

R. E. DYE MANUFACTURING CORPORATION

Purchase Order Terms and Conditions

Revised, August 1, 2019



Buyer hereby buys and Seller hereby sells those goods and services set forth on the face hereof subject to the terms and conditions set forth thereon, together with the additional terms and conditions set forth below. Terms "purchase order" and "subcontract" are synonymous hereon; except where a purposeful distinction is made clear.

SECTION A - INSTRUCTIONS TO SELLER

A. PURCHASE ORDER NUMBER: Seller shall include Buyer's purchase order number, including any change, modification, or revision designation or controlling blanket agreement number, on all invoices (or vouchers), packing lists, bills of lading, packages, containers, and correspondence processed under this order.

B. PACKING LIST: A packing list shall accompany each shipment of goods and, if such shipment completes the purchase order, shall show thereon: "This shipment completes this order."

C. PACKAGING AND INSURANCE: No extra charge for packaging or insurance shall be allowed unless specifically noted herein. Goods shall (i) be packaged to ensure safe arrival at destination, (ii) be described to conform to carrier's classification rules so as to obtain lowest transportation cost, and (iii) not be insured nor show declared value for shipment beyond FOB point.

D. INVOICES (OR VOUCHERS): Invoices must be submitted in accordance with instruction provided within the Purchases Order, and reference the full purchase order no. If the remittance information on your invoice does not match the information previously provided and maintained within your official supplier record, your payment may be delayed. If you are uncertain of the information we currently have on record for your company, you should contact the buyer or procurement office as soon as possible.

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CLAUSE NO. 1 - SELLER ACCEPTANCE: This purchase order is to be accepted in writing by Seller. If, however, for any reason Seller should fail to accept in writing, any conduct by Seller which recognizes the existence of a contract pertaining to the subject matter hereof shall constitute acceptance by Seller of this purchase order and all of its terms and conditions.

Any terms proposed in Seller's acceptance of Buyer's offer which add to, vary from, or conflict with the terms herein are hereby objected to. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties and may hereafter be modified only by written instrument executed by the authorized representatives of both parties.

If this purchase order has been issued by Buyer in response to an offer, and if any of the terms herein are additional to or different from any terms of such offer, then the issuance of this purchase order by Buyer shall constitute an acceptance of such offer subject to the express conditions that Seller assent to such additional and different terms herein and acknowledge that this purchase order constitutes the entire agreement between Buyer and Seller with respect to the subject matter hereof and the subject matter of such offer, and Seller shall be deemed to have so assented and acknowledged unless Seller notifies Buyer to the contrary in writing within 10 calendar days of receipt of this purchase order. All requirements pertaining to this purchase, whether stated or included by your agreement with our customer, shall pertain to and flow down to all sub-tier suppliers.

CLAUSE NO. 2 - DELIVERY: Time is of the essence in the performance of this purchase order by Seller. Delivery is to be made both in quantities and at times specified herein. If Seller's delivery shall fail to meet schedule, Buyer, without limiting its other rights or remedies, may direct expedited routing, and any excess cost incurred thereby shall be debited to Seller's account. Buyer shall not be liable for Seller's commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Buyer's delivery schedule. Goods delivered in advance of schedule may, at Buyer's option, (i) be returned at Seller's expense for proper delivery, (ii) have payment therefore withheld by Buyer until the date that goods are actually scheduled for delivery, or (iii) be placed in storage for Seller's account until delivery date specified herein.

CLAUSE NO. 3 - INSPECTION AND TEST: All goods ordered hereunder shall be subject to inspection and test by Buyer to the extent practicable at all times and places, including the period of manufacture if the goods are to be specifically manufactured for Buyer in accordance with drawings, designs, or specifications furnished by Buyer, and in any event prior to acceptance. Such goods shall be subject to final inspection and to acceptance by Buyer after delivery to Buyer. If the goods are specifically manufactured for Buyer in accordance with drawings,

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designs, or specifications furnished by Buyer: (1) Seller shall provide and maintain an inspection and quality control system acceptable to Buyer and provide access to Seller's facilities including all subcontractors' facilities used in performance of this order at all reasonable times for inspection by Buyer's agents or employees, and shall provide all tools, facilities, and assistance reasonably necessary for inspection relating to the performance of this purchase order; and (2) Seller shall maintain adequate and authenticated inspection and test documents which relate to work performed under this purchase order for a period of ten years after completion of this purchase order or as otherwise specified in this purchase order, and shall make such records available to Buyer upon request; (3) Seller shall supply Buyer with inspection and test reports, affidavits, certifications, or any other documents as may reasonably be requested by Buyer. Such inspection and test may be performed by U.S. Government representatives on behalf of Buyer; (4) Supplier shall notify Buyer in writing of any changes in product and/or process definition and obtain Buyer's written approval prior to proceeding; and (5) Seller shall include the substance of this clause in all applicable purchase orders or subcontracts issued in the performance of this order.

CLAUSE NO. 4 - NON-CONFORMING GOODS: If the goods ordered herein fail to meet the specifications, or otherwise do not conform to the requirements of this purchase order, Buyer shall have the right to reject such goods. Goods that have been delivered and rejected may be returned to Seller for replacement, correction, reimbursement, or credit as Buyer may direct. If, after notice, Seller fails to promptly replace or correct such rejected items, same may be replaced or corrected (without thereby exercising wrongful ownership) by Buyer at the expense of Seller. Any goods rejected by Buyer shall be at Seller's risk and expense, and such goods shall not thereafter be tendered for acceptance unless the former rejection or requirement for correction is disclosed. Packaging and handling expense incidental thereto and applicable transportation cost shall be charged to Seller's account. Upon non-acceptance, repudiation or rejection of any goods, Buyer shall not be liable for any profit Seller would have made, nor for incidental damages. For non-conformances discovered prior to shipment or delivery, Seller shall contact Buyer as soon as the non-conformance is known, to determine if a Supplier Information Request (SIR) should be completed to facilitate the disposition of identified non-conformances. Unless otherwise expressly granted in writing by Buyer, no relief in the established delivery schedule shall accrue by virtue of Seller having notified Buyer of the non-conformance. **Other administrative fees may apply.**

CLAUSE NO. 5 - WARRANTY OF GOODS AND SERVICES: Seller expressly warrants that all goods and services covered by this purchase order shall conform to the specifications, drawings, samples or other description upon which this purchase order is based, shall be fit and sufficient for the purposes intended, merchantable, of good material and workmanship, and free from defects, and shall be free of any claim of any third party. Inspection, test, acceptance or use of the goods furnished hereunder shall not affect the Seller's obligation under these warranties, and such warranties shall survive inspection, test, acceptance and use. None of the remedies available to Buyer for the breach of any of the foregoing warranties may be limited, except to the extent and in the manner

agreed upon by Buyer in a separate agreement specifically designating such limitation and signed by an authorized representative of Buyer. Buyer's inspection and/or acceptance of and/or payment for goods and/or services shall not constitute a waiver by it of any warranties. These warranties shall run to Buyer, its successors, assigns, and customers, and users of its products, and will be valid for thirty-six (36) months after delivery to Buyer's customers.

CLAUSE NO. 6 - DRAWINGS AND SPECIFICATION

REVIEW: If, during the term of this purchase order, Buyer representatives review drawings, specifications, or other data developed by Seller in connection with this purchase order and make suggestions or comments or approve such documents and data, such action is only an expression of opinion by Buyer and shall not serve to relieve Seller of any responsibility for the reliability, quality, rate of output, cost, delivery, performance, or any other requirements of this purchase order.

CLAUSE NO. 7 - PROPRIETARY DRAWINGS AND

DATA: Seller shall keep confidential all information, drawings, specifications, or data and return, upon request, all documents furnished by Buyer, and shall not divulge or use such information, drawings, specifications, or data for the benefit of any other party. Except as required for the efficient performance of this purchase order, Seller shall not make copies or permit copies to be made without the prior written consent of Buyer. Seller shall thereafter make no further use, either directly or indirectly, of any such data or any information derived therefrom without obtaining Buyer's written consent. The obligations of this clause shall survive the completion, cancellation, or termination of this purchase order.

CLAUSE NO. 8 - USE OF INFORMATION: Seller agrees

(i) that all information heretofore or hereafter furnished or disclosed to Buyer by Seller, in connection with the placing or filling of this purchase order, is furnished or disclosed as a part of the consideration for this purchase order; (ii) that such information is not, unless otherwise agreed to by Buyer in writing, to be treated as confidential or proprietary; and (iii) that Seller shall assert no claims (other than for patent infringement) by reason of the use or disclosure of such information by Buyer, its assigns, or its customers. No employee of Buyer has the authority to make an agreement providing for the confidential treatment of, or limiting the use or disclosure of, information so furnished or disclosed, unless such agreement is made in writing and signed by Buyer's cognizant general manager. However, in the event that this clause should conflict with the provisions of any patent rights or data rights clause of this purchase order, the latter shall prevail.

Any unpatented knowledge or information concerning Seller's products, methods, or manufacturing processes which Seller may disclose to Buyer incident to the manufacture of goods covered by this purchase order shall, unless otherwise specifically agreed in writing, be deemed to have been disclosed as part of the consideration for this purchase order, and Seller agrees not to assert any claim against Buyer by reason of Buyer's use or alleged use thereof and, if this purchase order involves research or development work, Seller agrees to grant to Buyer an irrevocable, exclusive, royalty-free license to make, have made, use, and sell any inventions resulting from that work under this purchase order.

CLAUSE NO. 9 - DISCLOSURE OF INFORMATION:

Seller shall not in any manner advertise or publish the fact that it has furnished, or contracted to furnish, Buyer the

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goods or services herein described without prior written consent of Buyer. Seller shall not disclose any details in connection with this purchase order to any party except as may be otherwise provided.

CLAUSE NO. 10 - TOOLING AND OTHER ARTICLES:

Unless otherwise specified in this purchase order, all tooling and all other articles required for the performance hereof shall be furnished by Seller and shall be properly maintained and replaced when necessary at Seller's expense.

If Buyer agrees to pay Seller for such tooling and other articles, either separately or as a stated part of the unit price of goods purchased herein, title to same shall pass to Buyer upon (i) commencement of processing for use in performance of this purchase order, or (ii) Buyer payment therefore, whichever occurs first.

Any such tooling and other articles which are Buyer's property shall be used only in the performance of this purchase order unless otherwise provided in writing by Buyer. Seller agrees to follow normal industrial practice in the preparation and maintenance of pertinent property control records, and shall make such records available for inspection by Buyer at all reasonable times. After completion or termination of this purchase order and upon the request of Buyer, Seller shall furnish a list of such Buyer's property in the form requested by Buyer and shall make such available for disposition by Buyer. Buyer may, at its sole discretion and by written notice, divest itself of title in favor of Seller.

CLAUSE NO. 11 - EXPORT RELATED REQUIREMENTS:

a. Export Compliance. Subcontractor is advised that its performance of this Subcontract may involve the use of or access to articles, technical data or software that is subject to export controls under 22 United States Code 2778 - 2794 (Arms Export Control Act) and 22 Code of Federal Regulations 120-130 (International Traffic in Arms Regulations) or 50 United States Code 2401 - 2420 (Export Administration Act) and 15 Code of Federal Regulations 730 - 774 (Export Administration Regulations) and their successor and supplemental laws and regulations (collectively hereinafter referred to as the "Export Laws and Regulations"). Subcontractor represents and warrants that it is either 1) a U.S. Person as that term is defined in the Export Laws and Regulations, or 2) that it has disclosed to Buyer's Representative, in writing, the country in which it is incorporated or otherwise organized to do business, or if a natural person, all citizenships and US immigration status. Subcontractor shall comply with any and all Export Laws and Regulations, and any license(s) issued thereunder.

b. Foreign Persons. Subcontractor shall not give any Foreign Person access to Technical Data or software as those terms are defined in the applicable Export Laws and Regulations without the prior written consent of Buyer. Any request for such consent must state the intended recipient's citizenship(s), and status under 8 U.S.C. 1101 and 8 U.S.C. 1324 (the "Immigration and Naturalization Act"), and such other information as Buyer may reasonably request. No consent granted by R. E. Dye Manufacturing Corporation in response to Subcontractor's request under this paragraph b shall relieve Subcontractor of its obligations to comply with the provisions of paragraph a or the Export Laws and Regulations, nor shall any such consent constitute a waiver of the requirements of

paragraph a, nor constitute consent for Subcontractor to violate any provision of the Export Laws and Regulations.

c. Indemnification. Seller shall indemnify and save harmless R. E. Dye Manufacturing Corporation from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys fees, arising out of claims, suit, allegations or charges of Seller's failure to comply with the provisions of this Clause No. 11 and breach of the warranty set forth in paragraph a. Any failure of Seller to comply with the requirements or any breach of the warranty contained in this Clause No. 11 shall be a material breach of this Order.

d. If Seller is a U.S. entity and is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR and it maintains an effective export and import compliance program in accordance with the ITAR.

e. Subcontracts. The substance of this Clause No. 11 shall be incorporated into any lower tier subcontract entered into by the Seller for the performance of any part of the work under this Order.

CLAUSE NO. 12 - INDEMNIFICATION: Seller shall hold harmless and unconditionally indemnify Buyer, its directors, officers and employees to the full extent of any liability, loss, cost, claim, damage or expense including, but not limited to, reasonable attorneys' fees for the defense of all liabilities, costs, claims, damages, and expenses by reason of any alleged or actual property damage or personal injury arising out of, as a result of, or in connection with the work performed hereunder due to any act or omission of Seller or its employees, agents, subcontractors, or lower tier subcontractors.

CLAUSE NO. 13 - GOVERNMENT AND BUYER PROPERTY FURNISHED TO SELLER

A (1) The Buyer or Government shall retain title to all Buyer or Government furnished property, as applicable. (2) Title to all property purchased by Seller for which Seller is entitled to be reimbursed as a direct item of cost under this Purchase Order shall pass to and vest in the Government/Buyer upon the vendor's delivery of such property. (3) Title to all other property, the cost of which is reimbursable to Seller, shall pass to and vest in the Government/Buyer upon

- (i) Issuance of the property for use in Purchase Order performance;
- (ii) Commencement of processing of the property or use in Purchase Order performance; or
- (iii) Reimbursement of the cost of the property by Buyer, whichever occurs first.

(4) All Government furnished property, all property acquired by Seller, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), and all Buyer furnished property is subject to the provision of this clause. Title to Buyer furnished property or Government property shall not be affected by its incorporation into or attachment to any property not owned by Buyer or the Government, nor shall Government or Buyer furnished property become a fixture or lose its identity as personal property by being attached to any real property.

B If, in connection with the performance of this purchase order, any property is furnished to Seller by Buyer or by the Government, Seller shall assume the risk of, and

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be responsible for, any loss, theft, destruction of or damage to the property while in Seller's possession or control except to the extent that this purchase order provides for the relief of Seller from such liability. In the absence of such approval, Seller shall return all such property in as good a condition as when received except for reasonable wear and tear for the utilization of such property in accordance with the provisions of the prime contract. As indicated, Seller shall establish and maintain a system in accordance with the property provisions listed below. Seller shall also notify Buyer if its property system is deemed inadequate or the Risk of Loss provision has been withdrawn by the Government.

- C The Buyer and/or a Buyer representative from the Property organization may request information periodically to satisfy inventory and/or financial requirements of the Customer. Buyer and/or the R. E. Dye Manufacturing Corporation Property organization will request Seller to appoint an individual as Point of Contact to enable communication regarding Property, as required. R. E. Dye Manufacturing Property oversight will be dependent upon: Adequacy of Seller's documented property procedures, Seller/Buyer history, Seller's Property Management System reviews and Seller's ability to provide R. E. Dye Manufacturing timely and accurate inventory and property reports.
- D Unless specifically provided in this Purchase Order, Seller warrants that the estimated cost set forth in this Purchase Order does not include as a direct charge the cost of any special tooling, special test equipment, or equipment as are defined in FAR Part 2 and/or 52.245-1. Any such special tooling, special test equipment or equipment to be acquired/fabricated in the performance of or charged to this order, will be brought to the Buyer's immediate attention and as required, will be covered by a separate purchase order.
- E The Seller shall have a process to create and provide reports of Property: (1) Discrepancies incident to shipment and the receipt; (2) Loss, Damage or Destruction (LDD); (3) Periodic Physical Inventory Reports and related discrepancies to be submitted in accordance with FAR 52.245-1 (f)(iv) as required; (4) Government written notification of System Adequacy (Summary of Findings) or Inadequate System Rating and Corrective Actions, if applicable; (5) As property becomes excess a list of property and/or material will be provided to R. E. Dye Manufacturing (R. E. Dye Manufacturing will provide template when required); and (6) Any specific reports as required by the Buyer's Property Management organization. (7) If an LDD is required for Government or Buyer furnished property, the Buyer shall be notified in writing within a reasonable period of time with a preliminary report and/or as soon as the facts become known a formal LDD report will be submitted to the Buyer in accordance with FAR 52.245-1 (1)(vi)(B).
- F The Buyer and/or a Buyer's representative from the Property organization shall have the right, at all reasonable times, to visit the Seller's plant or such parts thereof as may be engaged in work relating to this purchase order, for the purpose of verification and/or determining continued adequacy of the Seller's Property Management System. Seller shall receive prior notice of any visit made pursuant to this clause.

CLAUSE NO. 14 - COMPLIANCE WITH LAWS: Seller warrants that it shall comply with all applicable federal,

state, or local laws, rules, and regulations in the performance of this Agreement. Seller shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.

CLAUSE NO. 15 - RELATIONSHIP OF THE PARTIES:

The relationship of Seller to Buyer shall be that of an independent contractor and nothing herein contained shall be construed as creating any employer/employee, agency, or other relationship of any kind. Seller's employees, agents or representatives (hereinafter "Employees") performing Services under this Order shall at all times be under Seller's direction and control. Seller shall pay all wages, salaries, and other amounts due its Employees in connection with this Order and shall be responsible for all reports and obligations for its Employees, including, but not limited to, social security and income tax withholdings, unemployment compensation, worker's compensation, and equal employment opportunity reporting.

CLAUSE NO. 16 - SELLER'S EMPLOYEES: All personnel assigned by Seller to perform the Services to be furnished hereunder shall be capable, skilled, qualified and competent to perform such Services. Buyer may require Seller to remove from its or customer's premises any employee, agent, or representative of Seller, or any of its subcontractors, Buyer deems incompetent, careless or negligent.

CLAUSE NO. 17 - BADGES AND PLANT SECURITY: If this Order requires Seller's personnel to enter Buyer's or Buyer's customer's premises, Seller agrees to abide by and comply with, and require its Employees to abide by and comply with, such rules and regulations pertaining to plant security as may be prescribed by Buyer and/or the Buyer's Customer.

CLAUSE NO. 18 - CONFLICT OF INTEREST: It is understood and agreed that the Seller, under the terms of this Purchase Order, or through the performance of the Statement of Work made a part of this Purchase Order, is neither obligated nor expected to deliver or provide material or perform work, which will place the Seller in an Organizational Conflict of Interest, which could serve as a basis for excluding the Seller from supplying products or services to the U.S. Government customer. Further, during the course of this Purchase Order R. E. Dye Manufacturing's cognizant Buyer will not knowingly unilaterally direct the Seller to perform work, in contravention of the above understanding. It will be the Seller's responsibility to identify any situation in which the potential for an Organizational Conflict of Interest exists. However, prior to the execution of any task order or amendment thereto, if the cognizant Buyer discerns the potential for an Organizational Conflict of Interest insofar as the work to be performed there under is understood to involve the preparation of a complete specification of materials leading directly, predictably and without delay to a Statement of Work which will be used in the competitive procurement of a system, Seller will be notified and the parties will mutually take action to resolve any potential organizational conflict of interest.

CLAUSE NO. 19 - INSURANCE: (Clause is applicable only if, and then only to the extent, work under this purchase order is to be performed by Seller on property under ownership, possession, or control of Buyer or Buyer's customer.) Seller shall maintain the following insurances: (1) Worker's or Workmen's Compensation Insurance within statutory limits and in accordance with the law of the relevant state, including All State and Voluntary Compensation

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endorsement; (2) Employer's Liability Insurance with a limit of \$1,000,000; (3) Comprehensive General Liability Insurance, including (i) Operations and Premises Liability (with elevator liability), (ii) Contractor's Protective Liability, (iii) Completed Operations and Product Liability (maintained in effect for a period of five years after the date of final payment), (iv) Personal Injury Liability, (v) Contractual Liability, and (vi) Broad Form Property Damage Liability (including for completed operations), on an occurrence basis in an amount of a combined single limit of not less than \$1,000,000 per occurrence; and (4) Comprehensive Automobile Liability Insurance, including (i) personal injury and (ii) property damage, to cover (a) owned automobiles, (b) automobiles under long-term lease, (c) hired automobiles, (d) employer's non-ownership liability, (e) medical payments, and uninsured motorists, in the amount of a combined single limit of not less than \$1,000,000 per occurrence.

Such insurance coverage as is required under this purchase order shall be in a form and with insurance carriers satisfactory to Buyer and without additional cost to Buyer as a price adjustment, unless otherwise expressly provided for elsewhere within this purchase order. Such insurance shall protect (i) Seller, (ii) Buyer, (iii) any other party expressly designated by Buyer elsewhere within this purchase order, from claims that arise out of or result from operations by (i) Seller under this purchase order, or (ii) any lower-tier subcontractor(s) of Seller, or (iii) anyone directly or indirectly employed by any of them, or (iv) anyone for whose acts any of them may be liable.

Seller shall have all liability insurance required under this purchase order amended or endorsed to name Buyer as an additional insured and to indicate that, with respect to the additional insured, there shall be severability of interest. As evidence of said coverage, Seller shall forward certificates of insurance, or copies of insurance policies, to Buyer, which instruments shall contain a provision requiring notification of Buyer in writing of any cancellation or non-renewal of said coverage not less than thirty days before its affectivity.

If Seller fails to purchase or maintain liability insurance required under this purchase order, Buyer may, but is not obligated to, purchase such insurance on Seller's behalf and shall be entitled to be repaid for any premiums paid therefore by Buyer.

CLAUSE NO. 20 - SERVICE RATES AND INVOICING:

The rates for straight time and overtime work, which Seller will bill Buyer, for Services furnished under this Order, shall be those set forth in this Order. Buyer shall make no payment for work performed during holiday, or other overtime periods, unless such work is expressly authorized by Buyer. Seller represents that the rates set forth in this Order include all profit, wages, salaries, overhead, taxes, and other costs and expenses. Travel where expressly authorized in the Purchase Order, shall be reimbursed in accordance with the Federal Travel Regulations (FTR) and FAR 31.205.46. Unless otherwise specified, Seller shall submit an invoice in duplicate to Buyer's procurement representative at the location identified on the face of this Order and shall include: Purchase Order number, Purchase Order type, item number, part number (if applicable), and a brief description of the Service or Product. Seller shall also provide such evidence as Buyer may reasonably require in support of the invoice. No invoice shall be issued prior to completion of Services or shipment of Products. Payment due dates, including discount periods, will be calculated from the date of acceptance of Service or Product, or receipt of correct invoice, whichever is later.

Payment of invoice shall not constitute approval or acceptance of Services or Products rendered. At any time prior to final payment under this Order, Buyer may have invoices audited as to validity. Payment of Seller's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced.

CLAUSE NO 21 - LIMITATION OF PAYMENTS

(Applicable to Time and Materials Orders Only): Seller shall not exceed the total funded ceiling amount of this order unless increased in writing by buyer. Seller shall not supply services for any period beyond that authorized by buyer in writing. All work performed beyond the stated expiration date of the order will be at the suppliers "own risk". No legal liability on the part of R. E. Dye Manufacturing Corporation may arise until the Seller receives written notice from the Buyer that the period of performance has been extended and funding is available. Buyer shall not be obligated to pay Seller for any amount of work not performed by personnel in the labor categories set forth within the purchase order.

CLAUSE NO. 22 - TAXES: Seller's prices shall be exclusive of any federal, state, or local sales, use, or excise taxes levied upon, or measured by, the sale, the sales price, or use of goods required in the performance of this purchase order. Seller shall list separately on its invoice (or voucher) any such tax lawfully applicable to any such goods, and payable by Buyer, with respect to which Buyer does not furnish to Seller lawful evidence of exemption. Seller shall comply with any reasonable request by Buyer regarding payments under protest, and regarding any refunds, claims, litigation, or proceedings with respect to any such taxes and shall make appropriate adjustments to afford Buyer the benefit of any refund or reduction in such taxes.

CLAUSE NO. 23 - REMEDIES: Each of the rights and remedies reserved by Buyer in this purchase order shall be cumulative and additional to any other or further remedies provided in law or equity or in this purchase order. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach.

CLAUSE NO. 24 - ASSIGNMENT: This purchase order or any interest therein, including any claims for monies due or to become due with respect thereto, may only be assigned upon the written consent of Buyer. Any payment to any assignee of any claim under this purchase order, as a result of such consent, shall be subject to set-off, recoupment, or other reduction for any claim that Buyer may have against Seller.

CLAUSE NO. 25 - NOTICE OF LABOR DISPUTES:

Whenever Seller has knowledge that any actual or potential labor dispute is delaying, or threatens to delay, the timely performance of this purchase order, Seller shall immediately give written notice thereof, including all relevant information with respect thereto, to Buyer.

CLAUSE NO. 26 - GOVERNING LAW: This purchase order, and the acceptance thereof, shall be a contract made in the state of Buyer's office address as shown on the face of this purchase order, and shall be governed by and construed according to the laws thereof as if to be wholly performed within such state.

CLAUSE NO. 27 - EXCUSABLE DELAY: A delay in the performance by the Seller of any obligations under the Order that is caused by an event which: (i) is an act of God, act of Government, fire, riot, war, terrorism or any other event which constitutes a superior force, and is beyond the reasonable control of the Seller; and without any fault on the part of the Seller and interferes with the performance

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of Seller's obligations; and (ii) the effects of which could not reasonably have been avoided by the Seller will, subject to the provisions of this Clause, constitute an Excusable Delay.

In addition to the events described in paragraph (A), a delay caused by the default of a subcontractor of the Seller may constitute an Excusable Delay if the event causing the default of such subcontractor is an event that meets the criteria set out in paragraph (A) and such delay has not been contributed to by the Seller, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Seller to meet the required delivery schedule.

Except as otherwise as otherwise provided herein, the following will not be considered as events beyond the reasonable control of the Seller: (i) lack of financial resources of the Seller or its subcontractors; or (ii) any labor disturbances including strikes/lock-outs experienced by the Seller or its subcontractors;

To claim an Excusable Delay, the Seller must, by written notice to the Buyer, describe in detail any excusable delay and provide the Buyer with an acceptable "work-around" plan within ten (10) calendar days of such facts coming to the attention of Seller. The Buyer may accept or reject such "work-around" plan in writing and, if accepted, the Seller must promptly implement such "work-around" plan at Seller's expense.

In the event of an Excusable Delay, any affected delivery date will be postponed for such period as is reasonably necessary to offset the effects of the Excusable Delay. In no event will the delivery date be extended by a time period longer than the time period in that the Excusable Delay was in effect. No adjustment will be made to the Order price; adjustment to the delivery schedule is the exclusive remedy of the Seller in the case of an Excusable Delay.

Notwithstanding the above, after an Excusable Delay has continued for a period of thirty (30) calendar days in the aggregate the Buyer may, in the Buyer's absolute discretion, terminate the Order. In the event of such termination, the rights and obligations of Buy and Seller shall be determined in accordance with the provisions of the Termination for Convenience clause herein.

CLAUSE NO. 28 - TERMINATION FOR CONVENIENCE:

Notwithstanding any other provisions of the Order, the Buyer may by written notice terminate for its convenience the whole or any part of the Order upon providing ten (10) calendar days notice thereof, except that the Buyer may immediately terminate for its convenience the whole or any part of the Order in those instances in which such action is reasonably required as a result of Buyer's customer taking action affecting all or part of the performance of work under the prime contract. Upon receipt of such notice, the Seller must immediately cease work, including, but not limited to the manufacture and procurement of materials for the fulfillment of the terminated portion of the Order. Buyer's only obligation shall be to pay Seller a percentage of the price reflecting the percentage of the work performed prior to the notice of termination. Seller shall not be paid for any work performed or costs incurred that reasonably could have been avoided.

In no event shall Buyer be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or any amount in excess of the total Order price.

Seller shall continue all work not terminated.

In the event Seller has a claim for adjustment, it must notify Buyer in writing of its intent to file a claim within

fifteen (15) calendar days from the effective date of termination. Seller's final termination claim must be submitted to Buyer within sixty (60) calendar days from the date that Seller's intent to file a claim was submitted to Buyer. Seller shall have no other remedies after this period.

CLAUSE NO. 29 - TERMINATION FOR DEFAULT: If the Seller fails to comply with any of the terms of the Order, fails to make progress so as to endanger performance of the Order, fails to provide adequate assurance of future performance, files or has filed against it a petition in bankruptcy or becomes insolvent or suffers a material adverse change in financial condition, the Buyer shall, prior to termination of the whole or part of the Order, give the Seller notice of default. The Seller shall have ten (10) calendar days (or more if authorized in writing from the Buyer) from the date of receipt of such notice in which to cure the default or to satisfy the Buyer that such default shall be cured within a period of time acceptable to the Buyer. Upon failure to cure the default, Buyer may give the Seller written notice of Termination for Default.

Upon termination, the Seller will have no claim for further payment other than as provided in this Clause, but will be liable to the Buyer for all direct losses and direct damage which may be suffered by the Buyer by reason of the default, including any increase in the costs incurred by the Buyer in procuring the Articles from another source. Nothing in this Clause affects any obligation of the Buyer under the law to mitigate damages and Seller must proceed with the portion of the Order not terminated under the provisions of the Clause.

If the Order is termination for default, the Buyer may require the Seller to transfer the title and deliver, as directed by the Buyer any (i) completed Articles, and (ii) Manufacturing Materials, that the Seller and its subcontractors have specifically produced or acquired for the portion of the Order under notice of Termination for Default. Upon direction of the Buyer, the Seller shall also protect and preserve property in its possession in which the Buyer has an interest.

The Buyer shall pay the Order price for completed Articles delivered and accepted. The Seller and Buyer will agree on the amount of payment for Manufacturing Materials delivered and accepted. Failure to agree will be a dispute under the Despites clause. The Buyer may withhold from these amounts any sum the Buyer determines to be necessary to protect the Buyer against loss because of outstanding liens or claims of former lien holders and Buyer's estimate of re-procurement costs due Buyer. If, after termination, it is determined that the Seller was not in default, or that the default was excusable, as defined in the Excusable Delay clause, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the Buyer and the provisions of the Termination for Convenience clause, will apply.

The rights and remedies of the Buyer in this clause or in any other clause of the Order are in addition to any other rights and remedies provided to Buyer by the law or under these Terms and Conditions.

CLAUSE NO. 30 - PATENTS AND DESIGN RIGHTS:

Seller agrees, at its own expense, to defend any suit or action against Buyer or against those selling or using the goods or services covered by this purchase order for alleged infringement of patent or invention rights arising from the sale or use of such goods or services, and to indemnify and save Buyer harmless from any damages, liabilities, claims, losses, and expenses (including

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attorneys' fees) paid or incurred by Buyer in connection with any such suit or action, whether against Buyer or against those selling or using the goods or services covered by this purchase order.

Seller as part consideration for this purchase order and without further cost to Buyer hereby grants and agrees to grant to Buyer an irrevocable non-exclusive, royalty-free right and license to use, sell, manufacture and cause to be manufactured products embodying any and all inventions and discoveries made, conceived or actually reduced to practice in connection with Seller's performance of this purchase order and Seller hereby grants to Buyer a license to repair, rebuild or relocate and to have repaired, rebuilt or relocated the goods purchased by Buyer under this purchase order. Seller agrees that if this purchase order covers research and development work, and any discoveries, inventions or patents result therefrom, the entire right, title and interest in and to such discoveries, inventions and patents shall belong to Buyer.

CLAUSE NO. 31 - CLAUSE MODIFICATION REQUIRED BY BUYER'S CUSTOMER: Seller agrees to incorporate into this purchase 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. If any such revised clause or additional clause causes any increase or decrease in the cost of or time required for performance of the purchase order work, an equitable adjustment shall be made in accordance with the procedures of the Changes clause hereof.

CLAUSE NO. 32 - CHANGES: Buyer may at any time, by a written order, make changes within the general scope of this purchase order for compliance by Seller, in any one or more of the following: (i) drawings, designs, or specifications, where the supplies or services to be furnished are to be specifically manufactured or produced for Buyer in accordance therewith; (ii) method of shipment or packing; (iii) place of delivery; (iv) reasonable adjustments in quantities or delivery schedules or both; (v) place of inspection; and (vi) place of acceptance.

If any such change causes an increase or decrease in the cost of or the time required for the performance of any part of the work under this purchase order (whether or not changed by such written order), an equitable adjustment shall be made in the purchase order price or delivery schedule and period of performance, or both, and the purchase order shall be modified in writing accordingly. Any claim by Seller for equitable adjustment under this clause shall be asserted within 10 days from the date of receipt by Seller of the notification of change.

CLAUSE NO. 33 - STOP-WORK ORDER: The Buyer may, at any time, by written order to the Seller, require the Seller to stop all, or any part, of the work called for by this purchase order for a period of 180 days after the written order is delivered to the Seller, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the stop-work order, the Seller shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 180 days after a stop-work order is delivered to the Seller, or within any extension of that period to which the parties shall have agreed, the Buyer shall either (1) cancel the stop-work order; or (2) terminate the work covered by the stop-work

order as provided for in Clause No. 28 or 29 of this purchase order.

If a stop-work order issued under this clause is canceled or the period of that order or any extension thereof expires, the Seller shall resume work. The Buyer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the purchase order shall be modified in writing accordingly if (1) the stop-work order results in an increase in the time required for, or in the Seller's cost properly allocable to, the performance of any part of this purchase order; and (2) the Seller asserts its rights to the adjustment within 10 days after the end of the period of work stoppage.

If a stop-work order is not canceled and the work covered by the stop-work order is terminated for the convenience of the Buyer, the Buyer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement. If a stop-work order is not canceled and the work covered by the order is terminated for default, the Buyer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

CLAUSE NO. 34 - ENTIRE AGREEMENT: The Order, including attachments hereto, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and understandings, whether oral or written. However, nothing herein will be construed as a limitation or exclusion of any right or remedy available to Buyer by law.

If any provision of the Order is invalid or is prohibited by applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions, terms or conditions of such Order.

The provision of the Order which by their nature are intended to survive the termination, cancellation, completion or expiration of the Order, including any indemnities, warranties and expressed limitations of or releases from liability, shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion or expiration.

CLAUSE NO. 35 - LIMITATION OF BUYER'S LIABILITY/ STATUTE OF LIMITATIONS: In no event shall Buyer be liable for anticipated profits or for incidental, punitive or consequential damages. Buyer's liability on any claim of any kind for any loss or damage arising out of or connected with or resulting from this purchase order or from the performance or breach thereof shall, in no case, exceed the price allocable to the goods or services or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of any description. Any action resulting from any breach on the part of Buyer as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

CLAUSE NO. 36 - WARRANTY OF PRICE AND PROSPECTIVE ADJUSTMENT: Seller warrants that the price(s) for the goods or services sold to Buyer under this purchase order are not less favorable than those currently extended to any other customer for the same or like goods or services in equal or smaller quantities. Further, in the event Seller reduces its price(s) for such during the term of this purchase order, Seller agrees to reduce the price(s) hereof correspondingly.

CLAUSE NO. 37 - U.S. PERSONS STATUS: (Clause may be invoked in writing by Buyer (i) at any time/s within performance of this purchase order, and (ii) without

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adjustment of any other terms and condition of this purchase order.) Persons assigned under this order to work in any of Buyer's facilities need to have original documents sufficient to establish identity and their status as a U.S. Person as that term is defined by the ITAR regulations.

CLAUSE NO. 38 - CERTIFIED SCREENING FOR

ALCOHOL AND DRUG ABUSE: (Clause may be invoked in writing by Buyer (i) at any time/s within performance of this purchase order, and (ii) without adjustment of any other terms and conditions of this purchase order.) Seller agrees, and shall certify in writing, that each of its employees and consultants to perform work under this purchase order on the property of the Buyer or its customer shall have passed a generally recognized alcohol and drug abuse test within sixty days (or any other period of time agreed to in writing by the Buyer) preceding the commencement of such work thereby (unless excused in writing by the Buyer).

CLAUSE NO. 39 - NEGOTIATED TERMS: All terms of this purchase order were negotiated between the parties at arm's length. The parties agree that in the event a dispute arises in connection with this purchase order, the terms contained in this purchase order shall be given their plain meaning, and that no term shall be construed in favor of one party over the other by virtue of one party having drafted a term in this purchase order.

CLAUSE NO. 40 - WAIVER OF JURY TRIAL,

JURISDICTION: Seller and Buyer expressly acknowledge that by signing this purchase order they are giving up their respective right to a jury trial with respect to any claims regarding, relating to or arising out of this purchase order. Each party hereto irrevocably and unconditionally (i) agrees that any suit, action or other legal proceeding arising out of or in connection with this purchase order shall be brought exclusively in Courts of General Jurisdiction of the State of Texas in the County of Tarrant or, if such court does not have jurisdiction or will not accept jurisdiction, venue of any court of general jurisdiction in the County of Tarrant, Texas; (ii) consents to the jurisdiction and venue of any such court in any suit, action or legal proceeding; and (iii) waives any objection which such party may have to the laying of venue of any such suit, action or proceeding in any such court. Pending any decision, appeal, or judgment, or the settlement of any dispute arising under, out of, or in connection with this purchase order (except with respect to any cancellation or termination of any work covered by this purchase order), Seller shall proceed diligently with the performance of this purchase order.

CLAUSE NO. 41 - IMPROPER DESIGNATION: In the event that Buyer is subject to any liability, damage or expense, including without limitation attorneys' fees or Government withholding of payments, due to a finding or determination by the Contracting Officer that an item designated herein as a commercial item is not a commercial item as defined in FAR 2.101, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any such liability, damage or expense resulting in whole or in part from such finding or determination, and agrees that all mandatory FAR/DFARS clauses contained in the prime contract of Buyer will be considered a part of this purchase order and be applicable to the Seller.

CLAUSE NO. 42 - SUSPECT/COUNTERFEIT PARTS: Seller represents and warrants that it has policies and procedures in place to ensure that none of the supplies or materials furnished under this Purchase Order are "suspect/counterfeit parts" and certifies, to the best of its knowledge and belief, that no such parts have been or are

being furnished to Buyer by Seller. "Suspect/counterfeit parts" are parts that may be of new manufacture, but are misleadingly labeled to provide the impression they are of a different class or quality or from a different source than is actually the case. They also include refurbished parts, complete with false labeling, that are represented as new parts or any parts that are designated as suspect by the U.S. Government, such as parts listed in alerts published by the Defense Contract Management Agency under the Government-Industry Data Exchange Program (GIDEP). If Buyer reasonably determines that Seller has supplied suspect/counterfeit parts to Buyer, Buyer shall promptly notify Seller and Seller shall immediately replace the suspect/counterfeit parts with parts acceptable to Buyer. Notwithstanding any other provision contained herein, Seller shall be liable for all costs incurred by Buyer to remove and replace the suspect/counterfeit parts, including without limitation Buyer's external and internal costs of removing such a counterfeit parts, of reinserting replacement parts and of any testing necessitated by the reinstallation of Seller's goods after counterfeit parts have been exchanged. In addition, Buyer may unilaterally terminate this order for Convenience depending on the impact of the delivery of Suspect/Counterfeit parts on the Seller's overall performance on this order. Seller's warranty against suspect/counterfeit parts shall survive any termination or expiration of this Purchase Order. This clause must be flowed down to all of the Supplier's sub-tier Suppliers. No Supplier in the Supply Chain shall be except from this clause.

CLAUSE NO. 43 - WARRANTY OF AUTHENTICITY:

"Supplier warrants that all products delivered under this order are new and in their original packaging. No substitutions are to be supplied without the Buyer's prior written consent. Supplier certifies that the products are genuine products authorized by the Manufacturer and are entitled to the full Manufacturer's warranty and service."

CLAUSE NO. 44 - DISPUTES

In the event of a dispute arising between Buyer and Seller, which is not disposed of by agreement, Seller must request a final written decision from Buyer's Procurement Manager. If the parties can't agree on a dispute resolution process or otherwise resolve a dispute, the said dispute may be filed in the proper court for disposition pursuant to the Waiver of Jury Trial, Jurisdiction clause hereof.

Pending final resolution of any dispute or appeal hereunder, the Seller shall proceed diligently with the performance of the Order as directed by the Buyer. If dispute arises out of a difference in interpretation between the parties as to the performance requirements of the Order, then Seller shall continue performance as determined by the Buyer.

CLAUSE NO. 45 - ORDER OF PRECEDENCE

In the event of any inconsistency between any parts of this Order, the inconsistency shall be resolved by giving precedence in the following order:

- A. Change Order Document;
- B. Purchase Order Document;
- C. Purchase Order Terms and Conditions;
- D. FAR/DFARS clauses;
- E. Statement of Work;
- F. Specifications/Drawings;
- G. Other documents, exhibits, and attachments to the Order.

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CLAUSE NO. 46 – ACCESS TO RECORDS

Seller shall provide right of access to facilities and records involved in this order to the buyer, their customer, and any regulatory agencies. Notification of nonconforming materials will be made to buyer for review by customer material review.

SECTION C - SUPPLIER REPRESENTATIONS AND CERTIFICATIONS

The following representations and certifications, as determined to individually apply per the scoping provision following the title, pertain to the Offeror (pre-award), and to the Seller (post-award) as constituting part of any resulting purchase order. Required representations and certifications will be considered in connection with a pre-award determination of the Offeror's responsibility. If any required representation cannot be made in whole or in any part, the Offeror should prior to or with its offer provide written notification and detail to the Buyer for a determination of Offeror's eligibility for award, pending which no purchase order shall exist. Representations and certifications hereunder include compliance warranties. For purposes hereof, "Offeror" includes "Quoter" and "offer" includes "quotation."

CLAUSE INDEX:

1. Certificate of Established Catalog or Market Prices of Commercial Items
2. Supplier Representation Regarding Non-Segregated Facilities
3. Supplier Previous Contracts and Compliance Reports Representation
4. Supplier Affirmative Action Compliance Representation

A. Representations and Certifications Applicable to this Purchase Order Irrespective of Amount Thereof (subject to any scoping provision per individual clause)

CLAUSE NO. 1 - CERTIFICATE OF ESTABLISHED CATALOG OR MARKET PRICES OF COMMERCIAL

ITEMS: (Clause is applicable only if and to the extent Seller's quoted price(s) resulting in this purchase order was/were represented as either (i) established catalog or market price(s) or (ii) reasonably based on established catalog or market price(s), as further defined below.)

By Seller's acceptance of this purchase order, (i) Seller hereby certifies that Seller's price(s) quoted thereunder was/were either (a) established catalog or market price(s) or (b) reasonably based on established catalog or market price(s) (with the product similarity having been explained and any differences in price(s) identified and justified along with that quotation), for commercial item(s) sold in substantial quantities to the general public (as defined at FAR 2.101); and (ii) that such quoted to any other customer under similar circumstances (except as was price(s) was/were no higher than charged expressly stipulated and explained along with that quotation).

Seller's certification is given for the purpose of enabling Buyer to establish that the quoted price(s) was/were fair and reasonable based upon commercial market constraints. In the event that it should be subsequently established that this certification was in whole or in part invalid, Seller hereby agrees to indemnify Buyer for any loss or damage it may suffer (including any legal fees involved) by reason of having accepted and relied upon this certification.

CLAUSE NO. 2 - SUPPLIER REPRESENTATION REGARDING OF NON-SEGREGATED FACILITIES: (Clause is applicable only if (i) Equal Opportunity clause at Section D, FAR 52.222-

26, is determined to apply to this purchase order, and (ii) this purchase order exceeds or will exceed \$10,000.)

"Segregated facilities" as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis or race, color, religion, sex, national origin because of written or oral policies or employee customs. The term does not include separate or single-user restrooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.

Offeror agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit any of its employees to perform their services at any location under its control where segregated facilities are maintained.

CLAUSE NO. 3 - SUPPLIER PREVIOUS CONTRACTS AND COMPLIANCE REPORTS REPRESENTATION: (Clause is applicable only if Equal Opportunity clause at Section D, FAR 52.222-26, is determined to apply to this purchase order.) Relating to the associated clause at Section D, FAR 52.222-26, of this form:

Offeror represents that in connection with a previous contract or subcontract subject to either the Equal Opportunity clause of FAR 52.222-26, the clause originally contained in Section 310 of Executive Order 10925, or the clause contained in Section 201 of Executive Order 11114: (i) it has filed all required compliance reports, and (ii) it will secure signed representation indicating submission of the required compliance reports before any subcontract award (at lower tiers).

CLAUSE NO. 4 - SUPPLIER AFFIRMATIVE ACTION COMPLIANCE REPRESENTATION:

(Clause is applicable only if (i) Equal Opportunity clause at Section D, FAR 52.222-26, is determined to apply to this purchase order, and (ii) Offeror has (a) 50 or more employees, or (b) a U.S. Government contract or subcontract of \$50,000 or more [including any purchase order resulting from this solicitation], or (c) U.S. Government bills of lading (GBL) that in any 12-month period total, or can be reasonably expected to total \$50,000 or more.) Relating to the associated clause at Section D, FAR 52.222-26, of this form:

Offeror represents that it has developed and has on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2).

SECTION D – FAR AND DFARS CLAUSES

If the Order contains a U.S. Government Prime Contract Number or if any of the Articles to be supplied under the Order (or any other Orders placed under the Agreement under which the Order is placed) are to be used on a U.S. Government contract, the FAR and, as applicable, DFARS clauses listed in the Flow-Down Attachments below by contract type and dollar threshold are incorporated herein by reference and made a part of these Terms and Conditions. The Parties agree that Flow-Down Attachments I or II, as appropriate, shall be incorporated in all Orders in support of a U.S. Government Prime Contract until Seller provides sufficient documentation that the

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Article(s)/Services qualifies for Commercial Item status in accordance with FAR 2.101. If and when Buyer determines the Article(s)/Services to be a Commercial Item, then Flow-Down Attachment III will be incorporated into all Orders for that particular Article/Service.

The dates of the FAR/DFARS clauses are the dates in effect in the U.S. Government Prime Contract, or subcontract, issued to Buyer. Seller agrees to negotiate with Buyer to incorporate additional provisions beyond those identified in the flow-downs or to change provisions as Buyer reasonably deems necessary to comply with the applicable Prime Contract, or with amendments or modifications to the applicable Prime Contract. Seller shall accept mandatory flow-down clauses in Buyer's Prime Contract, and/or subcontract or modifications thereto, at no additional cost to Buyer.

Where necessary to derive proper meaning in a subcontract situation from these clauses, "Contractor" means "Seller," "Contracting Officer" means "Buyer," "Contract" means this Order, and "Government" means "Buyer or the Government." However, the words "Government" and "Contracting Officer" do not change when a right, act, authorization, or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative.



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Attachment A

Section I – FEDERAL ACQUISITION REGULATION

- (A) Seller agrees to negotiate with Buyer to incorporate additional provisions herein or to change provisions as Buyer reasonably deems necessary to comply with the applicable Prime Contract or with amendments or modifications to the applicable Prime Contract.
- (B) If so identified, this Order is a "rated order" certified for national defense use, and Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).
- (C) The following clauses are incorporated by reference and made a part hereof. The dates of these clauses are the dates in effect in the U.S. Government Prime Contract issued to Buyer. Unless specified otherwise, the term "Contractor" shall mean "Seller," the term "Contract" shall mean "Order," and the term "subcontractor" shall mean Seller's subcontractors.
- (D) If the contract exceeds \$10,000, **this contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.**
- (E) If the contract exceeds \$100,000, **this contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.**

Section II: FAR 12 If an Order(s) contains a U.S. Government Prime Contract Number and if the Buyer has determined that the Article(s) supplied by Seller is/are Commercial Item(s) then following FAR and DFARS Clauses are applicable.

A. The following FAR clauses are applicable as identified below:

1. The following FAR clauses apply to this Contract:

52.203-15 WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (applicable if contract is funded in whole or in part with Recovery Act funds)

52.203-16 PREVENTING PERSONAL CONFLICTS OF INTEREST (applicable if subcontract exceeds \$150,000. and if Seller will perform acquisition functions closely associated with inherently governmental functions, e.g., supporting or providing advice or recommendations with regard to such activities as planning acquisitions, evaluating proposals, awarding contracts)

52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR DATA OTHER

THAN CERTIFIED COST OR PRICING DATA (Substitute "Buyer's Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause.)

52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR DATA OTHER THAN CERTIFIED COST OR PRICING DATA – MODIFICATIONS (Substitute "Buyer's Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause.)

52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS

52.222-21 PROHIBITION OF SEGREGATED FACILITIES

52.222-26 EQUAL OPPORTUNITY (Only subparagraphs (c)(1)-(11) apply.)

52.222-50 COMBATING TRAFFICKING IN PERSONS ("Government" means Government and Buyer and "Contracting Officer" means Buyer's Authorized Procurement Representative)

52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING

52.225-13 RESTRICTION ON CERTAIN FOREIGN PURCHASES

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS

52.232-40 PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS

52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS (In (c)(1), subcontractor means Seller).

2. The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$10,000:

52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (Applicable if the Seller shall perform wholly or partially in the United States)

3. The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$15,000:

52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES



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Attachment A

4. **The following FAR clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$100,000:**
- 52.222-35 EQUAL OPPORTUNITY FOR VETERANS
5. **The following FAR clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$700,000:**
- 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (Applicable if the Seller is not a small business. In subparagraph (c) only, substitute "Buyer's Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO." The Seller's subcontracting plan is incorporated herein by reference.)
- 52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (Applicable only if so identified as a "rated order").
- 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES ("Administrative Contracting Officer" and "ACO" mean Buyer's Authorized Procurement Representative.) (If this Contract meets the applicability requirements of FAR 15.408(k))
- 52.222-41 SERVICES CONTRACT LABOR STANDARDS (Applicable if this Contract is subject to the Service Contract Act. The clause does not apply if this Contract has been administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4.)
6. **The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$5,000,000 and the period of performance is more than 120 days:**
- 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (By signing a contract or performing against a contract in which FAR 52.203-13 is applicable: Seller hereby certifies that it will comply with all elements of FAR 52.203-13 including timely disclosure, in writing, to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer, and the cognizant Buyer Procurement Representative whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, Seller has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed—
- (1) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or
- (2) A violation of the civil False Claims Act (31 U.S.C. 3729-3733). Seller also certifies that, within 30 days of signing a contract or performing against a contract in which FAR 52.203-13 is applicable, Seller will establish a written code of business ethics and conduct and will make a copy of the code available to each employee engaged in performance of the contract. Paragraph (c) of this clause does not apply if Seller has represented itself as a small business concern pursuant to the award of this contract or if this contract is for the acquisition of a commercial item as defined at FAR 2.101.)
- 52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION (Applicable for (i) commercial and noncommercial services normally provided for the COTS item or (ii) construction; value exceeding \$3,000; and performed in the United States)
- 52.223-7 NOTICE OF RADIOACTIVE MATERIALS (Applicable to Articles that contain radioactive material).
- 52.223-11 OZONE-DEPLETING SUBSTANCES (Applicable if the Articles were manufactured with or contain ozone-depleting substances.)
- 52.225-1 BUY AMERICAN ACT—SUPPLIES (Applicable if this Contract requires furnishing of Articles containing other than domestic components. Component test of the Buy American Act is waived for an end product that is a COTS item)
- 52.225-5 TRADE AGREEMENTS (Applicable if the Articles contain other than U.S. made, designated country, Caribbean or NAFTA country end products.)
- 52.227-19 COMMERCIAL COMPUTER SOFTWARE LICENSE (Applicable only if existing computer software is to be delivered under this Order).
- 52.245-1 GOVERNMENT PROPERTY, ALT I (Applicable if Government property is furnished in the performance of this Contract. Substitute "BUYER" for "Government" or "United States" as applicable throughout this clause, except in the phrases "Government property," "Government- furnished property," "Loss of Government Property," "Government material," and in references to title to property. Substitute "BUYER's Representative" for "Contracting Officer," "Administrative Contracting
7. **The following FAR clauses apply as indicated:**
- 52.204-2 SECURITY REQUIREMENTS (Applicable if work requires access to classified information. Delete paragraph c of the clause.)
- 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS. (Applicable if Seller meets the criteria in subparagraph (d)(3) and not exempt under subparagraph (g). Seller shall provide Buyer's Authorized Procurement Representative the information required under this clause. Buyer advises Seller that the required information will be made available to the public as required by this clause.)



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Officer," "Property Administrator," and "ACO" throughout this clause, except in the phrase "Plant Clearance Officer". The following is added as paragraph (n): "CONTRACTOR shall provide to BUYER immediate notice of any disapproval, withdrawal of approval, or non-acceptance by the Government of its property control system.").

B. The following DFARS CLAUSES are applicable if this Order is placed under a Department of Defense prime contract and if the stipulation in the relevant parenthetical applies:

252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS

252.204-7009 LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD-PARTY CONTRACTOR REPORTED CYBER INCIDENT INFORMATION (Applicable if Contract is for services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting, including subcontracts for commercial items, without alteration, except to identify the parties; If Buyer is subject to any liability or expense, including government withholding of payments, as the result of Seller or its lower-tier sub-contractors' failure to comply with the subject clause and the requirement therein, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any damage or expense resulting from such action.)

252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (Applicable if covered defense information is resident or transiting through Seller's information systems; (b)1(ii)(A), Seller shall provide to Buyer a copy of the notification sent to DoD CIO at the time such notification is sent; (b)1(ii)(B), Seller shall provide to Buyer a copy of the effective security measures and/or equivalent protections as accepted by DoD CIO at the time such measures are accepted; (c)1(ii), Seller shall provide a copy of cyber incident reports to Buyer at the time such incident is reported to DoD CIO; If Buyer is subject to any liability or expense, including government withholding of payments, as the result of Seller or its lower-tier sub-contractors' failure to comply with the subject clause and the requirement therein, then Seller agrees to indemnify

and hold Buyer harmless to the full extent of any damage or expense resulting from such action.)

252.211-7003 ITEM IDENTIFICATION AND VALUATION (Applicable if so specified on Buyer's drawing)

252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (Applicable if FAR 52.219-9 applies to this Contract. Delete Paragraph (g).)

252.223-7001 HAZARD WARNING LABELS (Applicable if this Contract requires the delivery of hazardous materials.)

252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM (Applicable if the Articles contain other than domestic components. Applicable in lieu of FAR 52.225-1 and FAR 52.225-

5. Component test of the Buy American Act is waived for an end product that is a COTS item.)

252.225-7008 RESTRICTION ON ACQUISITION OF SPECIALTY METALS (Applicable if the Contract requires the delivery of specialty metals as end items.)

252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS. (Applicable, except for paragraph (d), if Articles provided under this Contract contains specialty metals.)

252.225-7010 COMMERCIAL DERIVATIVE MILITARY ARTICLE—SPECIALTY METALS COMPLIANCE CERTIFICATE. (Applicable if DFARS Clause 252.225-7009 is applicable and commercial derivative military Articles will be delivered under this Contract.)

252.225-7021 TRADE AGREEMENTS (Applicable if Articles contain other than domestic components. Applicable in lieu of FAR 52.225-1 and 52.225-5).

252.225-7036 BUY AMERICAN -- FREE TRADE AGREEMENTS - BALANCE OF PAYMENTS PROGRAM. (Applicable if the Articles contain other than domestic components.)

252.225-7048 EXPORT-CONTROLLED ITEMS (Applicable if the Seller expects or involves access to or generation of export-controlled items)

252.227-7013 RIGHTS IN TECHNICAL DATA-NONCOMMERCIAL ITEMS (Applicable only if noncommercial technical data is to be delivered under this contract. Insert "and BUYER" after "Government" or "Contracting Officer," as appropriate, throughout this clause.)

252.227-7015 TECHNICAL DATA - COMMERCIAL ITEMS (Applicable only if technical data is to be delivered under this Contract. Insert "and BUYER" after "Government" or "Contracting Officer," as appropriate, throughout this clause.)



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1. The following FAR clauses apply to this Contract

252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA

252.228-7001 GROUND AND FLIGHT RISK

252.239-7010 CLOUD COMPUTING SERVICES (Applicable if Seller expects to use, involve or may involve cloud services; for paragraph (i)(1) and (2), "Contracting Officer" shall also mean Buyer; Seller shall provide a copy of the written notification, as described in paragraph (j) of this clause to Buyer; Seller shall provide to Buyer a copy of the notification from Government or provide notice to Buyer upon Seller's discovery of a spillage, as described in paragraph (k) of this clause.)

252.246-7007 CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM (Applicable to the extent Seller is supplying electronic parts or assemblies containing electronic parts)

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (Applicable if this Contract meets the criteria set forth in subparagraph (b) (2) of the clause. In the first sentence of paragraph (g), insert a period after "Contractor" and delete the balance of the sentence. Paragraphs (f) and (g) shall not apply if this Contract is at or below \$150,000. Substitute "BUYER" for "Government" or "United States" as applicable throughout this clause, except for paragraph (c). Substitute "BUYER Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause, except for paragraph (c) and (e) where it shall mean the Government Contracting Officer but a copy of the bill of lading shall be provided to the Buyer's Authorized Procurement Representative.)

252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (Applicable if this Contract meets the criteria set forth in subparagraph (b) (2) (ii) of the clause. Substitute "BUYER Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause.)

252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (Applicable if this Contract equals or exceeds \$650,000. Substitute "BUYER Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause. Delete subparagraph (d)(1) and the first five words of subparagraph (d) (2).)

Section III: FAR 15 If an Order(s) contains a U.S. Government Prime Contract Number then following FAR and DFARS Clauses are applicable.

A. The following FAR clauses are applicable as identified below:

52.203-7 ANTI-KICKBACK PROCEDURES (Delete paragraph (c) (1)). In (c)(2), copy of such reports must also be provided to Buyer. Buyer will have the right to withhold from Seller, the amount, if any, that the Contracting Officer directs Buyer to withhold from Seller or any amounts the Government withholds from Buyer as a result of Seller's violation of this clause. In (c)(3), Seller must cooperate with Buyer and any Federal agency investigating a possible violation described in paragraph b.

52.203-15 WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009.

52.211-5 MATERIAL REQUIREMENTS ("Contracting Officer" means Buyer's Authorized Procurement Representative).

52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS

52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (Applicable only if so identified as a "rated order").

52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES ("Contracting Officer" means "Buyer's Authorized Procurement Representative.")

52.222-26 EQUAL OPPORTUNITY (only subparagraphs (c)(1) through (c)(11) apply)

52.222-50 COMBATING TRAFFICKING IN PERSONS ("Government" means Government and Buyer and "Contracting Officer" means Buyer's Authorized Procurement Representative)

52.223-11 OZONE-DEPLETING SUBSTANCES

52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES

52.227-14 RIGHTS IN DATA – GENERAL

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS

52.232-40 PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS

52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III ("Contracting Officer" means "Buyer's Authorized Procurement Representative")

52.242-13 BANKRUPTCY ("Contracting



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Officer” means Buyer’s Authorized Procurement Representative).

52.242-15 STOP WORK ORDER (“Contracting Officer” means Buyer’s Authorized Procurement Representative and “Government” means “Buyer”).

52.243-1 CHANGES – FIXED PRICE (“Contracting Officer” means Buyer’s Authorized Procurement Representative and “Government” means Buyer; delete the reference to the Disputes clause in paragraph (e)). Notwithstanding the above, Buyer may make changes to this Order delivery schedule without cost impact provided that:
 (i) Buyer provides a minimum four (4) week notice to Seller for any delivery schedule acceleration; or
 (ii) Buyer provides a minimum four (4) week notice to Seller for any delivery schedule deceleration

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS

52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE (“Contracting Officer” means “Buyer’s Authorized Procurement Representative” and “Government” means “Government and Buyer” except in paragraphs (f), (i) and (l) where “Government” means “Buyer.”)

52.246-4 INSPECTION OF SERVICES – FIXED PRICE (“Government” means “Buyer” except in (b), (c), and (d), “Government” means “Government and Buyer”.)

52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (In (c)(1), subcontractor means Seller).

52.249-2 TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT (Fixed Price) (“Government” means Buyer and “Contracting Officer” means “Buyer’s Authorized Procurement Representative” except in paragraph (n) where they mean “Government or Buyer” and “Contracting Officer or Buyer’s Authorized Procurement Representative” respectively. In paragraph (c), “120 days” and “120 day period” mean “60 days” and “60 day period” respectively. In paragraph (d), the term “45 days” is changed to “90 days.” The term “1 year” in paragraph (e) is changed to “6 months.” In paragraph l, “90 days” is changed to “45 days.” Settlements and payments under this clause may be subject to Contracting Officer approval.)

52.249-8 DEFAULT (“Government” means Buyer and “Contracting Officer” means “Buyer’s Authorized Procurement Representative” except in paragraph (e) where they mean “Government and Contracting Officer” respectively.)

2. **The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$10,000:**

52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (Applicable if the Seller shall perform wholly or partially in the United States)

3. **The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$15,000:**

52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES

4. **The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$35,000:**

52.209-6 PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTOR’S DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (Applicable if not a subcontract for commercially available off-the- shelf items)

5. **The following FAR clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$100,000:**

52.222-35 EQUAL OPPORTUNITY FOR VETERANS

52.222-37 EMPLOYMENT REPORTS ON VETERANS

6. **The following FAR clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$150,000:**

52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT

52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS

52.215-2 AUDIT AND RECORDS NEGOTIATION (“Government Contracting Officer” means Government Contracting Officer and authorized representatives and Buyer’s Authorized Procurement Representative.)

52.215-14 INTEGRITY OF UNIT PRICES WITH ITS ALT I (“Contracting Officer” means “Buyer’s Authorized Procurement Representative”).

52.227-1 AUTHORIZATION AND CONSENT (Applicable only if Buyer’s Prime Contract contains this clause; In subparagraph (a)(2)(ii), “Contracting Officer” means Buyer’s Authorized Procurement Representative).

52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (“Contracting Officer” means Buyer’s Authorized Procurement Representative and “Government” means Government or Buyer).



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52.248-1 VALUE ENGINEERING (“Contracting Officer” means “Buyer’s Authorized Procurement Representative” and “Government” means “Buyer” except in (c)(5) and (m) where “Government” means “Government and Buyer”).

7. The following FAR clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$700,000:

52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (Applicable if the Seller is not a small business. In subparagraph (c) only, substitute “Buyer’s Procurement Representative” for “Contracting Officer,” “Administrative Contracting Officer,” and “ACO.” The Seller’s subcontracting plan is incorporated herein by reference.)

8. The following FAR clause(s) apply to this Contract if the value of the Contract exceeds \$750,000:

52.215-12* SUBCONTRACTOR CERTIFIED COST OR PRICING DATA

52.215-13* SUBCONTRACTOR CERTIFIED COST OR PRICING DATA-MODIFICATIONS

*FAR 52.215-10, 52.215-11, 52.215-12 and 52.215-13 – (“Contracting Officer” means Government Contracting Officer and Buyer; “Government” means Government and Buyer); If Buyer is subject to any liability or expense, including government withholding of payments, as the result of Seller or its lower-tier sub-contractors’ submission and certification of alleged or actual defective cost or pricing data, which data was certified by Buyer to be accurate, complete and current as of the date of final price agreement given on Buyer’s Certificate of Current Cost or Pricing Data to the U.S. Government or their furnishing of any data of any description that is allegedly or actually inaccurate as set forth in these clauses, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any damage or expense resulting from such action. Seller must provide Buyer with copies of all communications between Seller and the Contracting Officer respecting these clauses and FAR 52.230-6. The rights and obligations under these clauses survive Order completion and final payment under this Order.

52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES

9. The following FAR clause(s) apply to this Contract if the value of this Contract exceeds \$5,000,000 and the period of performance is more than 120 days:

52.203-13 CODE OF BUSINESS ETHICS AND CONDUCT

(By signing a contract or performing against a contract in which FAR 52.203-13 is applicable:

Seller hereby certifies that it will comply with all elements of FAR 52.203-13 including timely disclosure, in writing, to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer, and the cognizant Buyer Procurement Representative whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, Seller has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed—

- (1) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or
- (2) A violation of the civil False Claims Act (31 U.S.C. 3729-3733). Seller also certifies that, within 30 days of signing a contract or performing against a contract in which FAR 52.203-13 is applicable, Seller will establish a written code of business ethics and conduct and will make a copy of the code available to each employee engaged in performance of the contract.)

52.203-14 DISPLAY OF HOTLINE POSTER(S)

10. The following FAR clauses apply to this Contract only if the stipulation in the relevant parenthetical applies:

52.204-2 SECURITY REQUIREMENTS (Applicable if work requires access to classified information. Delete paragraph (c) of the clause.)

52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS. (Applicable if Seller meets the criteria in subparagraph (d)(3) and not exempt under subparagraph (g). Seller shall provide Buyer’s Authorized Procurement Representative the information required under this clause. Buyer advises Seller that the required information will be made available to the public as required by this clause.)

52.215-10* PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA (Applicable if Cost or Pricing Data is required under this Contract in accordance with FAR 15.403-4 and in accordance with FAR 52.215-12).

52.215-11* PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA-MODIFICATIONS (Applicable if Cost or Pricing Data is required under this Contract in accordance with FAR 15.403-4 and in accordance with FAR 52.215-13).

52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (“Government” means “Government and Buyer.”)(Applicable if the Contract meets the requirements of FAR 15.408(g))

52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR



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POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (Applicable if this Contract meets the applicability requirements of FAR 15.408(j))

52.215-19 NOTIFICATION OF OWNERSHIP CHANGES ("Administrative Contracting Officer" and "ACO" mean Buyer's Authorized Procurement Representative)(Applicable if this Contract meets the requirements of FAR 15.408(k))

52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA ("Contracting Officer" means Buyer's Authorized Procurement Representative)(Applicable if Certified Cost or Pricing Data is required in accordance with 15.403-4).

52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA- MODIFICATIONS ("Contracting Officer" means Buyer's Authorized Procurement Representative)(Applicable if Certified Cost or Pricing Data is required in accordance with 15.403-4)

52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION (Applicable as prescribed in FAR 22.305)(Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this FAR clause.)

52.222-21 PROHIBITION OF SEGREGATED FACILITIES (Applicable if FAR 52.222-26 is incorporated in this Contract).

52.222-41 SERVICE CONTRACT LABOR STANDARDS (Applicable if this Contract is subject to the Service Contract Act. The clause does not apply if this Contract has been administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4.)

52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION (Applicable for (i) commercial and noncommercial services normally provided for the COTS item or (ii) construction; value exceeding \$3,000; and performed in the United States)

52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA ("Government" means Government and Buyer and "Contracting Officer" means Buyer's Authorized Procurement Representative) (Applicable if the Contract involves hazardous materials).

52.223-7 NOTICE OF RADIOACTIVE MATERIALS ("Contracting Officer" means Government Contracting Officer and Buyer's Authorized

Procurement Representative and "Government" means Government and Buyer)(Applicable to work containing covered radioactive material).

52.225-1 BUY AMERICAN- SUPPLIES (Applicable if the articles contain other than domestic components. In paragraph (c) substitute "Buyer's Authorized Procurement Representative" for "Contracting Officer.") (Applicable if the work contains other than domestic components).

52.225-5 TRADE AGREEMENTS (Applicable if the articles contain other than U.S. made, designated country, Caribbean or NAFTA country end products) (Applicable if the Articles contain other than U.S. made, designated country, Caribbean or NAFTA country end products.)

52.225-8 DUTY FREE ENTRY ("Contracting Officer" means "Buyer's Authorized Procurement Representative." Change "20" days to "30" days in (c)(1).)(Applicable if supplies will be imported into the Customs Territory of the U.S.)

52.227-3 PATENT INDEMNITY ("Government" means Government or Buyer and "Contracting Officer" means Contracting Officer or Buyer's Authorized Procurement Representative)(Applicable if FAR 52.227-1 is applicable to this Contract).

52.227-9 REFUND OF ROYALTIES ("Contracting Officer" means Buyer's Authorized Procurement Representative and "Government" means Buyer)(Applicable when reporting royalty exceeding \$250)

52.227-10 FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (Applicable if the Article or any patent application may cover classified subject matter.)

52.227-11 PATENT RIGHTS -- OWNERSHIP BY THE CONTRACTOR (Applicable if Seller is a small business concern or domestic nonprofit organization and this order is for experimental, developmental, or research work.)

52.228-3 WORKERS' COMPENSATION INSURANCE (Defense Base Act)(Applicable if the requirements at FAR 28.309(a) applies to this Contract.)

52.228-4 WORKERS' COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS (Applicable if the requirements as FAR 28.309(b) apply to this Contract.)

52.228-5 INSURANCE - WORK ON A GOVERNMENT INSTALLATION (Applicable if Articles performed on government installation.)

52.230-2 COST ACCOUNTING STANDARDS (Applicable to this Contract unless exempt by 48 CFR 9903)



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52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (Applicable if this Contract value is more than \$750,000 but less than \$50 million and the Seller is eligible for and elects to use modified CAS Coverage in accordance with FAR 30.201-4(b)(1).)

52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (Applicable if FAR 52.230-2 or FAR 52.230-3 applies.)

52.232-17 INTEREST (Seller shall indemnify Buyer for all interest assessed under this clause for Seller or its low-tier subcontractors' acts or omissions)(Applicable unless any of the categories specified in FAR 32.611(a) applies.)

52.233-3 PROTEST AFTER AWARD (If Buyer's customer has directed Buyer to stop performance under Prime Contract under FAR 33.1, Buyer may direct Seller in writing to stop performance of this Order by written notice to Seller; "Government" means Buyer, and "Contracting Officer" means Buyer's Authorized Procurement Representative).

52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION (Applicable if Articles performed on government installation.)

52.245-1 GOVERNMENT PROPERTY, ALT I (Applicable if Government property is furnished in the performance of this Contract. Substitute "BUYER" for "Government" or "United States" as applicable throughout this clause, except in the phrases "Government property," "Government- furnished property," "Loss of Government Property," "Government material," and in references to title to property. Substitute "BUYER's Representative" for "Contracting Officer," "Administrative Contracting Officer," "Property Administrator," and "ACO" throughout this clause, except in the phrase "Plant Clearance Officer". The following is added as paragraph (n): "CONTRACTOR shall provide to BUYER immediate notice of any disapproval, withdrawal of approval, or non-acceptance by the Government of its property control system.").

52.246-7 INSPECTION OF RESEARCH AND DEVELOPMENT-FIXED PRICE ("Contracting Officer" means "Buyer's Authorized Procurement Representative" and "Government" means "Government and Buyer" except in paragraphs (d) and (f) where "Government" means "Buyer.")

52.247-63 PREFERENCE FOR U.S.- FLAG AIR CARRIERS (Applicable if this Contract involves international air transportation.)

B. The following DFARS CLAUSES are applicable if this Order is placed under a Department of Defense prime contract and as indicated:

1. The following DFARS clauses apply to this Contract

252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS

252.203-7004 DISPLAY OF FRAUD HOTLINE POSTER(S) (Not applicable if contract is less than \$5 million, or if the contract is performed entirely outside of the United States)

252.204-7000 DISCLOSURE OF INFORMATION ("Contracting Officer" means "Buyer's Authorized Procurement Representative"; Change "45 days" to "60 days")

252.204-7009 LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD-PARTY CONTRACTOR REPORTED CYBER INCIDENT INFORMATION (Applicable if Contract is for services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting, including subcontracts for commercial items, without alteration, except to identify the parties; If Buyer is subject to any liability or expense, including government withholding of payments, as the result of Seller or its lower-tier sub-contractors' failure to comply with the subject clause and the requirement therein, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any damage or expense resulting from such action.)

252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (Applicable if covered defense information is resident or transiting through Seller's information systems; (b)1(ii)(A), Seller shall provide to Buyer a copy of the notification sent to DoD CIO at the time such notification is sent; (b)1(ii)(B), Seller shall provide to Buyer a copy of the effective security measures and/or equivalent protections as accepted by DoD CIO at the time such measures are accepted; (c)1(ii), Seller shall provide a copy of cyber incident reports to Buyer at the time such incident is reported to DoD CIO; If Buyer is subject to any liability or expense, including government withholding of payments, as the result of Seller or its lower-tier sub-contractors' failure to comply with the subject clause and the requirement therein, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any damage or expense resulting from such action.)

252.211-7003 ITEM IDENTIFICATION AND VALUATION (Applicable if so specified on Buyer's drawing)



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252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM

252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS

252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES

252.225-7025 RESTRICTIONS ON ACQUISITION OF FORGINGS

252.225-7036 BUY AMERICAN -- FREE TRADE AGREEMENTS -- BALANCE OF PAYMENTS PROGRAM.

252.225-7048 EXPORT-CONTROLLED ITEMS (Applicable if the Seller expects or involves access to or generation of 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

252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION

252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS-COMPUTER SOFTWARE

252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS (In paragraph (c)(1), "Government" means Government and Buyer).

252.227-7026 DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE ("Government" means "Buyer").

252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE ("Government" means "Government or Buyer.")

252.227-7028 TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT (The terms Contract and Subcontract shall not change in meaning).

252.227-7030 TECHNICAL DATA -- WITHHOLDING OF PAYMENT ("Government" means Government and Buyer; "Contracting Officer" means "Buyer's Authorized Procurement Representative.")

252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA

252.227-7039 PATENTS-REPORTING OF SUBJECT INVENTIONS

252.228-7001 GROUND AND FLIGHT RISK

252.228-7005 ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES ("Administrative Contracting Officer" means Government Administrative Contracting Officer and Buyer's Authorized Procurement Representative).

252.231-7000 SUPPLEMENTAL COST PRINCIPLES

252.239-7010 CLOUD COMPUTING SERVICES (Applicable if Seller expects to use, involve or may involve cloud services; for paragraph (i)(1) and (2), "Contracting Officer" shall also mean Buyer; Seller shall provide a copy of the written notification, as described in paragraph (j) of this clause to Buyer; Seller shall provide to Buyer a copy of the notification from Government or provide notice to Buyer upon Seller's discovery of a spillage, as described in paragraph (k) of this clause.)

252.243-7001 PRICING OF CONTRACT MODIFICATIONS

252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (DoD Contracts).

252.246-7001 WARRANTY OF DATA

252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES. ("ACO" or "PCO" may also mean "Buyer's Authorized Procurement Representative.")

252.246-7007 CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM (Applicable to the extent Seller is supplying electronic parts or assemblies containing electronic parts)

252.247-7003 PASS-THROUGH OF MOTOR CARRIER FUEL SURCHARGE ADJUSTMENT TO THE COST BEARER.

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (Applicable if this Contract meets the criteria set forth in subparagraph (b) (2) of the clause. In the first sentence of paragraph (g), insert a period after "Contractor" and delete the balance of the sentence. Paragraphs (f) and (g) shall not apply if this Contract is at or below \$150,000. Substitute "BUYER" for "Government" or "United States" as applicable throughout this clause, except for paragraph (c). Substitute "BUYER Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause, except for paragraph (c) and (e) where it shall mean the Government Contracting Officer but a copy of the bill of lading shall be provided to the Buyer's Authorized Procurement Representative.)



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- 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (“Contracting Officer” means Buyer’s Authorized Procurement Representative.)
2. **The following DFARS clause(s) apply to this Contract if the value of this Contract is equal to or exceeds \$150,000:**
- 252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACT RELATED FELONIES (The definition of “contract”, “contractor” and “subcontract” are not modified in paragraphs (a)-(d) of this clause. “Contracting Officer” means “Buyer’s Authorized Procurement Representative.” Delete paragraph (g)).
3. **The following DFARS clause apply to this Contract if the value of this Contract equals or exceeds \$500,000**
- 252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS.
4. **The following DFARS clause apply to this Contract if the value of this Contract equals or exceeds \$650,000**
- 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (Delete subparagraph (d)(1) and the first five words of subparagraph (d)(2). “Contracting Officer” means Buyer’s Authorized Procurement Representative.)
5. **The following DFARS clause apply to this Contract if the value of this Contract equals or exceeds \$1,000,000**
- 252.222-7006 RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS. Seller, by accepting the Order or any long-term contract from Buyer or performing against such Order or contract, hereby certifies compliance with this clause (Applicable for all Orders or contracts issued after February 17, 2010 utilizing funds appropriated by the Fiscal Year 2010 Defense Appropriations Act)
6. **The following DFARS clause apply to this Contract if the value of this Contract equals or exceeds \$1,500,000**
- 252.211-7000 ACQUISITION STREAMLINING (“Government” means Buyer).
7. **The following DFARS clauses apply to this Contract only if the stipulation in the relevant parenthetical applies:**
- 252.208-7000 INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-
- FURNISHED MATERIAL (Applicable if the Article contains precious metals.)
- 252.215-7000 PRICING ADJUSTMENTS (Applicable if FAR 52.215-12 or 52.215-13 applies to this contract.)
- 252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (Applicable if FAR 52.219-9 applies to this contract)(delete paragraph (g))
- 252.223-7001 HAZARD WARNING LABELS (Applicable if the Seller will be providing hazardous materials or the Article contains hazardous materials.)
- 252.223-7002 SAFETY PRECAUTIONS FOR AMMUNITION AND EXPLOSIVES (Applicable if articles furnished under this Order contain ammunition or explosives as defined in this clause. “Contracting Officer” means “Government Contracting Officer or Buyer”; “Government” means “Government and Buyer”).
- 252.223-7003 CHANGE IN PLACE OF PERFORMANCE – AMMUNITION AND EXPLOSIVES (Applicable if DFARS 252.223-7002 applies to this Order. “Contracting Officer” means “Buyer’s Authorized Procurement Representative” and “Government” means “Government and Buyer”)
- 252.223-7006 PROHIBITION ON STORAGE, TREATMENT, DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS. (“Government” means “Government and Buyer”)(Applicable if the Seller requires or may require or permits its subcontractor to treat or dispose of non-DoD-owned toxic or hazardous materials as defined in this clause.)
- 252.225-7008 RESTRICTION ON ACQUISITION OF SPECIALTY METALS (Applicable if the Contract requires the delivery of specialty metals as end items.)
- 252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS. (Applicable, except for paragraph (d), if Articles provided under this Contract contains specialty metals.)
- 252.225-7010 COMMERCIAL DERIVATIVE MILITARY ARTICLE – SPECIALTY METALS COMPLIANCE CERTIFICATE. (Applicable if DFARS Clause 252.225-7009 is applicable and commercial derivative military Articles will be delivered under this Contract.)
- 252.225-7013 DUTY-FREE ENTRY (Applicable if the requirements of this clause apply to the Contract at subsection (j)(1), (2) or (3).)
- 252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (Restriction in paragraph (b) of this clause does not apply to ball or roller bearings that are acquired as



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(1) Commercial components of a noncommercial end product; or
(2) Commercial or noncommercial components of a commercial component of a noncommercial end product.)

252.225-7021 TRADE AGREEMENTS (Applicable if the articles contain other than domestic components. Applicable in lieu of FAR 52.225-1 and FAR 52.225-5).

252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE U.S. (Applicable if Seller will be performing outside the U.S. for this Order)

252.225-7048 EXPORT-CONTROLLED ITEMS (Applicable if the Seller expects or involves access to or generation of export-controlled items)

252.235-7003 FREQUENCY AUTHORIZATION ("Contracting Officer" means "Buyer's Authorized Procurement Representative") (Applicable if this Contract requires the development, production, construction, testing or operation of a device for which a radio frequency authorization is required.)

252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (Applicable if this Order requires securing telecommunications)

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The Supplier requirements below apply to all Suppliers and sub-tier Suppliers to R.E. Dye Manufacturing Corporation providing raw materials, manufactured components and products as well as performing material processing. Acceptance of a Purchase Order from R.E. Dye Manufacturing Corporation binds the Supplier to the Terms and Conditions and attachments listed on our website www.dyemfg.com. The Supplier is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by R.E. Dye Manufacturing Corporation and must flow down these requirements to any sub-tier Suppliers. Note that these requirements correspond with the requirements of R.E. Dye Manufacturing Corporation's customers and with the requirements of AS9100D, Clause 8.4.3.

a. the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions)

Refer to R.E. Dye Manufacturing Corporation's Purchase Order and Terms & Conditions.

b. the approval of: products and services; methods, processes, and equipment; the release of products and services;

Each shipment must be accompanied by one legible copy of a statement of conformance unless otherwise noted in the Purchase Order. A certificate of conformance (C of C), supplied with the shipment must provide at a minimum: Supplier name, part number, purchase order number, quantity of parts, engineering revision, serial numbers (if applicable), and title and signature of authorized Supplier representative.

- Material certifications shall show quantitative analysis of each element and physical testing as required by specifications referenced. Certifications must reference all related specifications required by a drawing and list full chemical/physical properties and source.
- Certification of heat treatment must show the type of treatment and specifications, hardness range, percentage of parts tested, tensile test results (as applicable by part), type of test performed, specifications and any other information required by the drawing/specifications. A laboratory performing a test shall be identified and any certifications signed by tester. Name of heat treat Supplier must be shown.
- Passivation Certificate of Conformance must reference the process specification used. Magnetic Particle Inspection/Penetrant Inspection Certificates shall reference specifications used, number of pieces tested, with results and signed by a certified tester and must indicate level to which it is certified

Traceability for Raw Material is required and shall be retained and provided to R.E. Dye Manufacturing Corporation with product.

c. competence, including any required qualification of persons;

Supplier will ensure that employees and people working on its behalf are competent and trained in accordance with the requirements of AS9100D.

d. the Supplier's interactions with R.E. Dye Manufacturing Corporation;

In addition to the other requirements recorded within this document, Suppliers shall hold all information received from R.E. Dye Manufacturing Corporation in confidence and no third-party request for information will be authorized unless approved, in writing, by R.E. Dye Manufacturing Corporation.

e. control and monitoring of Supplier's performance to be applied by R.E. Dye Manufacturing Corporation;

R.E. Dye Manufacturing Corporation will monitor Suppliers based on Quality, Delivery, and/or Service. Suppliers will be issued corrective actions as warranted. Any outcomes will be

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documented in Management Review Meeting Minutes. Suppliers that fail to perform in these areas may receive further Corrective Actions and may be considered for probation or removal from R.E. Dye Manufacturing Corporation's Approved Supplier List.

f. verification or validation activities that R.E. Dye Manufacturing Corporation, or its customer, intends to perform at Supplier's premises;

R.E. Dye Manufacturing Corporation and its customers reserve the right to perform verification and/or validation activities at the Supplier's premises.

g. design and development control;

Where applicable, R.E. Dye Manufacturing Corporation's external providers will meet the design and development requirements of AS9100 8.3 Design and Development of Products and Services.

h. special requirements, critical items, or key characteristics;

- As per the requirements of AS9100D Supplier is responsible for the validation, and periodic revalidation, of the ability to achieve planned results of the processes for production and service provision, where the resulting output cannot be verified by subsequent monitoring or measurement.
- Nadcap stands for National Aerospace and Defense Contractors Accreditation Program. Nadcap's membership consists of "Prime Contractors" who coordinate with aerospace accredited suppliers to develop industry-wide audit criteria for special processes and products. The Nadcap Program is administered by the Performance Review Institute (PRI). Information on Nadcap requirements is found at <https://www.eauditnet.com/eauditnet/ean/user/login.htm>

Suppliers supplying product with special processes listed with processing specifications listed on the blueprint and covered under Nadcap requirements are required to be Nadcap certified or use a Nadcap approved supplier.

If indicated in the Purchase Order that a NADCAP approved Supplier is required, the Supplier must not perform any work or process any part if they are not NADCAP approved. Should a Supplier have a change to their NADCAP certification or accreditation, the Supplier MUST notify R.E. Dye Manufacturing Corporation per the terms of the NADCAP requirements.

i. test, inspection, and verification (including production process verification);

For calibration Purchase Orders, all gauges and instruments must be calibrated using standards whose accuracies are traceable to the National Institute of Standards and Technology. All provided calibration certifications must specifically state this traceability.

Supplier will maintain a quality/inspection system that will ensure all goods and services conform to contract requirements whether manufactured or processed by Supplier or procured from Sub-Tier Suppliers and that fully complies with the requirements of AS9100D.

j. the use of statistical techniques for product acceptance and related instructions for acceptance by R.E. Dye Manufacturing Corporation;

The Supplier will use a C=0 sampling plan with an AQL of 1 or 100% inspection, unless otherwise specified or agreed upon in writing by R.E. Dye Manufacturing Corporation.

k. the need to:

1) implement a quality management system

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When specifically requested by R.E. Dye Manufacturing Corporation in writing, Supplier will maintain a quality system in compliance to recognized Quality Management Systems and/or approved by R.E. Dye Manufacturing Corporation.

2) use customer-designated or approved external providers, including process sources (e.g., special processes);

When required by R.E. Dye Manufacturing Corporation or by R.E. Dye Manufacturing Corporation's customers, Suppliers will use customer-specified sources.

3) notify R.E. Dye Manufacturing Corporation of nonconforming processes, products, or services and obtain approval for their disposition;

R.E. Dye Manufacturing Corporation will not accept Supplier product that does not meet engineering drawing and/or Purchase Order requirements. Supplier product discovered after shipment by the Supplier to be nonconforming to any engineering drawing and/or Purchase Order requirement shall be immediately disclosed to R.E. Dye Manufacturing Corporation upon discovery, including but not limited to quantity shipped, date shipped, and the extent of the nonconformance. Suppliers that receive notification of Nonconforming product shall take appropriate action to contain the nonconforming condition and prevent it from occurring again. The Supplier will be notified if formal Corrective Action is required to be submitted to R.E. Dye Manufacturing Corporation. The response shall be submitted within 1 week of issue or a time frame agreed upon between R.E. Dye Manufacturing Corporation and the Supplier. Errors with paperwork shall be resolved within 24 hours.

4) prevent the use of counterfeit parts (see 8.1.4);

To prevent the purchase of counterfeit or suspect / unapproved products and to ensure product identification and traceability (and for other reasons), Supplier will institute controls that include the requirement of Material Certificates, Certificates of Conformity, and/or other supporting documentation as is appropriate.

Material and part substitutions are not allowed.

5) notify R.E. Dye Manufacturing Corporation of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain R.E. Dye Manufacturing Corporation's approval;

Supplier will notify R.E. Dye Manufacturing Corporation of any change in ownership, management, or location and are subject to re-survey and approval.

Supplier will notify R.E. Dye Manufacturing Corporation of any product or process changes or changes in approval status that affect R.E. Dye Manufacturing Corporation's product and are subject to re-survey and approval.

6) flow down to external providers applicable requirements including customer requirements;

Suppliers shall flow-down to Sub-Tier Suppliers the applicable requirements as required by the purchase order either specifically or by reference.

7) provide test specimens for design approval, inspection/verification, investigation, or auditing;

When requested by R.E. Dye Manufacturing Corporation or its customers, Supplier will provide test specimens for inspection/verification, investigation and/or auditing purposes.

8) retain documented information, including retention periods and disposition requirements;

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Unless otherwise specified on the Purchase Order, the latest specification revision in effect at the time the lot of raw material/parts was originally manufactured or processed shall apply. In the event a document has been superseded, the latest revision of the superseding document shall apply. All certifications, test reports, and inspection reports, as well as receiving inspection, in-process inspection, final inspection, and calibration records shall be retained for a minimum of ten years, unless otherwise specified by R.E. Dye Manufacturing Corporation. These records will be made available to R.E. Dye Manufacturing Corporation, R.E. Dye Manufacturing Corporation's customers, or regulatory agency upon request.

prevent Foreign Object Damage/Debris

Supplier is required to establish and maintain a Foreign Object Damage/Debris (FOD) prevention program that employs appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, during operations and normal daily tasks.

l. the right of access by R.E. Dye Manufacturing Corporation, R.E. Dye Manufacturing Corporation's customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;

R.E. Dye Manufacturing Corporation and R.E. Dye Manufacturing Corporation's customers reserve the right to perform an on-site inspection of the Supplier's facility or visit the facility. R.E. Dye Manufacturing Corporation will give reasonable notification to the Supplier prior to the on-site inspection. The on-site inspection may include surveillance of the Supplier's facilities, procedures, production methods, processes, and the Supplier's Quality System. The Supplier shall furnish, at no cost, the necessary data as required by applicable drawings, Purchase Order, specifications, and inspection instructions to facilitate the on-site inspection.

m. ensuring that persons are aware of: their contribution to product or service conformity; their contribution to product safety; the importance of ethical behavior.

Supplier must be committed to the highest standards of ethics and business conduct. Supplier must comply with the law, honor commitments, act in good faith, and be accountable. Supplier must strive to maintain full compliance with all laws and regulations applicable to the operation of the business and customer relationships. Supplier must not offer, promise, authorize, or provide, directly or indirectly, anything of value (including business gifts or courtesies) with the intent or effect of inducing anyone to engage in unfair business practices. Supplier will avoid involvement in activities that may be perceived as a conflict-of-interest. Supplier will respect the legitimate proprietary rights and intellectual property rights of customers and Suppliers and take proper care to protect sensitive information, including confidential, proprietary and personal information.

Supplier will support product safety by ensuring robust management of special requirements, critical items and key characteristics. If there are concerns with respect to product safety, Supplier will communicate them to R.E. Dye Manufacturing Corporation. If there is a concern at the Supplier's premises with respect to safety during the manufacture of the product, Supplier will notify its own employees of the concern and whenever possible, mitigate the concern.

Supplier will ensure that employees and people working on its behalf are aware of:

- Their contribution to product or service conformity
- Their contribution to product safety
- The importance of ethical behavior