-tier supplier to comply with this provision.

(vi) Seller is reminded that any knowing or willful act to falsify, conceal or alter a material fact, or any knowingly false statement or representation in connection with the performance of work under the Contract, may be punishable in accordance with applicable law.

### 4.01. ADDITIONAL TERMS AND CONDITIONS APPLICABLE ONLY TO PURCHASE ORDERS PLACED UNDER GOVERNMENT

# PURCHASE ORDER TERMS AND CONDITIONS

## CONTRACTS OR SUBCONTRACTS.

### (a) U.S. Government Contracts.

If this Purchase Order indicates, or if Seller is otherwise informed, that it is issued under a U.S. Government prime contract or subcontract, such as by the inclusion of a government contract number and DPAS rating in this Purchase Order, then the provisions of Sections 4.01 and 4.02 apply to this Purchase Order, but without derogating in any way from Seller's obligations under the other Sections of this Purchase Order. If Sections 4.01 and 4.02 apply to this Order, Seller agrees to include in all of its subcontracts and orders placed in connection with this Order, provisions that conform substantially to such provisions of Sections 4.01 and 4.02.

Seller agrees, upon request, to furnish Buyer with a certificate or certificates in such form as Buyer may require certifying that Seller is in compliance with all such government terms and conditions. In particular: (A) If this Purchase Order is placed under a Government contract, then all rights of Buyer under Section 2.03 extend to the Government and all agents of the Government; and (B) if FAR 52.211-14 or 52.211-15 are applicable to this Purchase Order, then Seller shall follow the requirements of the Defense Priorities and Allocations System (DPAS) regulation (15 CFR 700).

## 4.02. GOVERNMENT PROCUREMENT REGULATIONS.

When the Ordered Items are for use in connection with a U.S. Government prime contract or subcontract, the following clauses set forth in the FAR and DFARS as in effect on the date of this Purchase Order shall apply as required by the terms of the prime contract, or by operation of law or regulation. The effective version of each clause shall be the current version as of the date of this Purchase Order, or the same version as that which appears in the Government prime contract if indicated in the Purchase Order. In the event of a conflict between the FAR and DFARS clauses below and the other clauses of these Purchase Order Terms and Conditions, the FAR or DFARS clauses shall take priority. Where necessary to make the clauses applicable to this Purchase Order, the terms "Contractor," Contracting Officer" and "Government" shall be revised to suitably identify the contracting parties taking into account their authority limitations set by regulation or law. Any below listed FAR or DFARS clause that does not apply to a particular Purchase Order as indicated by the related FAR or DFARS prescription or the text of the clause, is considered to be self-deleting.

### (a) Applicable to all Purchase Orders

- 52.203-3 Gratuities
- 52.203-10 Price of Fee Adjustment for Illegal or Improper Activity
- 52.204-2 Security Requirements
- 52.204-21 Basic Safeguarding of Covered Contractor Information Systems
- 52.211-5 Material Requirements
- 52.211-15 Defense Priority and Allocation Requirements
- 52.215-10 Price Reduction for Defective Cost or Pricing Data
- 52.215-11 Price Reduction for Defective Cost or Pricing Data – Modification
- 52.215-15 Pension Adjustment and Asset Reversions
- 52.215-18 Reversions or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions
- 52.215-19 Notification of Ownership Changes
- 52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data
- 52.215-21 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Modifications
- 52.219-8 Utilization of Small Business Concerns
- 52.222-41 Service Contract Act of 1965
- 52.222-50 & Alt 1 Combating Trafficking in Persons [Alt 1 is included if in prime contract.]
- 52.223-3 Hazardous Material Identification and Material Safety Data
- 52.223-7 Notice of Radioactive Materials
- 52.223-11 Ozone-Depleting Substances
- 52.225-1 Buy American Act– Supplies
- 52.225-3 Buy American Act–Free Trade Agreements – Israeli Trade Act
- 52.225-5 Trade Agreements
- 52.225-8 Duty-free Entry
- 52.225-13 Restrictions on Certain Foreign Purchases
- 52.227-9 Refund of Royalties
- 52.227-10 Filing of Patent Applications - Classified Subject Matter
- 52.227-11 Patent Rights – Ownership by the Contractor
- 52.227-14 Rights in Data -General
- 52.229-3 Federal, State, and Local Taxes
- 52.232-40 Providing Accelerated Payments to Small Business Subcontractors
- 52.236-13 Accident Prevention
- 52.242-13 Bankruptcy
- 52.242-15 Stop-Work Order
- 52.243-1 Changes
- 52.244-5 Competition in Subcontracting
- 52.244-6 Subcontracts

- for Commercial Items 52.245-1 Government Property
- 52.245-1 Alt 1 Government Property
- 52.245-9 Use and Charges
- 52.246-2 Inspection of Supplies – Fixed Price
- 52.246-16 Responsibility for Supplies
- 52.247-63 Preference for U.S. Flag Air Carriers
- 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
- 52.249-2 Termination for Convenience of the Government (Fixed Price)
- "Government" shall mean BUYER. In paragraph (d) the term "45 days" is changed to "90 days." In paragraph (e) the term "one year" is changed to "six months." In paragraph (l) the term "90 days" is changed to "45 days."
- 252.203-7002 Requirement to Inform Employees of Whistleblower Rights
- 252.204-7000 Disclosure of Information
- 252.204-7008 Requirements for Contracts Involving Export-Controlled Items (if Prime Contract awarded before June 17, 2013)

252.204-7008 (AUG 2015) Compliance with Safeguarding Covered Defense Information Controls (if Prime Contract awarded on or after August 26, 2015, but before October 8, 2015)

252.204-7008 (DEVIATION 2016-O0001) (OCT 2015) Compliance with Safeguarding Covered Defense Information Controls (if Prime Contract awarded on or after October 8, 2015, but before December 30, 2015)

252.204-7008 (DEC 2015) Compliance with Safeguarding Covered Defense Information Controls (if Prime Contract awarded on or after December 30, 2015)

252.204-7009 Requirements for Contracts Regarding Potential Access to Export-Controlled Items (if Prime Contract awarded before April 8, 2010)

252.204-7009 (AUG 2015) Limitations on the Use and Disclosure of Third-Party Contractor Reported Cyber Incident Information (if Prime Contract awarded on or after August 26, 2015 but before December 30, 2015)

252.204-7009 (DEC 2015) Limitations on the Use and Disclosure of Third-Party Contractor Reported Cyber Incident Information (if Prime Contract awarded on or after December 30, 2015)

252.204-7012 (DEC 2019) Safeguarding Covered Defense Information and Cyber Incident Reporting

252.204-7015 Disclosure of Information to Litigation Support Contractors

252.209-7004 Subcontracting with Firms that Are Owned or Controlled by the Government of a Terrorist Country

252.211-7003 Item Identification and Valuation

252.222-7000 Restrictions on Employment of Personnel

252.223-7001 Hazard Warning Labels

252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials

252.225-7001 Buy American Act and Balance of Payments Program

252.225-7002 Qualifying Country Sources as Subcontractors

252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies

252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals

252.225-7010 Commercial Derivative Military Article – Specialty Metals

Compliance Certificate (this clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.)

252.225-7012 Preference for Certain Domestic Commodities

252.225-7013 Duty-Free Entry

252.225-7014 (Deviation 2006-O0004) Preference for Domestic Specialty Metals – with Alternate 1 (Deviation 2006-O0004) (These deviations apply to Purchase Orders under prime contracts awarded after November 15, 2006 and before October 26, 2007.)

252.225-7014 (Deviation 2007-O0011) Preference for Domestic Specialty Metals – with Alternate 1 (Deviation 2007-O0011) (These deviations apply to Purchase Orders under prime contracts awarded after October 25, 2007 and before January 29, 2008.)

252.225-7014 (Deviation 2008-O0002) Preference for Domestic Specialty Metals – with Alternate 1 (Deviation 2008-O0002) (These deviations apply to Purchase Orders under prime contracts awarded after January 28, 2008 and before July 29, 2009.)

252.225-7015 Restriction on Acquisition of Hand or Measuring Tools 252.225-7016 Restriction on the Acquisition of Ball and Roller Bearings 252.225-7025 Restrictions on Acquisition of Forgings

252.225-7027 Restriction on Contingent Fees for Foreign Military Sales 252.225-7028 Exclusionary Policies and Practices of Foreign Governments 252.225-7030 Restriction on Acquisition of Carbon Alloy and Armor Steel Plate

252.225-7048 Export-Controlled Items

252.227-7013 Rights in Technical Data - Noncommercial Items

252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation

252.227-7015 Technical Data - Commercial Items

252.227-7016 Rights in Bid or Proposal Information

252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions

252.227-7019 Validation of Asserted Restrictions - Computer Software

## PURCHASE ORDER TERMS AND CONDITIONS

252.227-7025 Limitations on the Use or Disclosure of Government- Furnished Information Marked with Restrictive Legends

252.227-7026 Deferred Delivery of Technical Data or Computer Software

252.227-7027 Deferred Ordering of Technical Data or Computer Software

252.227-7028 Technical Data or Computer Software Previously Delivered to the Government

252.227-7030 Technical Data - Withholding of Payment

252.227-7037 Validation of Restrictive Markings of Technical Data

252.228-7001 Ground and Flight Risk

252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles

252.239-7018 Supply Chain Risk

252.244-7000 Subcontracts for Commercial Items and Commercial Components

252.246-7001 Warranty of Data

252.246-7003 Notification of Potential Safety Issues

252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System

252.247-7024 Notification of Transportation of Supplies by Sea

**(b) Applicable to all Purchase Orders over \$3,000 (for prime contracts issued on or after October 1, 2015, over \$3,500)**

52.222-54 Employment Eligibility Verification

52.223-18 Contractor Policy to Ban Text Messaging While Driving

**(c) Applicable to all Purchase Orders over \$10,000**

52.222-21 Prohibition of Segregated Facilities

52.222-26 Equal Opportunity

52.222-40 Notification of Employee Rights under the National Labor Relations Act

29 CFR Part 471, Appendix A to Subpart A Notification of Employee Rights Under Federal Labor Laws

**(d) Applicable to all Purchase Orders over \$15,000**

52.222-20 Contracts for Materials, Supplies, Articles, and Equipment Exceeding \$15,000

52.222-36 Equal Opportunity for Workers with Disabilities

**(e) Applicable to all Purchase Orders over \$25,000 (for prime contracts issued on or after October 1, 2015, over \$30,000)**

52.204-10 Reporting Executive Compensation and First Tier Subcontract Awards

**(f) Applicable to all Purchase Orders over \$30,000**

52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Applicable to Purchase Orders over \$30,000 other than a Purchase Order for COTS (commercially available off-the-shelf) items as that term is defined in the clause.)

**(g) Applicable to all Purchase Orders over \$100,000**

52.222-35 Equal Opportunity for Veterans

52.222-37 Employment Reports Veterans

52.248-1 Value Engineering

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies

252.244-7000 Subcontracts for Commercial Items and Commercial Components

252.247-7023 Transportation of Supplies by Sea

252.249-7002 Notification of Anticipated Contract Termination or Reduction

All Purchase Orders over \$150,000

52.203-5 Covenant against Contingency Fees

52.203-6 Restrictions on Subcontractor Sales to the Government

52.203-7 Anti-Kickback Procedures (excluding paragraph (c)(1))

52.203-12 Limitation on Payment to Influence Certain Federal Transactions

52.203-16 Preventing Personal Conflicts of Interest

52.215-2 Audit and Records – Negotiation

52.215-14 Integrity of Unit Prices (excluding paragraph (b))

52.222-4 Contract Work Hours and Safety Standards Act Overtime Compensation

52.227-1 Authorization and Consent

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement

252.222-7007 Representation Regarding Combating Trafficking in Persons

252.225-7031 Secondary Arab Boycott of Israel

**(h) All Purchase orders over \$500,000**

52.222-56 Certification Regarding Trafficking in Persons Compliance Plan

252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic

Enterprises, and Native Hawaiian Small Business Concerns

**(i) All Purchase Orders of \$650,000 or Above (for prime contracts issued on or after October 1, 2015, over \$700,000)**

52.219-9 Small Business Subcontracting Plan

252.219-7003 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DOD Contracts)

252.219-7004 Small Business Subcontracting Plan (Test Program)

252.225-7006 Quarterly Reporting of Actual Contract Performance outside the United States

**(j) All Purchase Orders of \$700,000 or Above (for prime contracts issued on or after October 1, 2015, over \$750,000)**

52.214-26 Audit and Records – Sealed Bidding

52.214-28 Subcontractor Certified Cost or Pricing Data – Modifications – Sealed Bidding

52.215-12 Subcontractor Certified Cost or Pricing Data

52.215-13 Subcontractor Certified Cost or Pricing Data Modifications

52.215-22 Limitations on Pass-Through Charges – Identification of Subcontract Effort (excluding paragraph (c)(1))

52.215-23 & Alt 1 Limitations on Pass-Through Charges

52.230-2 Cost Accounting Practices (excluding paragraph (b))

52.230-3 Disclosure and Consistency of Cost Accounting Practices (excluding paragraph (b))

52.230-6 Administration of Cost Accounting Practices

252.231-7000 Supplemental Cost Principles

**(k) All Purchase Orders over \$1,000,000**

252.211-7000 Acquisition Streamlining (if over \$1,500,000)

252.211-7006 Restrictions on the Use of Mandatory Arbitration Agreements

**(l) All Purchase Orders over \$5,000,000 (for Prime Contracts issued on or after October 1, 2015, over \$5,500,000)**

52.203-13 Contractor Code of Business Ethics (applicable to Purchase Orders with a performance period longer than 120 days)

52.203-14 Display of Hotline Poster(s)

252.203-7004 Display of Hotline Posters

**(m) All Purchase Orders over \$50,000,000**

52.234-7003 Notice of Cost and Software Data Reporting System

## PURCHASE ORDER TERMS AND CONDITIONS

<b>Term:</b>	<b>Defined in Section:</b>
Buyer	1.01(a)
Buyer's Property	3.02(b)(1)
FAR	1.03(f)(3)
Indemnitees	1.05(a)
Manufacturing Material	3.01(d)(2)
Offset	3.01(g)
Ordered Items	1.01(a)
Seller	1.01(a)