

**GENERAL PROVISIONS FOR FIRM FIXED PRICE PURCHASE ORDERS  
ISSUED PURSUANT TO A COMMERCIAL CUSTOMER CONTRACT**

**1.0 ACCEPTANCE OF ORDER** – Seller shall accept this Order by signing the acceptance copy and returning it promptly to Buyer or by providing to Buyer any of the Deliverables specified herein. By Seller's acceptance of this Order, Seller agrees to the terms, conditions, and specifications of this Order. Buyer hereby objects to and rejects any terms, conditions, or specifications contained in Seller's acceptance of this Order (or any other form or paper submitted by Seller) which differ from or add to the terms, conditions, and specifications of this Order. Seller agrees that the terms, conditions, and specifications of this Order shall prevail over any inconsistent provisions in any form or other paper submitted by Seller.

**2.0 DEFINITIONS –**

- (a) “Buyer” means General Dynamics Mission Systems, Inc., the legal entity issuing this Order.
- (b) “Days” means calendar days unless otherwise expressly noted.
- (c) “Deliverable” means an Item or Service.
- (d) “F.O.B. Destination, Freight Prepaid” means title and risk of loss pass to Buyer at Destination Point; Seller bears and prepays freight charges; and Seller must file claims for loss, damage, or overcharges (if any) for Items in transit.
- (e) “Item” as used herein includes goods to be delivered (e.g., materials, equipment, products, hardware, software, or information) and any part thereof.
- (f) “Order” or “Purchase Order” as used herein includes the Firm Fixed-Price Purchase Order, the delivery and performance schedules, these general terms and conditions, any Special Terms and Conditions, any Government Contract Provisions, any plans, any specifications, and other documents incorporated by reference or attached hereto.
- (g) “Seller” means the legal entity executing this Order with Buyer and which will furnish the Items provided for herein.
- (h) “Service” means the services or actions provided by Seller under this Order and furnished to Buyer in performance of and pursuant to this Order.

**3.0 WAIVER** – Buyer's failure to enforce any provision of this Order or to protest any breach or default of this Order by Seller shall not be construed as evidence of (or evidence to interpret) the rights or obligations of the parties, or as a waiver of any Seller obligation or Buyer right provided under this Order or by law. No right or remedy of Buyer shall be deemed waived or released unless such waiver or release is in writing and signed by an authorized representative of Buyer.

**4.0 DELIVERY**

**4.1 Transportation:** Transportation shall be in accordance with the Delivery Terms specified on the front page of this Purchase Order. The instructions will be either F.O.B. Destination, Freight Prepaid or F.O.B. Origin Freight Collect. Buyer shall not be liable for insurance or premium transportation charges unless Buyer consents to such charges in writing. All Items must be packaged in accord with the instructions specified by Buyer and shipped by route and carrier designated by Buyer. If Buyer does not specify the manner of packing, route, or carrier, Seller will suitably pack and ship all Items in accord with customs and practices prevailing in the industry, following wherever applicable the precedents of previous shipments to this Buyer and, unless otherwise specified, in the most economical mode available. Seller shall mark on all packages handling and loading instructions, shipping information, order number, item and account number, shipping date, and names and addresses of Seller and Buyer. If this procurement is from a source located outside the United States (including the 50 states and U.S. territories or possessions) or from a U.S. based source with foreign manufacturing locations that will ship directly to Buyer in the United States, such shipments are subject to INCOTERMS 2020 DAP or other mutually agreed upon INCOTERMS Rule. Seller shall be liable to Buyer for all damages incurred directly or indirectly by Buyer or Buyer's customer as a result of Seller's failure to comply with the conditions set forth in this Section 4.1. Services shall be performed at the location specified on the front page of this Purchase Order. Seller shall not include tracking devices (e.g., AirTag or Tile) in any shipments under this Order.

**4.2 Risk of Loss:**

**4.2.1 F.O.B. Destination, Freight Prepaid** - Seller shall bear the risk of any loss or damage to the Items until they are delivered in conformity to the “Ship To” address on the front page of this Purchase Order. Upon such delivery, Seller's responsibility for loss or damage shall cease, except for loss or damage resulting from Seller's negligence or fault. Notwithstanding the foregoing, Seller shall remain responsible for risk of loss of any nonconforming or rejected Item, unless such loss, destruction, or damage results from gross negligence or fault of Buyer.

**4.2.2 F.O.B. Origin Freight Collect** - Seller shall bear the risk of any loss or damage to the Items until they are delivered in conformity to the freight provider. Upon such delivery, Seller's responsibility for loss or damage for Items in transit shall cease, except for loss or damage resulting from Seller's negligence or fault.

**4.3 Title:** Except as otherwise expressly stated in this Order, title to all Items furnished under this Order shall pass to Buyer upon final acceptance, regardless of when or where Buyer takes physical possession of the Items.

4.4 Delays:

4.4.1 Time is of the Essence: Seller understands that time is of the essence and Buyer depends upon prompt delivery by Seller at the time specified in the schedules furnished by Buyer in order to comply with Buyer's contractual obligations to third parties. Because time is of the essence, on-time delivery of Items and performance of Services is a material condition of this Order and Seller's failure to perform according to the delivery and performance schedules shall be considered a material breach of this Order.

4.4.2 Prioritization of Buyer's Deliveries: Seller agrees that except as otherwise required by law or regulation, Buyer's order of Items hereunder shall take priority over any other order from any other Seller customer placed contemporaneously with or subsequent to this Order. Without limiting the foregoing, Seller also recognizes that for Buyer orders issued under the Defense Priorities and Allocation System ("DPAS"), Seller must fully comply with the regulations applicable to the DPAS rating of Buyer's Order, and that failure to do so could result in criminal penalties assessed against Seller by the US Government, in addition to Buyer's own remedies under this Order.

4.4.3 Notification of Potential Late Delivery: In the event of a delay or threat of delay, due to any cause, in the performance or delivery of Deliverables hereunder, Seller shall immediately notify Buyer in writing of the delay. Seller's notice shall include all relevant information with respect to such delay or threatened delay in sufficient detail to identify the cause of the expected delay and Seller's plan for remediating the issue. In addition, Seller shall certify in such notice that the delay is not the result of a reprioritization of Buyer's order in breach of Section 4.4.2.

4.4.4 Remedies for Late Delivery: If performance or delivery of Deliverables is not made in the quantities and at the time and manner specified, Buyer shall have the right without liability, and in addition to its other rights and remedies under this Order and the law, to take any of the following actions: (1) direct expedited delivery of Items for which Seller shall bear all premium transportation charges and risk of loss; (2) direct acceleration of Items for which Seller shall bear all premium labor costs and other acceleration costs; (3) delay payment for a period of time equal to the lateness of such performance or delivery; and/or (4) terminate this Order by written notice effective when received by Seller as to the Deliverables not yet performed or delivered, and purchase substitute Deliverables elsewhere and charge Seller with any loss incurred. Seller shall be liable for any damages resulting from failure to perform or deliver within the time called for by this Order or by any written instructions of Buyer, except where such delay was due to causes beyond the reasonable control of Seller and Seller notifies Buyer as required by this Section 4.4.

4.4.5 Additional Remedies for Late Delivery: Without limiting the remedies set forth in Section 4.4.4, In the event of a delay in delivery that is not excused per the terms of this Order, Buyer may, collect from Seller liquidated damages in the amount of 5% of the subcontract value for each day following a missed delivery with the cumulative amount not to exceed the subcontract value. At Buyer's election, (a) Seller shall pay Buyer such liquidated damages within thirty (30) days of Buyer's written demand, or (b) Buyer may withhold from payments owed to Seller the amount of such liquidated damages. In lieu of liquidated damages for an unexcused delay in delivery, Buyer may at its sole option elect to hold Seller liable for any damages resulting from failure to make delivery within the time called for by this Order or by any written instructions of Buyer.

4.5 Advanced Shipments: If, without written authorization from Buyer, Seller ships Items so as to arrive more than five (5) days in advance of schedule, Buyer may return the Items to Seller and Seller shall be liable for transportation charges and risk of loss for the return of the Items as well as for the shipment of the Items. Seller shall not invoice Buyer for payment prior to the scheduled delivery date. Invoices covering Items shipped in advance of the delivery schedule will not be paid until normal maturity after the specified date of delivery.

4.6 Quantity: Seller shall comply with the delivery and performance schedules but shall not make material or production commitments in advance of such time as Seller reasonably believes is necessary to meet the schedules without Buyer's prior written consent. Except as otherwise expressly provided in this Order Buyer need not accept any variation in quantity of Item provided by Seller. Buyer may return excess quantities to Seller at Seller's sole expense and risk, or retain such excess quantities at no increase in price.

**5.0 INSPECTION AND FINAL ACCEPTANCE** - Buyer may at any time inspect the facilities of Seller or Seller's subcontractors which will or may be used in the performance of this Order. Buyer also may inspect and test, at any time or place, before, during, or after completion, the Service (or any part thereof) performed by Seller or Seller's subcontractors. The inspection may, in the discretion of Buyer include physical, visual, or mechanical review as well as a review of any documentation necessary to substantiate compliance with requirements (including, but not limited to, quality requirements and acceptance requirements) set forth in this Order. If inspection and test are made on Seller's premises (or the premises of Seller's subcontractors), Seller shall furnish, or cause to be furnished, at no additional cost to Buyer, all reasonable facilities, tools, and assistance necessary for such inspection and the safety and convenience of the inspectors. Inspections and test by Buyer shall be performed in such a manner as not to delay the Service unduly. Buyer may charge to Seller any additional cost of inspection and test when Service (or any part thereof) is not ready at the time Buyer requests inspection under this Article 5.0. In the case of rejection, neither Buyer shall be liable for any reduction in value of samples used in connection with such inspection or test. No inspection or review or approval by Buyer shall relieve Seller of any of its obligations under this Order, or constitute a waiver of any defects or nonconformities. Final acceptance by Buyer of any Deliverable under this Order shall not limit or affect any warranty or right of indemnity granted by Seller herein. Except as otherwise agreed in writing, all delivery or performance under this Order shall be subject to final inspection and acceptance by Buyer. The parties expressly agree that any prior inspection or payment by Buyer will not constitute final acceptance. Buyer's final acceptance of the Deliverable shall take place only after complete performance or delivery in accord with the schedule specified herein and after final inspection by Buyer. Buyer's final acceptance shall be contingent upon agreement by Buyer that the Deliverable conforms to the applicable contract requirements. Final acceptance by Buyer shall be conclusive, except for latent defects, negligent or intentional misrepresentations by Seller

that a nonconformity or defect would be or had been cured, acceptance induced by false or negligent assurances of Seller or as otherwise provided in this Order or applicable law. Services performed by Seller and rejected, in whole or in part, will be re-performed without any cost to Buyer.

## **6.0 FACILITIES, TOOLS, AND PLANT VISITS**

6.1 Unless otherwise specified herein, Seller shall supply all necessary services, facilities, materials, and equipment (including, but not limited to, tools, test apparatus, etc.). If, in connection with this Order, Buyer furnishes any facilities, materials, equipment, drawings, or other property to Seller, Seller accepts the property "as is, where is." Seller shall maintain such property in good condition and keep the property adequately insured. Seller shall use such property only in performance of work under this Order unless Buyer consents otherwise, in writing. Seller shall assume the risk of, and bear responsibility for, any loss, destruction of, or damage to the property while in Seller's possession or control, unless otherwise agreed in writing by Buyer. Seller shall return all such property in a condition as good as when received except for reasonable wear and tear upon completion of use of such property or at such earlier time as Buyer may request. Seller shall indemnify and hold harmless Buyer and Buyer's customer from all claims which may be asserted against said property, including, without limitation, claims arising under the Worker's Compensation or occupational injury laws and from all claims for injury to persons or property arising out of or related to Seller's use of such property in performance of this Order.

6.2 During performance of this Order, authorized representatives of Buyer or Buyer's customer shall have the right to visit Seller's facilities involved in the performance hereunder at any time during normal business hours to conduct reviews, monitor, coordinate, or expedite performance and to secure necessary information for such purposes. Such visits will be coordinated with Seller's appropriate personnel to minimize any effect on Seller's normal operations.

## **7.0 TERMINATION**

### **7.1 Termination for Cause**

7.1.1 Buyer may terminate all or any part of this Order by written notice to Seller if: (i) Seller fails to provide the Item or Services within the time specified by this Order or any written extension authorized by Buyer; (ii) Seller fails to perform any other provision of this Order or fails to make progress, so as to endanger performance of this Order, and, in either of these two circumstances, does not cure the failure to Buyer's satisfaction within ten (10) calendar days after receipt of notice from Buyer specifying the failure; or (iii) in the event Seller declares bankruptcy, suspension its business operation, or initiates any reorganization and/or arrangement for the benefit of its creditors. Seller shall continue Services or work not terminated. If this Order is terminated for cause Buyer may require the Seller to transfer title and deliver to Buyer any completed Items or partially completed Items and materials, part, tool, dies, jigs, fixtures, plans, drawings, information and Order rights that Seller has specifically produced or acquired for this Order. Seller shall protect and preserve property in its possession in which Buyer has an interest.

7.1.2 Buyer shall pay for completed Items delivered and accepted and Services performed and accepted in accordance with the prices set forth in this Order. Buyer and Seller shall agree on the amount of payment for in process Services or materials, title to which has been transferred and delivered to Buyer. Failure to agree shall be a dispute and shall be settled under Article 18.0. Seller must submit all claims within sixty (60) days after the effective date of termination. In no event shall Buyer be obligated to pay Seller any amount in excess of the Order price. The rights and remedies provided Buyer in this clause are in addition to any other right or remedies provided by law or in equity.

7.2 Termination for Convenience: Buyer may terminate for any reason all or any part of this Order by written notice to Seller. In the event of such termination, Seller shall immediately cease all work terminated hereunder and cause any and all of its suppliers to cease work. Buyer shall have no liability for such termination except for liability for Items and Services actually rendered or expenses actually incurred prior to the effective date of such termination for which payment has not been made. Seller shall not be paid for any Services or work performed or costs incurred that reasonably could have been avoided. Failure to agree shall be deemed a dispute and shall be settled under Article 18.0 ("Disputes"). Seller must submit all claims within sixty (60) days after the effective date of termination. In no event shall Buyer be obligated to pay Seller any amount in excess of the Order price. Seller shall continue work not terminated.

### **7.3 Effect of Termination: Upon any termination of this Order in accordance with this Article 7.0:**

7.3.1 Seller shall fulfill Buyer's existing orders for Deliverables communicated to Seller where a valid Buyer purchase order has been issued to and accepted by Seller prior to Seller's receipt of Buyer's written notice of termination, unless otherwise directed by Buyer in said notice. Buyer shall have no obligation to Seller for any Items manufactured for Buyer or existing Items allocated for shipment to Buyer after Seller's receipt of the written notice of termination.

7.3.2 In the event of termination, Buyer's sole financial obligation to Seller shall be to pay for any Deliverables delivered to Buyer consistent with the terms of this Order, in which case payment shall be made within sixty (60) calendar days from Buyer's receipt of a valid invoice from Seller. Buyer shall have no obligation to Seller for payment of any costs, fees or expenses relating to its exercise of its termination rights hereunder, including but not limited to termination, restocking, demobilization, or any other manufacturing, logistics or administrative fees of any kind.

7.3.3 Seller shall promptly deliver to Buyer (or destroy, if so requested by Buyer) all copies of all Proprietary Information and Materials (in

any form or media) then in that Seller's possession.

7.3.4 All warranties and license rights for any Deliverables performed for or delivered to Buyer hereunder shall survive termination or expiration, consistent with the terms of this Order.

7.3.5 Within sixty (60) calendar days following termination or expiration of this Order, Seller shall submit to Buyer an itemized invoice of any fees or expenses theretofore incurred under this Order. Buyer upon payment of accrued amounts so invoiced and accepted shall thereafter have no further liability or obligation to Seller for any further fees, expenses or other payments.

## **8.0 REPRESENTATIONS AND WARRANTIES**

8.1 Except as to any Items or components thereof which the specifications contained herein specifically provide need not be new, Seller represents and warrants to Buyer that the Items and components provided are new (not used or reconditioned) and not of such age or so deteriorated as to impair their usefulness or safety. Seller also represents and warrants to Buyer that all Deliverables furnished under this Order will comply with the requirements of this Order; be free from defects in design (except to the extent of Buyer's design), material, manufacture, and workmanship; will be free from liens and encumbrance; and, to the extent Seller knows such purpose, will be fit and sufficient for the purpose for which the Deliverable was intended. If the Items furnished contain any manufacturer's warranties, Seller hereby assigns such warranties to Buyer and Buyer's customer. Seller also represents and warrants to Buyer that all labor provided hereunder shall be performed by qualified personnel, with diligence, and shall conform to the terms, specifications, and description of Deliverables specified by Buyer. Seller further represents and warrants to Buyer and Buyer's customer that the Deliverables(s) provided under this Order will not infringe upon the rights of any third party. These representations and warranties extend to the future performance of the Deliverables(s) and shall continue for a period of twelve (12) months (or such longer period of time as Seller may warrant similar Deliverables to its most favored customer) following final acceptance by Buyer.

8.2 Buyer shall not be deemed to waive any defects or nonconformity by reason or approval of samples or receipt of, or payment for a Deliverable. If Buyer finds through inspection and testing or through use that any Deliverable performed or delivered by Seller is other than as warranted above, Buyer may, at its sole option and in addition to any other remedies available to Buyer by this Order or by law, return the Item or direct Seller to correct the Service at Seller's sole risk and expense for credit or for replacement or correction. Seller shall promptly deliver repaired or replacement Item or provide a replacement Service in accord with Article 4 hereto. Seller shall warrant repaired or replacement Deliverables as set forth in this Article 8.0.

8.3 Seller warrants that any Items supplied under this Order, including, without limitation, subassemblies and spare parts, shall be available to Buyer during the operation life of the Items or five (5) years after the date of final acceptance of the last shipment under this Order, whichever is later.

8.4 Seller warrants that the prices, terms of payment, warranties and support extended under this Order are no less favorable to Buyer than those extended to any other Seller customer as in effect on the date of this Order for substantially similar Deliverables and quantities. Buyer shall have the right to examine all Seller records and other evidence sufficient to reflect that Seller's representations and warranties are correct and true.

8.5 Seller certifies that each Item, except those listed immediately following this sentence (if any), is manufactured in the United States. *(List each Item manufactured Outside the United States. If none, say NONE.)*

8.6 Deliverables must be in accordance with their stated specifications or GDMS specification and drawing requirements in order to meet product safety requirements. Items must perform to their designed or intended purpose without causing unacceptable risk of harm to persons or damage to property. Seller shall ensure that its employees are aware of their contribution to Item or Service conformity, their contribution to Item or Service safety, and the importance of ethical behavior.

## **9.0 PROPRIETARY INFORMATION AND INTELLECTUAL PROPERTY-**

### **9.1 Proprietary Information**

9.1.1 All (a) proprietary and/or trade secret information; (b) tangible items containing, conveying or embodying such information; and (c) tooling identified as being subject to this clause and obtained, directly or indirectly, from Buyer in connection with this Order that are clearly marked as "Proprietary" (collectively referred to as "Proprietary Information and Materials") shall remain Buyer's property and shall be protected from unauthorized use and disclosure.

9.1.2 Seller shall use Proprietary Information and Materials only in the performance of and for the purpose of this Order and shall not disclose Proprietary Information and Materials to any third party. The restrictions on disclosure or use of Proprietary Information and Materials by Seller shall apply to all materials derived by Seller or others from Buyer's Proprietary Information and Materials. Upon the completion, termination, or cancellation of this Order, or upon Buyer's request at any time, Seller shall return to Buyer all of Buyer's Proprietary Information and Materials and all materials derived therefrom, unless specifically directed otherwise in writing by Buyer. Seller shall not, without the prior written authorization of Buyer, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Proprietary Information and Materials of Buyer. Prior to disposing of such parts

or other materials as scrap, Seller shall render them unusable. Buyer shall have the right to audit Seller's compliance with this clause 9.1.

9.1.3 The provisions of this clause 9.1 shall survive the performance, completion, termination, or cancellation of this Order for a period of two years.

## 9.2 Artificial Intelligence

9.2.1 For the purposes of this Order, "Artificial Intelligence (AI)" means technology that can make decisions or predictions, provide recommendations, create content, or identify patterns without being programmed to do so, an "AI System" means an engineered or machine-based system that can, using a prescribed set of objectives, generate outputs such as predictions, recommendations, or decisions influencing real or virtual environments. AI systems are designed to operate with varying levels of autonomy.

9.2.2 Seller shall not use, and shall not permit any other third party to use, any Proprietary Information and Materials disclosed by Buyer to Seller to train, validate, update, improve, or modify any of Seller's AI Systems, or other third parties' AI Systems without the prior written modification of this Order executed by authorized representatives of both Parties. Agreement to a proposed modification regarding AI is solely within the discretion of Buyer. Seller shall not export Buyer's Proprietary Information and Materials, including but not limited to, AI Systems, outside of the United States.

## 9.3 Intellectual Property Rights

9.3.1 Buyer and Seller each retain ownership of their background intellectual property, and this Order is not intended to transfer any intellectual property rights between the Parties.

9.3.2 Seller shall indemnify, defend, and hold harmless, Buyer and its respective officers, directors, agents, and employees against liability and losses including without limitation, defense costs and attorneys' fees, for any allegation of or suit or action for infringement of any United States or foreign patent, copyright, trademark, or other intellectual property right arising out of the manufacture, performance or delivery of a Deliverable under this Order or out of the use or disposal of such Deliverable by or for the account of Buyer. Seller shall at its own expense either procure for Buyer the right to continue using any alleged infringing Item, replace it with non-infringing Item, or modify it so that it becomes non-infringing. The foregoing indemnity shall not apply unless Buyer informs Seller of the suit or action or other proceeding alleging infringement and gives Seller the opportunity as is afforded by applicable laws, rules, or regulations, to participate in the defense thereof.

9.4 For as long as a separate non-disclosure agreement (NDA) or similar agreement which addresses the subject matter of clause 9.1 or 9.2 is in force between Buyer and Seller, such NDA shall control in the case of any conflict between such NDA and clause 9.1 or 9.2 of this Order.

## 10.0 TRANSFER/ASSIGNMENT AND SUBCONTRACTING

10.1 No right or interest of Seller or Buyer hereunder or arising out of this Order may be assigned or transferred, whether by operation of law or otherwise, and/or all or substantially all of its performance of this Order without the prior written consent of Buyer or Seller, respectively, which shall not be unreasonably withheld. Notwithstanding the foregoing, Buyer may assign this Order without Seller's consent to a successor company resulting from a restructuring, consolidation, merger or other combination within General Dynamics. Seller shall not delegate any of its duties or obligations under this Order. Seller may assign its right to monies due or to become due. No assignment, transfer, delegation or subcontracting by Seller, with or without Buyer's consent, shall relieve Seller of any of its obligations under this Order or prejudice any of Buyer's rights against Seller whether arising before or after the date of any assignment or transfer. This article does not limit Seller's ability to purchase standard commercial supplies or raw materials. Any unauthorized transfer or assignment is void.

10.2 Seller shall include in each lower-tier subcontract all applicable requirements including Buyer's customer requirements where applicable.

**11.0 CHANGES** - The Parties shall mutually agree to any changes in writing.

**12.0 CONTROL OF BUYER INFORMATION** - Seller shall not, without first obtaining Buyer's written permission, in any manner advertise or publish the fact that it has furnished or has contracted to furnish Buyer with Deliverable(s) herein ordered, nor disclose any of the details connected with this Order to any third party.

**13.0 NOTICE** - Any notices required or permitted to be given hereunder shall be in writing and shall be deemed to be duly given when received if sent by mail to each party's address as stated on this Order, or when delivered by hand or by facsimile transmission if the transmittal report indicates that the facsimile was sent successfully.

## 14.0 COMPLIANCE WITH LAWS

14.1 **United States Law:** Seller, at its sole expense, shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations which may be applicable to the Deliverables and Seller's performance under this Order, including, without limitation, all laws, regulations, and rules related to the safety and conditions of each job site, including but not limited to those promulgated or prescribed pursuant to the Occupational Safety and Health Act of 1970, and any amendment thereto. Seller agrees to comply with any applicable provisions of the

Rehabilitation Act of 1973, the Veteran's Readjustment Act of 1974, and implementing regulations of the U.S. Department of Labor, which embody governmental policy on equal employment opportunity. To the extent applicable: **This contractor and subcontractor shall abide by the requirements of 41 CFR 60–300.5(a) and 60–741.5(a). These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.** Seller also agrees that in connection with activities under this Order it shall not make or promise to make any improper payments, or provide or offer to provide anything of value, directly or indirectly, to government officials or other parties in violation of the Foreign Corrupt Practices Act or other applicable anti-bribery laws.

14.2 Foreign Corrupt Practices Act and Anti-Bribery Laws: Seller agrees to comply with the Foreign Corrupt Practices Act, the UK Bribery Act of 2010, and all applicable anti-bribery laws. Seller specifically represents and warrants that, in connection with the performance of its activities under this Order, neither it, nor anyone acting on its behalf, has or will, directly or indirectly, offer, pay, promise to pay, or authorize the giving of, any money or thing of value to any Government Official or to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a Government Official, for the purpose of influencing any act or decision of such Government Official, including any act or decision to fail to perform his/her lawful duty, or for the purpose of inducing such Government Official to use his/her influence with any government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality to obtain or retain business for any person. "Government Official" means any officer, employee, agent, representative, or any other person acting in an official capacity for or on behalf of a government, government-owned or –controlled entity or instrumentality, public international organization, political party, party official or political candidate.

#### 14.3. Compliance with Export Control Laws and Regulations

14.3.1 (a) Seller, at its sole expense, shall comply with all applicable U.S. export control laws and regulations in the performance of this Order, including, but not limited to, the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 to 130, the Export Administration Regulations (EAR) 15 CFR Parts 730 through 799, and with all other laws, regulations, or executive orders of the United States related to the import, export, or delivery of Deliverables contemplated by this Order such as customs laws and regulations, immigration laws and regulations, etc.

14.3.2 Seller, at its sole expense, agrees to determine and comply with all export license requirements, to obtain any export license or other official authorization, and to carry out any customs or immigration formalities or similar requirements for the export of any Deliverables covered by this Order. Seller also hereby expressly agrees to bear sole responsibility for obtaining export licenses, if required, before utilizing foreign persons (as defined in 22 CFR § 120.16) in the performance of this Order, including instances where the work is to be performed on-site at any Government installation, where the foreign person will have access to export-controlled technical data, equipment or software. Seller also agrees to bear sole responsibility for all regulatory record keeping associated with the use of licenses and license exemptions/exceptions.

14.3.3 Seller shall insert the substance of this clause in any lower-tier subcontracts it enters into in connection with this Order.

14.4. Compliance with International Laws – If Seller is located outside the United States or any Deliverables ordered hereunder will be produced or performed outside the United States, the following provisions also shall apply:

14.4.1 Compliance with Foreign Laws and Regulations: In addition to complying with all applicable federal, state, and local laws, regulations, and rules as set forth in Article 14 of this Order, Seller, at its sole expense, shall comply with all applicable foreign laws, regulations, and rules or agreements governing or applicable to Seller's Deliverables under this Order.

14.4.2 Hazardous Activities, Waiver, and Insurance: Seller acknowledges that the international nature of the Deliverables required under this Order may subject Seller and its employees and lower-tier subcontractors to increased personal safety and property risks and other risks, hazards, and potential liabilities. Seller knowingly and voluntarily accepts sole responsibility, financially, and otherwise, for all risks, hazards, and liabilities associated with any international performance under this Order. Seller also hereby releases and waives all claims of any sort that it may have in the future against Buyer or its successors, assigns, affiliates, parents, subsidiaries, or agents arising from or related to risks, hazards, or liabilities associated with any international performance under this Order. In addition to its other indemnification obligations under this Order, Seller agrees that it shall indemnify and hold harmless Buyer from and against any and all liability, damages, costs, and expenses (including defense costs and attorneys' fees) arising from or related to any suit, action, claim, or proceeding filed against Buyer by one or more of Seller's employees or lower-tier subcontractors related to any risk, hazard, or liability addressed in this Section 14.3.2. Seller also agrees that, in addition to the foregoing indemnification agreement and any insurance required elsewhere in this Order, Seller, at its sole expense, shall, during the term of this Order, provide and maintain at reasonably adequate levels, workmen's compensation, comprehensive general liability, bodily injury, and any other insurance necessary to fully and adequately cover all reasonably foreseeable risks, hazards, and potential liabilities of any kind related to Seller's performance of this Order wherever performed. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. If specifically requested by Buyer, Seller and Seller's subcontractors shall furnish, prior to the start of Deliverables, certificates or adequate proof of the foregoing insurance, including, without limitation, endorsements and policies. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interest of Buyer or Buyer's customer shall not be effective until thirty (30) days after the insurer or Seller gives written notice to Buyer, whichever period is longer. Insurance companies providing coverage under this Order must be rated by A. M. Best with at least an A-rating. Seller's obligation to obtain the foregoing insurance does not waive or release Seller's liabilities or duties to indemnify under this Order.

14.4.3 Taxes and Fees: Seller shall have sole responsibility for, and pay without reimbursement from Buyer, all foreign sales, value added, employment, transportation, business, income and any other taxes, duties, levies, tariffs, fees, and assessments of any sort applicable or related to any Deliverables delivered or performed under this Order unless this Order specifically states otherwise.

14.4.4 Effect on Other Provisions: Nothing in this Article 14.0 shall relieve Seller from complying with any other Article of this Order.

14.4.5 Use in Lower-Tiered Subcontracts: Seller shall include the substance of this Article 14.0 in any lower-tier subcontracts it enters in connection with this Order.

#### **15.0 INDEMNIFICATION BY SELLER –**

Seller agrees to indemnify, defend and hold harmless Buyer, its affiliates, subsidiaries, directors, officers, employees and agents from and against any and all third-party actions, causes of action, liabilities, claims, expenses (including reasonable attorneys' fees and court costs), losses, damages, penalties, fines, forfeitures, suits, judgments, liens, awards and damages of any kind and nature whatsoever for (a) property damage, (b) personal injury, including death, and (c) all violations of applicable laws, and (d) breaches of Seller's or any of its suppliers' obligations arising from this Order. Seller's obligation hereunder is not limited to insurance available to or provided by Seller or any of its suppliers. Seller expressly waives any immunity under industrial insurance, whether arising out of statute or common law, to the extent of the indemnity set forth in this Article 15.0. This duty to defend, indemnify, and hold harmless extends to any suit, liability, claim, judgment, or demand that may arise out of or in connection with the performance or nonperformance of this Order by Seller or its agents, breach of warranty by Seller or its agents, any defective Deliverables performed or delivered by Seller or its agents, any patent infringement or misappropriation of trade secrets by Seller or its agents, any failure of Seller or its agents to pay royalties, any assertion under workers' compensation or similar acts by persons furnished by Seller or its agents, or any other breach of Seller's obligations hereunder, whether such suit, liability, claim, judgment, or demand is based upon contract, warranty, strict liability in tort, negligence, or other legal theory, and extends not only to "third party claims" but also to any direct loss suffered by Buyer. Buyer will inform Seller of any claim, demand, judgment, or suit asserted or instituted against it to which this provision may apply. "Agents" as used herein includes, but is not limited to, Seller's employees, subcontractors, and suppliers.

**16.0 INSURANCE –** Unless otherwise specified by Buyer in writing, Seller shall maintain and cause Seller's subcontractors to maintain during the term of this Order (a) workers' compensation insurance as prescribed by the law of the state or nation in which the Deliverables are produced or performed; (b) employer's liability insurance with limits of at least \$2,000,000 for each occurrence; (c) automobile liability insurance if the use of motor vehicles is required hereunder, with limits of at least \$2,000,000 combined single limit for bodily injury and property damage per occurrence; and (d) Commercial General Liability ("CGL") insurance, ISO 1988 or later occurrence form of insurance, including, without limitation, Blanket Contractual Liability and Broad Form Property Damage, with limits of at least \$2,000,000 combined single limit for bodily injury and property damage per occurrence. For each type of insurance required by Buyer, Seller's corresponding line of coverage may be supplemented by Seller's umbrella insurance coverage to meet Buyer's minimum coverage requirement. Seller is required to provide Buyer with written notification of any claims made against Seller's umbrella coverage. All CGL and automobile liability insurance shall designate Buyer, its affiliates, and its directors, officers, and employees (all referred to as "Buyer") as additional insured. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. If specifically requested by Buyer, Seller and Seller's subcontractors shall furnish, prior to the start of Deliverables, certificates or adequate proof of the foregoing insurance, including, without limitation, endorsements and policies. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interest of Buyer or Buyer's customer shall not be effective (1) for such period as the laws of the State in which this Order is to be performed prescribe or (2) until thirty (30) calendar days after the insurer or Seller gives written notice to Buyer, whichever period is longer. Any other coverage available to Buyer shall apply on an excess basis. Seller agrees that Seller, Seller's insurer(s) and anyone claiming by, through, under or in Seller's behalf shall have no claim, right of action or right of subrogation against Buyer and Buyer's customer based on any loss or liability insured against under the foregoing insurance. Insurance companies providing coverage under this Order must be rated by A. M. Best with at least an A-rating. Seller's obligation to obtain the foregoing insurance does not waive or release Seller's liabilities or duties to indemnify under this Order.

**17.0 GRATUITIES AND CONTINGENT FEES PROHIBITED –** Seller warrants and agrees that it will comply with Buyer's policy providing that Buyer's employees and agents accept no gratuities or gifts from its vendors. Seller also warrants and agrees that it will comply with the Anti-Kickback provisions of 41 U.S.C. §§ 51 to 58. In addition to its other remedies provided by law or this Order, Buyer shall have the right to deduct from the Order price the full amount of any gift or contingent fee made by Seller in breach of these warranties and may terminate this Order for default for breach of these warranties by Seller. Seller also agrees to indemnify and hold harmless Buyer for any claims, loss, damage or expense (including, without limitation, attorneys' fees), resulting from a breach of these warranties by Seller.

#### **18.0 DISPUTES**

18.1 "Dispute" as used herein shall mean (i) any and all claims or disputes that in any way arise out of or relate to this Order, the negotiation or execution thereof, its performance, or the breach or enforcement thereof; (ii) any claims or disputes that in any way concern the conduct of any party in connection with this Order or the relationship or duties of the parties contemplated under this Order; or (iii) claims or disputes concerning the validity or scope of the terms and conditions of this Order (including, but not limited to, this Article 18.0). Buyer and Seller intend that the definition of "Dispute" shall have the broadest scope permitted by law and that, without limiting the generality of the foregoing, shall be deemed to include all claims between the parties, including, but not limited to, any claims for fraud, misrepresentation, negligence, libel and slander, misuse or theft of trade secrets or other confidential information, unfair competition, unfair trade practices, or other tort law

claims.

18.2 The parties agree that any Dispute between them or against any agent, employee, successor, or assign of the other shall be settled, to the extent possible by good faith negotiations. Any Dispute which the parties cannot resolve by good faith negotiations within thirty (30) days or such longer period as the parties may mutually agree to shall be submitted and finally resolved by a court of competent jurisdiction.

18.3 Until final resolution of any Dispute hereunder, Seller shall proceed diligently with the performance of this Order unless otherwise directed by Buyer in writing.

18.4 Buyer's rights under the terms and conditions of this Order are cumulative and in addition to any other rights available at law or equity.

**19.0 LIMITATION OF LIABILITY** – IN ADDITION TO ANY OTHER LIMITATIONS ON BUYER'S LIABILITY SET FORTH HEREIN, IN NO EVENT SHALL BUYER, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES BE LIABLE BY REASON OF BUYER'S BREACH OR TERMINATION OF THIS ORDER OR FOR ANY BUYER ACTS OR OMISSIONS IN CONNECTION WITH THIS ORDER FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, HOWEVER CAUSED, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF DATA, DELIVERABLES INTERRUPTION, OR ANY CLAIMS OR DEMANDS AGAINST SELLER BY ANY OTHER ENTITY, WHETHER SUCH REMEDY IS SOUGHT IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. IN NO EVENT SHALL BUYER'S LIABILITY FOR DAMAGES IN ANY CIRCUMSTANCES SET FORTH IN THIS CLAUSE EXCEED THE PRICE PAYABLE FOR THE DELIVERABLES TO BE PERFORMED OR DELIVERED BY SELLER UNDER THIS ORDER. THIS ORDER SHALL NEITHER CREATE FOR NOR GIVE TO ANY THIRD PARTY ANY CLAIM OR RIGHT OF ACTION AGAINST SELLER OR BUYER WHICH WOULD NOT OTHERWISE ARISE WITHOUT THIS ORDER.

**20.0 GOVERNING LAW and VENUE** – Buyer and Seller agree that this Purchase Order shall be deemed to have been executed and delivered within the State of New York and the rights and obligations of the Parties shall be construed and enforced in accordance with, and governed by the laws of the State of New York without regard to conflict of laws rules. The United Nations Convention on the International Sale of Goods shall not apply. All claims or disputes arising under or in any way related to this Purchase Order, including those relating to the validity of this Purchase Order, which cannot be resolved by the Parties through negotiations within thirty (30) calendar days or such longer period of time as may be mutual agreed in a written document that is signed by a duly authorized representative of each Party shall be resolved by the state or federal courts. Venue for any action brought under or relating to this Purchase Order shall exclusively be in a state or federal court of competent jurisdiction in the State of New York. The parties hereby irrevocably waive any right to challenge such venue on the basis of forum non conveniens or otherwise. The Parties further agree and consent to accept service of process by certified or registered United States mail, return receipt requested, addressed as provided herein. In the event that an action is commenced by either Party with respect to this Purchase Order, the substantially prevailing Party shall be entitled to recover its costs and attorneys' fees from the other Party. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATING TO THIS PURCHASE ORDER. Buyer and Seller also agree that the provisions of the New York Uniform Commercial Code shall apply to this Purchase Order and all Disputes, regardless of whether the subject matter of this Purchase Order relates to the provision of Services, the lease of rental equipment or material, or the license of software.

**21.0 SEVERABILITY** – In the event any provision or clause of this Order conflicts with governing law or if any arbitration panel or court of competent jurisdiction holds invalid any provision or clause of this Order, such provision or clause shall be deemed to be modified to reflect as nearly as possible the parties' intent. The remainder of this Order shall remain in full force and effect.

**22.0 SURVIVAL** – The provisions of the Order, which by their very nature would continue beyond the termination, cancellation, or expiration of the Order, including, without limitation, Articles 8.0, 9.0, 12.0, 14.0, 15.0, 18.0, 19.0, 20.0, 21.0, 22.0, 23.0 and 38.0, shall continue as valid and enforceable rights and obligations of the parties and survive termination, cancellation, or expiration of the Order.

**23.0 ORDER OF PRECEDENCE** – The rights and obligations of the parties shall be subject to and governed by the Order. In the event of an inconsistency between the provisions of the Order, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order from the highest to lowest degree of precedence: (1) typed provisions in the delivery and performance schedules of this Order; (2) any special provisions or terms and conditions printed on the face of the Firm Fixed-Price Purchase Order, if any; (3) these general terms and conditions; (4) Specifications, drawings, statement of work, or other attachments or documents incorporated by reference.

**24.0 PRICE** – The prices set forth in this Order cover all Deliverables performed or delivered by Seller to satisfy the requirements of this Order. Buyer will not be liable for extra charges of any kind unless specifically agreed to in writing by Buyer.

**25.0 TAXES** – The prices in this order include, and Seller shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Order, except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

**26.0 PAYMENT**

26.1 Certificate of Compliance: A signed certificate of compliance, signed by an authorized representative of Seller's Quality Department,

must be submitted with each invoice certifying that the Items delivered is of the quality specified and conforms in all respects with the Order requirements.

26.2 Payment: Payment of each properly submitted invoice shall be made by Buyer within sixty (60) days following receipt of each invoice, provided however, that Buyer may withhold an appropriate portion of the payment until any disputed items are resolved and/or defects in the Deliverables are corrected. Payment by Buyer shall be deemed to have been made for the purpose of meeting the sixty (60) day requirement on the date Buyer deposited the payment in the mail or made the electronic funds payment. Final payment shall not release Seller from any warranty and indemnification provisions contained in this Order.

26.3 Records: Seller shall maintain, for a period of two (2) years following the expiration or termination of this Order, accurate records of all matters that relate to the Deliverables, including, without limitation, all records and backup associated with invoices that have been submitted to Buyer, and shall make such records available to Buyer and its representatives for audit and inspection.

**27.0 INDEPENDENT CONTRACTOR** – It is the intention of Buyer and Seller that for all purposes Seller is and shall be an independent contractor and the sole employer and/or principal of any and all persons assigned by Seller to provide Services under this Order. Seller is obligated to perform all requirements of an employer under federal, state, and local laws and ordinances (or foreign law, if applicable). Such compliance shall include, but not be limited to, laws regarding minimum wages, social security, unemployment insurance, federal and state income taxes and workers' compensation insurance. Seller, not Buyer, is the "common law employer" within the meaning of Treas. Reg. § 31.3401(c)-1(c) of employees of all persons assigned by Seller to provide Services under this Order. Under no circumstances shall Seller or its employees or agents be construed to be employees, representatives, or agents of Buyer for any purpose, including but not limited to record keeping obligations under state or federal OSHA and Worker's Compensation Laws. Seller's employees and agents shall not be entitled to participate in the profit sharing, pension, or other plans established for the benefit of Buyer's employees. If required by federal or state law, Seller agrees to comply with the Family and Medical Leave Act ("FMLA") for its employees and agrees that with regard to such employees, it is the primary employer as defined by the FMLA regulations.

**28.0 SUSPENSION/STOP WORK** – Buyer may at any time by written order to Seller require Seller to stop all, or any part of the work called for by this Order for a period of up to 100 days. After receipt of Buyer's notice, Seller shall stop work in accord with the terms thereof, taking all reasonable steps to minimize the incurrence of costs allocable to the Deliverables covered by the Order during the period of work stoppage. Within said 100-day period, or a longer period if agreed to by the parties in writing, Buyer shall either terminate the Order under Article 7.0 or cancel the stop work order by written direction to Seller to continue the work.

## **29.0 FORCE MAJEURE**

29.1 Neither Party shall be liable for any excess costs or other damages if the failure to perform arises out of causes beyond the reasonable control and without the fault or negligence of the party alleging an event of Force Majeure. Force Majeure causes may include, but are not limited to (a) acts of God or of the public enemy, (b) war (whether an actual declaration thereof or not), (c) acts of terrorism or threats thereof, (d) acts of the U. S. Government in either its sovereign or contractual capacity, (e) sabotage, (f) insurrection, (g) riot or other act of civil disobedience, (h) atmospheric disturbances, (i) fires, (j) floods, (k) plagues or epidemics, (l) quarantine restrictions, (m) labor disputes or strikes, (n) failure or delay in transportation due to transportation workers strike or freight embargoes, (o) worldwide parts shortage(s) or rationing allocations, (p) shortage of labor, fuel, raw material or machinery, or (q) violent storms or unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the party. For delays in delivery or performance of a Deliverable, Seller must make best efforts to avoid or reduce the effects of a Force Majeure event and in no instance may Seller reprioritize performances or deliveries among its customers in breach of Section 4.4.2. Seller shall notify Buyer in writing within ten calendar days after it becomes aware of any such cause. If the original delivery and performance schedules are overcome by the Force Majeure event then the Parties agree to negotiate in good faith a revised delivery and performance schedule.

29.2 Should either Party be unable to fulfill a material part of its obligations under an Order for a period in excess of sixty (60) calendar days due to circumstances beyond its reasonable control as described above, the other Party may at its sole discretion terminate the Order by written notice. Upon either resolution of the Force Majeure event or termination as described, the Parties shall proceed in good faith to negotiate a termination settlement proposal covering the performance of the Order performed prior to the effective date of the termination.

**30.0 SUBSTITUTION** – Seller agrees not to substitute materials or other components of an Item without written consent by Buyer.

**31.0 CERTIFICATION OF AUTHENTICITY AND TRACEABILITY** - Seller certifies to Buyer that all material furnished under this purchase order is genuine, new and unused. Seller certifies that all material is traceable to the point of manufacture and that complete material pedigree is known and can be furnished to Buyer upon request. Seller will have a documented procedure that defines the method for controlling records that are created by and /or retained by Seller. Seller shall notify Buyer thirty (30) calendar days prior to the destruction or disposal of records associated with this Order. Seller certifies that Seller will not provide to Buyer (without Buyer's prior written consent) any goods or items under this Order incorporating (at any tier in the supply chain) any materials, excluding COTS Items, exported from Russia or China. For the purpose of this Order, "COTS Item" means any item of supply (including construction material) that:

- (a) Is a product that is of a type customarily used by the general public for non-governmental purposes;
- (b) Has been sold in substantial quantities in the commercial marketplace; and
- (c) Was acquired by the importer (i.e., Seller or its sub-tier supplier), without modification, in the same form in which it is sold in the commercial marketplace.

## 32.0 COUNTERFEIT PARTS PREVENTION

### 32.1 DEFINITIONS

32.1.1 Authentic shall mean (1) genuine; (2) purchased from the Original Equipment Manufacturer (“OEM”), Original Component Manufacturer (“OCM”) or through the OEM's/OCM's authorized dealers; and (3) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.

32.1.2 Authorized Dealer — A dealer or distributor that purchases directly from the OEM or OCM and is authorized or franchised by the OEM or OCM to sell or distribute the OEM's/OCM's items.

32.1.3 Counterfeit Part — A part that is an unauthorized copy or substitute that has been identified, marked, and/or altered by a source other than the item's legally authorized source and has been misrepresented to be an authorized part of the legally authorized source. This definition includes used parts represented as new parts.

32.1.4 Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM) — An organization that designs and/or engineers a part or equipment and is pursuing or has obtained the intellectual property rights to that part or equipment.

32.1.5 Non-Franchised Source — Any source that is not authorized by the OEM or OCM to sell its product lines. Non-franchised sources may also be referred to as brokers or independent distributors.

32.1.6 Suspect Counterfeit Part — A part that Buyer becomes aware, or has reason to suspect, meets the definition of "counterfeit part", as defined above. For purposes of this document, the terms "counterfeit part" and "suspect counterfeit part" will be used interchangeably. If any individual part from a lot is determined to be counterfeit or suspect counterfeit, the entire lot of parts will be considered to be suspect counterfeit.

### 32.2 TERMS AND CONDITIONS

32.2.1 Seller represents and warrants that only new and authentic materials (including embedded software and firmware) are used in Items required to be delivered to Buyer and that the Items delivered contains no Counterfeit Parts. No material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the OEMs or OCMs or through the OEM's/OCM's authorized dealers. Seller represents and warrants to Buyer] that all parts/components delivered under this contract are traceable back to the OEM/OCM. SELLER must maintain and make available to Buyer at Buyer's request, within 10 business days, OEM/OCM documentation that authenticates traceability of the parts/components to the applicable OEM/OCM. Purchase of parts/components from Non-Franchised Sources is not authorized unless first approved in writing by Buyer. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all Contract requirements, including the representations and warranties in this Section 32.2.

32.2.2 Seller shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification and Buyer's approval before parts/components are procured from sources other than OEMs/OCMs or the OEM's/OCM's authorized dealers. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer's request.

32.2.3 Seller must maintain a counterfeit detection process that complies with SAE standard AS5553, Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition.

32.2.4 If it is determined that counterfeit parts or suspect counterfeit parts were delivered to Buyer by Seller, the suspect counterfeit parts will not be returned to the supplier. Buyer reserves the right to quarantine any and all suspect counterfeit parts it receives and to notify the Government Industry Data Exchange Program (GIDEP) and other relevant government agencies. Seller shall promptly reimburse Buyer for the full cost of the suspect counterfeit parts and Seller assumes responsibility and liability for all costs associated with the delivery of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies in this Article 32.0 shall apply regardless of whether the warranty period or guarantee period has ended, and are in addition to any remedies available at law or in equity.

32.2.5 If the procurement of materials under this contract is pursuant to, or in support of, a contract, subcontract, or task order for delivery of Items to the Government, the making of a materially false, fictitious, or fraudulent statement, representation or claim or the falsification or concealment of a material fact in connection with this contract may be punishable, as a Federal felony, by up to five years' imprisonment and/or substantial monetary fines. In addition, trafficking in counterfeit Items, to include military Items, constitutes a Federal felony offense, punishable by up to life imprisonment and a fine of fifteen million dollars.

32.2.6 Seller shall flow the requirements of this Article 33.0 ("COUNTERFEIT' PARTS PREVENTION") to its subcontractors and suppliers at any tier for the performance of this Contract.

## 33.0 CONFLICT MINERALS

33.1 Seller represents that, regardless of whether Seller is publicly traded or not, Seller does not procure Conflict Minerals from Covered Countries, as those terms are defined by and consistent with the Securities and Exchange Commission's final rule on Conflict Minerals, 17 CFR Parts 240 and 249(b), promulgated pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. (the "Rule").

33.2 Seller represents and warrants that all Items that will be delivered to General Dynamics by Seller under this Order are Democratic Republic of the Congo (DRC) Conflict Free, as defined by and consistent with the Rule, including "Adjoining Countries." "Adjoining Countries" are Angola, Burundi, Central African Republic, the Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

33.3 Seller agrees that, if required by the Rule, it has made, and will continue to make, good faith inquiries reasonably designed to determine whether any Conflict Mineral that is included in any Item delivered to General Dynamics pursuant to this Order originated in the DRC or an Adjoining Country, or is from Recycled or Scrap Sources, as defined in the Rule. Seller further agrees that, if required by the Rule, it has performed, and will continue to perform, due diligence on the source and chain of custody of any Conflict Mineral that is included in any Item delivered to General Dynamics pursuant to this Order, and that such due diligence conforms to a nationally or internationally recognized due diligence framework, if such a framework is available for the Conflict Mineral. Seller agrees that all inquiries and diligence performed shall be consistent with the requirements of the Rule.

33.4 Seller agrees that it shall require its own subcontractors and suppliers (at any tier in the supply chain for an Item delivered to General Dynamics under this Order) to furnish information to Seller necessary to support Seller's obligations under this Article 33.0.

33.5 Seller will maintain records reviewable by General Dynamics to support its certifications above.

33.6 Seller acknowledges that General Dynamics may utilize and disclose Conflict Minerals information provided by Seller in order to satisfy its disclosure obligations under the Rule.

33.7 If General Dynamics determines that any certification made by Seller under this Article 33.0 is inaccurate or incomplete in any respect, then General Dynamics may terminate this Order pursuant to the provision per Section 7.1 "TERMINATION FOR CAUSE" above.

**34.0 SELLER NOTICE OF DISCREPANCIES** – Seller shall immediately notify Buyer in writing when discrepancies in Seller's process, materials, or approved inspection/quality control system are discovered or suspected which may materially affect the Deliverables performed or delivered or to be performed or delivered under this Order.

**35.0 IMPORTED ALUMINUM** - If this Order includes Items that include imported aluminum, Seller shall ensure such aluminum is not of Russian origin and special duties have not been paid. In the event Seller is providing Items that include aluminum that is of Russian origin, Seller shall pay the special duties prior to delivery to Buyer in accordance with the Presidential Proclamation 10522 on Adjusting Imports of Aluminum into the United States and shall provide Buyer with documentation of the (i) Primary country of smelt; (ii) Secondary country of smelt; and (iii) Country of cast at the time of delivery of the Products to Buyer

**36.0 DISCONTINUANCE OF MANUFACTURE** – Should Seller decide to discontinue manufacture of the Items purchased by Buyer under this Order, Seller: (1) shall provide written notice to Buyer of the intended supply discontinuance; and (2) shall provide Buyer a minimum of twelve months from the written notification date to allow Buyer to place final "lifetime buy" purchase orders for the Items at a unit price to be negotiated, but in no event higher than the unit price provided in this Order. In the event one or more "lifetime buy" purchase orders are made during such twelve month period, Seller shall deliver the purchased Items to Buyer no later than six months after the end of the "lifetime buy" period. Seller's obligations under this clause shall extend for two years beyond the effective date of this Order irrespective of whether this Order is completed/terminated within the two year period.

**37.0 SERVICES PERFORMED ON BUYER PREMISES; ACCESS TO BUYER'S INFORMATION SYSTEMS**

37.1 Seller agrees that, while visiting or working at Buyer's facilities, Seller and its personnel shall comply with all facility rules and regulations of which they have notice, including, but not limited to, the security and safety requirements and shall take all precautions required by any of these or otherwise necessary to prevent the occurrence of any injury to person or property during the term of this Order.

**37.2 Facility Access**

37.2.1 If needed, Seller and Seller's personnel shall be granted access to Buyer facilities only during Buyer's normally scheduled business hours or as otherwise specifically agreed in writing between the Parties.

37.2.2 Seller further understands that Buyer is a defense contractor providing work for the United States Government, and as such, is under certain mandatory security obligations with regard to access to its facilities and technology. Due to the fact that disclosure of certain information to any individual may be deemed an export, Seller agrees that it will not assign any worker (including Seller him or herself) to perform Services under this Order (including but not limited to accessing Seller's web based portal for the applicable program) unless that person qualifies as a "U.S. person," defined as:

- i. U.S citizen;
- ii. U.S. nationals, including an alien lawfully admitted for permanent resident (those possessing a valid Form I-551); or
- iii. Asylee or refugee as defined in 8 U.S.C. 1324(b)(a)(3)

37.3 Safety. Seller agrees to comply with the federal Occupational Safety and Health Act (OSHA), all applicable OSHA regulations or standards, and all Buyer's safety rules of which Seller has notice, regarding the performance of Services under this Order.

37.4 Hazardous Substances

37.4.1 Buyer uses a number of "hazardous substances", as defined in 29 C.F.R. 1910.1200, and some of these substances are used in work areas where Seller may perform Services. The Material Safety Data Sheet ("MSDSs") kept on file by Buyer for any hazardous substances which are present in such work areas shall be made available for review by Seller upon request.

37.4.2 Seller agrees not to deliver or transport any hazardous substances or materials, as defined in 29 C.F.R. Section 1910.1200, onto Buyer's property without having first obtained prior written approval from Buyer's Environmental, Health and Safety Department, and Seller agrees to comply with any instructions from such Department regarding such substances and materials.

37.4.3 Seller agrees to immediately report any known spill of hazardous materials, hazardous substances, or hazardous wastes on Buyer's property whether caused or not by Seller. In addition, for spills of hazardous materials, hazardous substances, or hazardous wastes which are owned or controlled by Seller, Seller agrees that containment and cleanup shall be at the sole expense of Seller and shall be performed to the satisfaction of Buyer's Environmental, Health and Safety Department.

37.5 Emergency Medical Aid. Seller authorizes Buyer to administer minor first aid to Seller or Seller's agents or employees for injuries incurred on Buyer's property. In the event of a serious injury or if immediate emergency care is believed necessary for an illness, Seller authorizes Buyer to arrange for emergency response services at Seller's expense.

37.6 Use of Buyer's Computers or Computer Networks (If applicable). In the event Seller's personnel require access to Buyer's computer networks for the purposes of performing work under this Order, Seller and Seller's personnel agree to comply with the requirements set forth in the Statement of Work.

**38.0 PROHIBITED ENTITIES** - In accordance with recent U.S. Government restrictions and/or regulations, Buyer will no longer accept Deliverables, either directly or indirectly, from the following entities or any subsidiary or affiliate of such entities: Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, Dahua Technology Company and Acronis International GmbH (hereinafter "Prohibited Entities"). As such, Seller, hereby represents and warrants to Buyer that no Deliverables from Prohibited Entities will be sold, licensed or transferred to Buyer pursuant to this Order. This representation and warranty extends to the future performance of this Order.

**39.0 HEADINGS** - The headings used in this Purchase Order are inserted for the convenience of the parties and shall not define, limit, or describe the scope or the intent of the provisions of this Purchase Order.