

## 1. Acceptance of Purchase Order

Agreement by Seller to furnish the materials, and products (“goods”) or services, including the products resulting from services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute Seller’s unqualified acceptance of this Purchase Order subject to these terms and conditions. In the event that this Purchase Order does not state price or delivery, Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions herein contained shall be void and of no effect unless specifically agreed to by Buyer in writing. Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by Buyer’s purchasing representative. These terms and conditions, together with any referenced exhibits, attachments or other documents, constitute the entire agreement between the Parties with respect to the subject matter of this Purchase Order; and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

## 2. Shipping Instructions; Risk of Loss; Title of Goods

- (a) Seller shall be responsible for ensuring the proper packaging of goods hereunder. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order.
- (b) Seller shall at all times comply with Buyer’s written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or air bill, as appropriate. Seller shall submit all required shipping papers to Buyer prior to final payment. Title to goods furnished under this Purchase Order shall pass to Buyer upon formal acceptance, regardless of when or where Buyer takes physical possession, unless the Purchase Order specifically provides for earlier passage of title.
- (c) Buyer will purchase goods in the United States of America by F.O.B. Destination (F.O.B. the place of destination is described in Indiana Code § 26-1-2-319), and Seller shall bear the expense of transport of, and risk of loss or damage to, the goods to the named place unless the Purchase Order states otherwise.
- (d) Buyer will purchase goods internationally by DDP Columbia City, IN or Victor, NY (DDP: Delivered Duty Paid is described in Incoterms 2010), and Seller shall bear the expense of transport of, and risk of loss or damage to, the goods to the named place unless the Purchase Order states otherwise.
- (e) Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, air bills, and invoices.
- (f) Buyer expects full shipment of ordered quantity. Any deviations to the quantity (over or under) must have prior written approval from Buyer.

## 3. Delivery; Notice of Delay; Obsolescence; Completion

- (a) Time is of the essence and failure to deliver in accordance with the delivery schedule under this Purchase Order, if unexcused, shall be considered a material breach of this Purchase Order. Any times and dates relating to this Purchase Order shall be recognized as referring to the Eastern Time Zone in the United States of America. No acts of Buyer, including without limitation modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller’s risk and expense shipments made in excess of this Purchase Order or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.
- (b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule but such notice and proposal or Buyer’s receipt or acceptance thereof shall not constitute a waiver to Buyer’s rights and remedies hereunder.
- (c) During performance of this Purchase Order, Seller shall notify Buyer of any planned obsolescence or recall of the good(s) set out in this Purchase Order.
- (d) This Purchase Order is considered closed when the ERP system reports that all goods or services have been received and final payment has been completed.

**4. Termination for Convenience**

- (a) Buyer may, by written notice, terminate this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) In the event of termination for convenience by Buyer, Seller shall be reimbursed for actual, reasonable, substantiated and allocable costs, plus a reasonable profit for work performed to date of termination. Any termination settlement proposal shall be submitted to Buyer promptly, but no later than forty-five (45) days from the effective date of the termination. In no event shall the amount of any settlement be in excess of the Purchase Order value. Buyer may take immediate possession of all goods, complete or incomplete, and all products resulting from services upon written notice of termination to Seller.

**5. Termination for Default**

- (a) Buyer may, by notice in writing, terminate this Purchase Order in whole or in part at any time for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance. Buyer may also terminate this Purchase Order in whole or in part in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) In the event of Seller's default hereunder, Buyer may exercise any or all rights and remedies accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity. In addition, in the event Buyer terminates for default all or any part of this Purchase Order, Seller shall be liable for Buyer's re-procurement costs.
- (c) If this Purchase Order is terminated for default, Buyer may require Seller to transfer title to, and deliver to Buyer, as directed by Buyer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this Section) that Seller has specifically produced or acquired for the terminated portion of this Purchase Order. Upon direction of Buyer, Seller shall also protect and preserve property in its possession in which Buyer has an interest.

**6. Force Majeure**

- (a) An event of Force Majeure is defined as an event or circumstance which is beyond the control and without the fault or negligence of the Party affected and which by the exercise of reasonable diligence the Party affected was unable to prevent.
- (b) Except for a default of Seller's subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform provided that the event or circumstance is included, but not limited to the following: acts of God or of the public enemy; acts of the government in its sovereign or contractual capacity (including material actions deemed illegal after the creation of this Purchase Order); chemical, biological, or nuclear accidents; epidemics; terrorism; quarantine restrictions; strikes; freight embargoes; and unusually severe weather (fires, floods, earthquakes, high wind damage, tornadoes/cyclones, and hurricanes/typhoons). Monetary and exchange rate fluctuations are not considered a Force Majeure event or circumstance.
- (c) In the event that performance of this Purchase Order is hindered, delayed or adversely affected by clauses of the type described above ("Force Majeure"), then the Party whose performance is so affected shall so notify the other Party's authorized representative in writing as soon as possible and, at Buyer's option, this Purchase Order shall be completed with such adjustments to the delivery schedule as are reasonably required by the existence of Force Majeure or this Purchase Order may be terminated for convenience pursuant to Section 4.
- (d) The Party prevented from or delayed in performing its obligations has no liability for any costs (including any delay costs incurred

by the other Party), losses, expenses, damages or the payment of any part of this Purchase Order's price during an event of Force Majeure.

- (e) An event of Force Majeure does not relieve a Party from liability for an obligation which arose before the occurrence of that event, not does that event affect the obligation to pay money in a timely manner which matured prior to the occurrence of that event.

## 7. Disputes and Governing Law

Any controversy or claim that may arise out of or in connection with this Purchase Order that after good faith negotiations cannot be resolved to both Parties' satisfaction may be resolved by submitting the claim to a court of competent jurisdiction.

- (a) Pending resolution or settlement of any dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order shall be governed and construed in accordance with the laws of the State of Indiana in the United States of America, without regard to its conflicts of laws provisions, except that any provision in this Purchase Order that is: (i) incorporated in full text or by reference from the Federal Acquisition Regulation (FAR) or; (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasijudicial agencies of the United States Government. The provisions of the "United Nations Convention on Contracts for the International Sale of Goods" shall not apply to this Purchase Order, including any amendments or changes to this Purchase Order.
- (b) A subcontractor of any tier cannot directly sue the federal government while working with Buyer in a contractual relationship where Buyer is the prime contractor and the matter in dispute concerns this contractual relationship, even if a subcontractor's claim would otherwise be warranted.

## 8. Remedies

- (a) Except as otherwise provided herein, the rights and remedies of both Parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either Party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights and shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.
- (b) Buyer shall be entitled at all times to set off any amount owing at any time from Seller or any of its affiliated companies to Buyer, against any amount payable at any time by Buyer or any of its affiliated companies to Seller.

## 9. Proprietary Rights

- (a) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, all specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a non-proprietary basis and may be used and/or disclosed by Buyer without restriction.
- (b) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, all specifications, information, data, drawings, software and other items which are (i) supplied to Seller by Buyer or (ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer shall be proprietary to Buyer, shall be used only for purposes of providing goods or services to Buyer pursuant to this Purchase Order, and shall not be disclosed to any third party without Buyer's express written consent. All such items supplied by Buyer or obtained by Seller in performance of this Purchase Order or paid for by Buyer shall be promptly provided to Buyer on request or upon completion of this Purchase Order.
- (c) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, any invention, know-how, or intellectual property first made or conceived by Seller in the performance of this Purchase Order or which is derived from or based on the

use of information supplied by Buyer shall be considered to be the property of Buyer; and Seller shall execute such documents necessary to perfect Buyer's title thereto. Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, any work performed pursuant to this Purchase Order which includes any copyright interest shall be considered a "work made for hire". Subject to Paragraph 9(d) below, to the extent any of such works do not qualify as a "work made for hire", Seller hereby assigns to Buyer all its intellectual property rights, including its copyright rights, in such works effective immediately upon creation of such works, including when they are first fixed in a tangible medium.

- (d) Applicable U.S. Government Procurement Regulations incorporated into this Purchase Order shall, when applicable, take precedence over any conflicting provision of this Section 9 to the extent that such Regulations so require. The incorporation by reference of such U.S. Government Regulations dealing with subcontractors rights in Technical Data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the Parties.

## 10. Buyer's Property

- (a) All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or paid for by Buyer shall be and remain the property of Buyer; and if Seller fails to return such property upon Buyer's demand, Buyer shall have the right, upon reasonable notice, to enter Seller's premises and remove any such property at any time without being liable for trespass or damages of any sort.
- (b) All such items shall be used only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing.
- (c) Goods made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Seller to any other person or concern without Buyer's prior written consent.
- (d) Seller shall have the obligation to maintain any and all property furnished by Buyer to Seller and all property to which Buyer acquires an interest by this Purchase Order and shall be responsible for all loss or damage to said property except for normal wear and tear.
- (e) Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss or damage.
- (f) Seller shall clearly mark, maintain in inventory, and keep segregated or identifiable all of Buyer's property.

## 11. Release of Information

- (a) Seller shall not publish, distribute, or use any information developed under or about the existence, nature, terms, or conditions of this Purchase Order, or use the Buyer's Company name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for goods or service endorsement without prior written approval of Buyer.
- (b) Each Party may disclose information when necessary to share such information with the Parties' accountants, attorneys, or other employees indispensable to this Purchase Order, where disclosure to a governmental agency is required, or where disclosure is ordered by a court of competent jurisdiction.

## 12. Order of Precedence

- (a) In the event of any inconsistency or conflict between or among the provisions of this Purchase Order, such inconsistency or conflict shall, subject to Section 9(d) above, be resolved by the following descending order of preference: 1. Order-specific provisions provided in full text on the Purchase Order as additions to the pre-printed terms; 2. Documents incorporated by reference on the Purchase Order which apply to the Purchase Order as a whole and not to a specific line item therein; 3. These General Terms and Conditions of Purchase and Supplements thereto; 4. Statement of Work; and 5. Specifications attached hereto or incorporated by reference (see Paragraph 12(b) below).

- (b) Buyer's specifications shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Seller. In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this Purchase Order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

### 13. Warranty

- (a) Seller warrants the goods delivered pursuant to this Purchase Order, unless specifically stated otherwise in this Purchase Order, shall (i) be new (ii) be free from defects in workmanship, materials, and design and (iii) be in accordance with all the requirements of this Purchase Order. Seller further warrants that the performance of work and services shall conform with the requirements of this Purchase Order and to high professional standards. All warranties in this Purchase Order shall survive inspection, test, final acceptance and payment of goods and services.
- (b) Seller warrants that the goods delivered pursuant to this Purchase Order shall (i) be and only contain materials obtained directly from the Original Component Manufacturer (OCM) or the Original Equipment Manufacturer (OEM), (collectively, the Original Manufacturer (OM)) or an authorized OM reseller or distributor; (ii) not be or contain Counterfeit Items, as defined below; and (iii) contain only authentic, unaltered OM labels and other markings. Seller shall obtain and retain all documentation required to fully trace the distribution and sale of the goods delivered hereunder back to the relevant OM, and, on request of Buyer, shall provide such authenticating documentation. Counterfeit Items include, but are not limited to, goods or separately-identifiable items or components of goods that: (i) are an illegal or unauthorized copy or substitute of an OM item; (ii) are not traceable to an OM sufficient to ensure authenticity in OM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OM or are not constructed in accordance with OM design; (iv) have been re-worked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OM design but not disclosed as such or are represented as OM authentic or new; (v) have not passed successfully all OM required testing, verification, screening, and quality control processes; or (vi) an item with altered or disguised documentation, package labeling, or item marking intended to mislead a person into believing a non-OM item is genuine, or that an item is of better or different performance when it is not. Seller further warrants that it has and shall have an internal Counterfeit Item control process for goods delivered hereunder in accordance with the standards or instructions set forth in any Buyer's specifications or other provisions incorporated into this Purchase Order. Buyer shall have the right to audit, inspect, and / or approve the processes at any time before or after delivery of the goods ordered hereunder. Buyer shall have the right to require changes to the processes to conform with Buyer's defined standards, if any. Failure of the Seller to conform its processes with Buyer's defined standards may result in the termination of this Purchase Order in accordance with the termination provisions set forth herein. Seller shall include the substance of this Section 13 (b) in any agreement between Seller and its lower tier sellers.
- (c) Seller warrants that any hardware, software and firmware goods delivered under this Purchase Order: (i) shall not contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (a) damage, destroy or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; (ii) shall not contain any third party software (including software that may be considered free software or open source software) that (a) may require any software to be published, accessed or otherwise made available without the consent of Buyer, or (b) may require distribution, copying or modification of any software free of charge; and (iii) shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party.
- (d) These warranty entitlements shall inure to the benefit of both Buyer and Buyer's customers. As used in this Purchase Order, Buyer's customer(s) shall include its direct and indirect customers such as direct sale end-users, subcontractors of any tier, prime contractors and the ultimate user under relevant prime contract(s).
- (e) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties. Remedies shall be at Buyer's election, including, but not limited to, the prompt repair, replacement or reimbursement of the purchase price of nonconforming goods and, in the case of services either

the prompt correction of the defective services at no cost or reimbursement of the amounts paid for such services. Return to Seller of defective or nonconforming goods and redelivery to Buyer of repaired or replaced goods shall be at Seller's expense. Goods or services required to be corrected, repaired or replaced shall be subject to this Section and the Inspection Section of this Purchase Order in the same manner and to the same extent as goods or services originally delivered under this Purchase Order, but only as to the repaired or replaced goods or parts thereof or the corrected service thereof. Seller shall promptly comply with Buyer's direction to (i) repair, rework or replace the goods, (ii) furnish any material or parts and installation required to successfully correct the defect or nonconformance and/or (iii) successfully correct the defective or nonconforming service.

#### 14. Inspection

- (a) All goods and services shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods or Buyer may accept any goods and upon discovery of nonconformance, may reject or keep and rework any such goods not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or re-inspection by Buyer shall be at Seller's expense. Buyer's acceptance of goods or services shall not be deemed to diminish Buyer's rights or be final or binding on Buyer if latent defects, fraud, or misrepresentation on the part of Seller exists.
- (b) If inspection and test are made on the premises of Seller or Seller's lower-tier subcontractors, Seller shall furnish without additional charge all reasonable facilities, information and assistance necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Section are supplementary to and not in lieu of the provisions of Paragraph 14 (a) above.
- (c) Neither Buyer's inspection nor any Buyer failure to inspect shall relieve Seller of any responsibility to perform according to the terms of this Purchase Order.

#### 15. Changes

- (a) Buyer shall have the right by written notice to suspend or stop work or to make changes from time to time in the services to be rendered or the goods to be furnished by Seller hereunder or the delivery schedule. If such suspension, stoppage or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this Paragraph 15(a) must be asserted in writing within twenty (20) days from the date of receipt by Seller of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse Seller from proceeding with this Purchase Order as changed pending resolution of the claim.
- (b) Information, advice, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's purchasing representative and which states it constitutes an amendment or change to this Purchase Order.

#### 16. Infringement

Seller warrants that all goods and services (for purposes of this Section 16 hereinafter "items"), provided by Seller pursuant to this Purchase Order, which are not of Buyer's design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and save Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys' fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby, agrees to defend, at Seller's expense, if requested to do so by Buyer. Seller may replace or modify infringing items with comparable items acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Seller's obligations under this Purchase Order including those contained in Section 13 and in this Section 16 shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

**17. Taxes**

Unless this Purchase Order specifies otherwise, the price of this Purchase Order includes, and Seller is liable for and shall pay, all taxes, impositions, charges, customs duties or tariffs and exactions imposed on or measured by this Purchase 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. To the extent that Buyer is required to do so under applicable law or tax regulations, Buyer may deduct from any payments due to Seller pursuant to this Purchase Order such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Seller with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

**18. Assignments, Subcontracting, Organizational Changes, and Place of Manufacture**

- (a) Seller may not assign any rights, delegate any of its obligations due or to become due under this Purchase Order, or subcontract all or substantially all of its obligations under this Purchase Order, without the prior written consent of Buyer. Any purported assignment, delegation, or subcontracting by Seller without such consent shall be void. Buyer may assign this Purchase Order to (i) any affiliated company, (ii) any successor in interest, or (iii) Buyer's customer.
- (b) Seller shall promptly notify Buyer in writing of any organizational changes made by Seller, including name or ownership changes, mergers or acquisitions.
- (c) Seller shall not change the location of manufacture of the goods to be provided to Buyer under this Purchase Order without Buyer's prior written consent.

**19. Compliance with Law**

- (a) Seller warrants that the goods to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant United States federal, state, local law, orders, rules, ordinances, and regulations, including but not limited to the Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA") and all laws and regulations of Seller's place of performance, and in compliance with applicable international prohibitions on child labor.
- (b) Seller warrants that all goods delivered under this Purchase Order are in conformance with the latest OSHA requirements.
- (c) Seller warrants that in the performance of this Purchase Order, it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order.
- (d) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.
- (e) For Purchase Orders placed in support of and charged to a U.S. Government ("Government") Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of the prime contract or higher-tier subcontract are incorporated herein by reference as if set forth in full text unless made inapplicable by its corresponding note, if any. In all clauses listed herein terms shall be revised to suitably identify the party to establish Seller's obligations to Buyer and to the Government; and to enable Buyer to meet its obligations under its prime contract. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases

shall mean "Buyer", the term "Contracting Officer" shall mean "Buyer's Purchasing Representative", the term "Contractor" or "Offeror" shall mean "Seller", "Subcontractor" shall mean "Seller's Subcontractor" under this Purchase Order, and the term "Contract" shall mean this "Purchase Order". For the avoidance of doubt, the words "Government" and "Contracting Officer" do not change: (1) 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, such as in FAR 52.227-1 and FAR 52.227-2 and (2) when title to property is to be transferred directly to the Government. If any of the following FAR or DFARS clauses do not apply to this Purchase Order, such clauses are considered to be self-deleting.

1. **52.203-7** "Anti-Kickback Procedures" (The substance of this clause, except subparagraph (c)(1), is applicable to Purchase Orders and all lower-tier subcontracts. Seller shall immediately notify Buyer of any alleged violations involving any of Buyer's or Seller's employees.)
2. **52.203-12** "Limitation on Payments to Influence Certain Federal Transactions" (Applicable to Purchase Orders exceeding \$150,000).
3. **52.203-13** "Contractor Code of Business Ethics and Conduct" (This clause is applicable to Purchase Orders (i) that have a value more than \$5,500,000; and (ii) that have a performance period of more than 120 days. (In Paragraph (b)(3)(i), the meaning of "agency office of the Inspector General" and "Contracting Officer" does not change, in Paragraph (b)(3)(ii) the meaning of "Government" does not change, and in Paragraphs (b)(3)(iii) and (c)(2)(ii)(F), the meaning of "OIG of the ordering agency", "IG of the agency" "agency OIG" and "Contracting Officer" do not change).
4. **52.203-15** "Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009" (Applicable to Purchase Orders funded in whole or in part with Recovery Act funds)
5. **52.203-17** "Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights" (Applicable to Purchase Orders over the simplified acquisition threshold).
6. **52.203-19** "Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements."
7. **52.204-10** "Reporting Executive Compensation and First-Tier Subcontract Awards" (Applicable to first-tier Purchase Orders of \$30,000 or more. Seller shall report to Buyer the information required by the clause unless Seller is exempt thereunder).
8. **52.204-21** "Basic Safeguarding of Covered Contractor Information Systems" (Applicable to all Purchase Orders other than commercially available off-the-shelf items in which subcontractor may have Federal contract information residing in or transiting through its information systems)
9. **52.204-23** "Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities."
10. **52.204-25** "Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment."
11. **52.209-6** "Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment" (This Clause is not applicable to Purchase Orders that are: (i) \$35,000 or less; (ii) for the acquisition of a commercially available off-the-shelf item; or (iii) issued under contracts for the acquisition of commercial items).
12. **52.215-22** "Limitations on Pass-Through Charges – Identification of Subcontract Effort"
13. **52.215-23 & Alt I** "Limitations on Pass- Through Charges" (Include Alternate if it is Included in the prime contract) (Under other than DoD prime contracts, applicable to time and material and labor hour Purchase Orders that exceed the simplified acquisition threshold; and under DoD prime contracts, applicable to time and material, labor hour, and fixed price Purchase Orders, except those identified in FAR 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4).
14. **52.219-8** "Utilization of Small Business Concerns"

15. **52.222-21** "Prohibition of Segregated Facilities"
16. **52.222-26** "Equal Opportunity" (To the extent not exempt, this contractor complies with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R Parts 60-1 through 60-60).
17. **52.222-35** "Equal Opportunity for Veterans" (Contracts of \$150,000 or more)
18. **52.222-36** "Equal Opportunity for Workers with Disabilities" (Contracts of \$15,000 or more)
19. **52.222-37** "Employment Reports on Veterans" (Contracts of \$150,000 or more)
20. **52.222-40** "Notification of Employee Rights Under the National Labor Relations Act" (Applicable to Purchase Orders that exceed \$10,000 and are issued under prime contracts resulting from Solicitations issued after December 12, 2010).
21. **52.222-41** "Service Contract Labor Standards" (Applicable when the clause is in the prime contract and the Purchase Order is subject to the Service Contract Labor Standards Statute).
22. **52.222-50 & Alt 1** "Combating Trafficking in Persons" (Include Alternate 1 if it is in the prime contract)
23. **52.222-54** "Employment Eligibility Verification" (This clause is applicable to Purchase Orders (i) for construction or commercial or noncommercial services (except commercial services that are part of a purchase of a COTS item, (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and that are normally provided for that COTS item); (ii) has a value more than \$3,500; and (iii) includes work performed in the United States.)
24. **52.222-55** "Minimum Wages Under Executive Order 13658" (Applicable to Purchase Orders subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute and are to be performed in whole or in part in the United States)
25. **52.222-62** "Paid Sick Leave Under Executive Order 13706" (Applicable to Purchase Orders subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute and are to be performed in whole or in part in the United States)
26. **52.223-18** "Encouraging Contractor Policies to Ban Text Messaging While Driving" (Applicable to Purchase Orders that exceed the micro-purchase threshold).
27. **52.224-3 & Alt 1** "Privacy Training" (Applicable if flowdown is required in accordance with 52.224-3(f); Include Alternate 1 if agency specifies that only its agency-provided training is acceptable)
28. **52.225-26** "Contractors Performing Private Security Functions Outside the United States" (Applicable for Purchase Orders performed outside the United States in areas of combat operations or other significant military operations)
29. **52.232-40** "Providing Accelerated Payments to Small Business Subcontractors" (Applicable to Purchase Orders with small business concerns)
30. **52.244-6** "Subcontracts for Commercial Items"
31. **52.247-64** "Preference for Privately Owned U.S.-Flag Commercial Vessels" (Applicable if flowdown is required in accordance with paragraph (d) of 52.247-64)
32. **52.232-17** "Interest"
33. **52.232-39** "Unenforceability of Unauthorized Obligations"
34. **252.203-7002** "Requirement to Inform Employees of Whistleblower Rights"
35. **252.203-7003** "Agency Office of the Inspector General" (Applies when FAR 52.203-13 applies to the Contract)
36. **252.204-7012** "Safeguarding Covered Defense Information and Cyber Incident Reporting" (Applicable to Purchase Orders under DoD contracts awarded after December 29, 2015 for operationally critical support, or for which Purchase Order performance will involve a covered contractor information system).
37. **252.204-7020** "NIST SP 800-171 DoD Assessment Requirements" (Applicable to all Purchase Orders other than COTS items)
38. **252.204-7021** "Contractor Compliance with the Cybersecurity Maturity Model Certification Level Requirement"

(Applicable to all Purchase Orders other than COTS items)

39. **252.223-7008** “Prohibition of Hexavalent Chromium”
  40. **252.225-7008** “Restriction on Acquisition of Specialty Metals” (Applicable to Purchase Orders for the delivery of specialty metals as end items).
  41. **252.225-7009** “Restriction on Acquisition of Certain Articles Containing Specialty Metals” (excluding Paragraph (d) and (e)(1) which is deleted from this clause). (Applicable to Purchase Orders for Items containing specialty metals to ensure compliance of the end products that Buyer will deliver to the Government under prime contracts awarded, or modified to include the clause, after July 28, 2009 according to the clause).
  42. **252.225-7010** “Commercial Derivative Military Article – Specialty Metals Compliance Certificate” (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009).
  43. **252.225-7048** “Export-Controlled Items”
  44. **252.225-7052** “Restriction on the Acquisition of Certain Magnets and Tungsten” (Applicable to Purchase Orders where an item contains a covered material including Samarium-cobalt magnets; Neodymium-iron-boron magnets; Tungsten metal powder; and/or Tungsten heavy alloy or any finished or semi-finished component containing tungsten heavy alloy.)
  45. **252.227-7013** “Rights in Technical Data - Noncommercial Items” (Applicable whenever any technical data for commercial items developed in part at Government expense will be provided for delivery to the Government under this Purchase Order).
  46. **252.227-7015** “Technical Data – Commercial Items” (Applicable whenever any technical data related to commercial items developed in any part at private expense will be provided under this Purchase Order for delivery to the U.S. Government).
  47. **252.227-7037** “Validation of Restrictive Markings on Technical Data” (Applicable whenever technical data is to be delivered under this Purchase Order).
  48. **252.239-7010** “Cloud Computing Services” (Applicable to Purchase Orders that involve or may involve cloud services).
  49. **252.244-7000** “Subcontracts for Commercial Items”
  50. **252.246-7003** “Notification of Potential Safety Issues”
  51. **252.246-7007** “Contractor Counterfeit Electronic Part Detection and Avoidance System” (Applicable to Purchase Orders when the goods or services include electronic parts or assemblies containing electronic parts. This clause applies to all Sellers, at all tiers, without regard to whether the Seller itself is subject to CAS).
  52. **252.246-7008** “Sources of Electronic Parts” (Applicable to Purchase Orders where electronic parts or assemblies containing electronic parts, unless the subcontractor is the original manufacturer, are being purchased.)
  53. **252.247-7023** “Transportation of Supplies by Sea” (Applicable to Purchase Orders and all lower-tier subcontracts for ocean transportation of supplies. Paragraphs (f) and (g) shall not apply if this Purchase Order or any lower-tier subcontract is at or below the simplified acquisition threshold.)
  54. **252.247-7024** “Notification of Transportation of Supplies by Sea”
- (f) All FAR and DFARS terms and conditions required by the federal government will flow down to a lower-tier subcontractor who is in a contractual relationship with Buyer acting as the prime contractor.
  - (g) Seller shall obtain and maintain all registrations, licenses and permits required to perform the work hereunder.
  - (h) Seller further agrees to defend, indemnify and save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with the warranties in this Section 19. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order.

## 20. Responsibility and Insurance

- (a) Seller shall maintain, and cause its subcontractors to maintain, the insurance coverages that are specified as required in this Purchase Order or, if none are specified, the following minimum insurance coverage and limits: Statutory Workers' Compensation coverage and Employers' Liability with a limit of \$500,000; Commercial General Liability (including bodily injury and property damage, products / completed operations coverage and contractual liability coverage) with a limit of \$1,000,000 per occurrence. When applicable to Seller's performance on the Purchase Order, Seller shall also maintain, and cause its subcontractors to maintain, (i) Automobile Liability coverage with a limit of \$1,000,000 per accident; and (ii) Professional Liability covering the services provided by Seller under this Purchase Order. Upon Buyer's request, Seller shall (i) provide Buyer with certificates of insurance evidencing required insurance, (ii) arrange for a waiver of subrogation in favor of Buyer and/or (iii) in the case of the Commercial General Liability and Automobile Liability policies direct that Buyer be added as an additional insured.
- (b) If work is to be performed on premises owned or controlled by Buyer, then Seller shall comply with all the rules and regulations established by Buyer for access to and activities in and around premises controlled by Buyer or Buyer's customer. Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of this Purchase Order.

**21. Indemnity Against Claims**

- (a) Seller shall keep its work, all goods supplied by it hereunder, and the Buyer's premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.
- (b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees, agents, and parent companies harmless from and against (i) all claims (including claims under Workers' Compensation or Occupational Disease laws or other equivalent laws in Seller's country) and resulting costs, expenses (including attorney fees and costs) and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods supplied, or the services performed by Seller pursuant to this Purchase Order, including, without limitation, latent defects in such goods and/or services, except to the extent that such injury, death, loss or damage is caused solely and directly by the gross negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.

**22. International Transactions**

- (a) Payment will be in United States dollars unless otherwise agreed to by specific reference in this Purchase Order.
- (b) Seller agrees that Buyer, its subsidiaries, affiliates or its designees may exclusively use the value of the Purchase Order to satisfy any international offset obligations that Buyer may have with Seller's country, subject to the offset qualifying laws, rules and regulations of that country.
- (c) For international orders, an exchange rate determination between the United States dollar and the currency of the Seller's country will be made on the date the Purchase Order is submitted to Seller and will cover the entire period of performance for the Purchase Order.

**23. Export/Import Controls**

- (a) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services Seller hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls, if necessary, and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and/or the Export Administration Regulations ("EAR").
- (b) Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR and/or EAR. Seller agrees that no technical data, information or other items provided by Buyer in connection with this Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR or EAR controlled technical data or

items. It shall be the sole responsibility of Seller to determine whether the information provided by Buyer is technical data as outlined in the ITAR (22 CFR 120-130) or EAR prior to any release to a third party abiding by the terms outlined herein. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.

- (c) Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended or revoked.
- (d) Should Seller's goods or services originate from a foreign location, those goods may also be subject to the export control laws and regulations of the country in which the articles or services originate. Seller agrees to abide by all applicable export control laws and regulations of that originating country. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller, its officers, employees, agents, suppliers or subcontractors at any tier. Buyer shall be responsible for complying with any laws or regulations governing the importation of the articles into the United States of America.
- (e) Buyer may be required to obtain information concerning citizenship or export status of Seller's personnel. Seller agrees to provide such information as necessary and certifies the information to be true and correct.

#### **24. Severability**

If any provision of this Purchase Order or application thereof is found invalid, illegal or unenforceable by law, the remainder of this Purchase Order will remain valid, enforceable and in full force and effect, and the Parties will negotiate in good faith to substitute a provision of like economic intent and effect.

#### **25. Standards of Business Ethics and Conduct**

By the acceptance of this Purchase Order, Seller represents that it has not participated in any conduct in connection with this Purchase Order that violates the Standards of Business Ethics and Conduct of Buyer Company (<http://www.ultra-ussi.com>) or, alternatively, equivalent Business Ethics and Conduct Standards of Seller. If, at any time, Buyer determines that Seller is in violation of the applicable Standards of Business Ethics and Conduct, Buyer may cancel this Purchase Order upon written notice to Seller and Buyer shall have no further obligation to Seller.

#### **26. Priority Rating**

If so identified, this Purchase 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).

#### **27. Survivability**

Seller's obligations that by their very nature must survive expiration, termination or completion of this Purchase Order, include but not limited to obligations under the Termination for Convenience, Termination for Default, Proprietary Rights, Release of Information, Warranty, Infringement, Compliance with Law, Responsibility and Insurance, Indemnity Against Claims, Export/Import Controls, and Electronic Transmissions provisions of this Purchase Order, shall survive expiration, termination or completion of this Purchase Order.

#### **28. Electronic Transmissions**

The Parties agree that if this Purchase Order or any amendment is transmitted electronically, neither Party shall contest its validity, or any acknowledgment thereof, on the basis that this Purchase Order, amendment, or acknowledgment contains an electronic signature or that it constitutes a writing.

#### **29. Seller Record**

- (a) Unless a longer period is specified in this Contract or by law or regulation, Seller shall retain all records related to this Contract for ten (10) years from the date of final payment received by Seller. Records related to this Contract include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, quality processes and procedures, shipping and export, certifications, and receipt records.

- (b) Buyer and its customers shall have access to such records, and any other records Seller is required to maintain under this Contract, for the purpose of audit during normal business hours, upon reasonable notice for as long as such records are required to be retained. Audit rights shall be available to Buyer on all performance related reports and other records, except records pertaining to proprietary indirect cost data. Audit of any proprietary indirect cost data may be accomplished through the responsible Defense Contract Audit Agency (DCAA) representative, or a mutually agreeable third party auditor from a nationally recognized firm of certified public accountants.

### **30. Employment Regulatory Requirements**

Seller certifies by acceptance of this agreement that it complies with the equal opportunity, affirmative action, and employee notice requirements specified in the Equal Opportunity Clauses at CFR 60-1.4, 41 CFR 60-250.5(a), 41 CFR 60-300.5(a), and 41 CFR 60-741.5(a) and the Employee Notice Clause at 29 CFR 471 Appendix A to Subpart A, where applicable.

### **31. Agency and Independent Party Relationship**

- (a) No agent, employee, or representative of either Party shall have the authority absent express written consent, to bind its own Party with regard to any affirmation, representation, or warranty of the goods sold under this Purchase Order.
- (b) This Purchase Order does not create, and should not be interpreted or construed as creating, any agency, partnership, joint venture, franchise, or employment relationship between the Parties. No Party has the authority to make any statements, representations or commitments of any kind or to take any action binding on another Party.

### **32. Language**

The Parties mutually agree that this Purchase Order and all correspondence herein shall be written and communicated verbally in the English language and each Party warrants that they or their designated agents are fluent in the English language and fully understand the contents of this Agreement.

### **33. Representations and Acceptance**

Each Party mutually warrants to the other that it has the full power and authority to enter into this Purchase Order and to perform its obligations hereunder, and that the entering into of this Purchase Order and the performance of its obligations does not violate, and will not be in conflict with, any provision of its articles of incorporation, bylaws, or other governing documents, or any Agreement or Agreement with a third party.

### **34. Headings**

The headings used in these General Terms and Conditions of Purchase Order are for convenience only and not relevant to the interpretation of the provisions contained therein.

### **35. Integrated Agreement**

- (a) The foregoing General Terms and Conditions of Purchase Order constitute the entire Agreement between the Parties and supersede any oral or written representatives or Agreements that may have been made by either Party.
- (b) Both Parties acknowledge that they have read and understood these General Terms and Conditions of Purchase Order and relied on its own judgment in entering into it.
- (c) These General Terms and Conditions of Purchase Order shall govern unless the Parties have executed a separate, written master terms agreement. Buyer objects to any different or additional terms and conditions.

### **36. Counterparts/Facsimiles**

- (a) This Purchase Order may be executed in any number of counterparts; each of which when so executed and delivered

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shall be deemed an original, and such counterpart together shall constitute one and the same instrument.

- (b) Each Party shall receive a duplicate original of the counterpart copy or copies executed by it.
- (c) A facsimile or electronically transmitted original copy of this Purchase Order, including the signature pages hereto, shall be deemed to be an original.

### **37. Amendments to General Terms and Conditions of Purchase Order**

Buyer may amend the “General Terms and Conditions of Purchase Order” at any time by reasonable notice, including without limitation by posting revised terms on its website at <https://www.ultra.group/contact/locations/us/fort-wayne/>, and those amended terms shall become binding on all orders placed on or after the applicable amendment date.