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## PART I – GENERAL PROVISIONS

### 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

(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) If Seller uses wood packaging materials such as pallets, crates, boxes, dunnages, cases, skids and pieces of wood used to support or brace cargo being imported into the United States, it shall be heat treated or fumigated with methyl bromide in accordance with EPA label instructions and include a mark that certifies the wood completed the required treatment under the “Guidelines for Regulating Wood Packaging Material in International Trade,” ISPM 15 of the International Standards of Phytosanitary Measures (ISPM) and any associated amendments, revisions or exemption identified by the U.S. Department of Agriculture, Animal and Plant Health Inspection Service (APHIS).

(c) Seller shall at all times comply with Buyer’s written shipping instructions and Incoterms reflected on the Purchase Order. 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 airbill, as appropriate. Seller shall submit all required shipping papers to Buyer prior to final payment.

(d) Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, airbills, and invoices.

(e) Invoices shall be produced entirely in English and shall include the elements set forth in Exhibit A.

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

(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. 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 of the good(s) set out in this Purchase Order.

### 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 ninety (90) 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, including but not limited to, Seller's liability for Buyer's excess re-procurement costs for goods or services.

(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) Except for a default of Seller's subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that performance of this Purchase Order is hindered, delayed or adversely affected by causes 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 and, at Buyer's option, this Purchase Order shall be completed with such adjustments to 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.

(b) Failure of any relevant government to issue any required import or export license, or withdrawal/termination of a required import or export license by such relevant government, shall relieve Buyer of its obligations under this Purchase Order, and shall relieve Seller of its corresponding obligations.

## 7. Disputes and Governing Law

(a) If a dispute cannot be resolved to both Parties' mutual satisfaction, after good faith negotiations, within ninety (90) calendar days from the date the written claim is received by the other Party, or such additional time as the Parties agree upon, in writing, such dispute shall be settled in New York, New York by binding arbitration in the English language in accordance with the Rules of the American Arbitration Association. The Appointing Authority shall be the president of the American Arbitration Association. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. The Arbitrator(s) award may include compensatory damages against either Party. Under no circumstances will the Arbitrator(s) be authorized to, nor shall they award punitive damages or multiple damages against either Party. The Arbitrator(s) shall have the authority but not the obligation to award the costs of arbitration and reasonable attorney's fees to the prevailing Party; however, if the Arbitrator(s) do not award such costs and fees, each Party will be responsible for its costs incurred in arbitration except that the costs and fees imposed by the Arbitrator(s) for their expenses shall be borne equally by the Parties.

(b) 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 within the United States from which this Purchase Order is issued by Buyer, 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 quasi-judicial agencies of the United States Government. The provisions of the "United Nations Convention on Contracts for International Sale of Goods" shall not apply to this Purchase Order, including any amendments or changes to this Purchase Order.

## 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 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

Seller shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the VT Group 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.

### 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; 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 International 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, including but not limited to VT Group Quality Notes (see <http://qnotes.VTGroup.com/>), 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, including but not limited to VT Group Quality Notes, 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 to Buyer's defined standards, if any. Failure of the Seller to conform its processes to 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, higher-tier subcontractors, 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 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 reinspection 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 Buyer's failure to inspect shall relieve Seller of any responsibility to perform according to the terms of this Purchase Order. Notwithstanding any other provision of the Purchase Order, the risk of loss of, or damage to, nonconforming goods remains with Seller until cure or acceptance.

#### **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 United States sales and use taxes that are separately stated on Seller's invoice but Seller retains the responsibility to remit taxes collected from Buyer to the relevant tax authority. Prices shall not include any taxes, impositions, charges, customs duties or tariffs and 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 after such taxes are paid.

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

(a) Seller may not assign any rights or delegate any of its obligations due or to become due under this Purchase Order without the prior written consent of Buyer. Any purported assignment or delegation 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 may not subcontract any part of this Purchase Order without the prior written consent of Buyer. Buyer shall not be obligated to any subcontractor for the materials, products or services of any subcontractor whether or not Buyer has consented to or designated a subcontractor. Approval of a subcontractor is not a release or waiver of any obligation of Seller or right of Buyer. Seller is responsible for all actions or inactions of any subcontractor and shall bind its subcontractors for the benefit of Seller and Buyer to perform its obligations under these terms. If Seller subcontracts any part of the work outside the country of purchase, Seller shall be responsible for customs formalities and clearances to the country of Purchase Order placement, unless the Purchase Order states otherwise, and Buyer may direct the contract of carriage. Seller shall agree with Buyer on a mutually acceptable customs broker, but Seller shall in no way be relieved from its responsibilities for customs formalities and clearances, including the actions of the selected customs broker. Any subcontract awarded to a foreign person, as defined in the International Traffic in Arms Regulations or the Export Administration Regulations, must comply with the Export and Import Compliance Controls Section herein.

(c) Seller shall promptly notify Buyer in writing of any organizational changes made by Seller, including name or ownership changes, mergers or acquisitions.

(d) 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 it shall comply with all applicable Federal, State and local laws, rulings, and regulations of the United States of America, including the Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA"), and all laws and regulations of Seller's country and Seller's place of performance, throughout the term of this Purchase Order.

(b) Seller represents and warrants to, and covenants and agrees with, Buyer that:

(1) Seller is familiar with the FCPA and its purposes. In particular, Seller is familiar with the FCPA's prohibition of the acts described herein.

(2) In connection with its performance of this Purchase Order, Seller has not, directly or indirectly, offered, paid, given, promised to pay or give, or authorized the payment or giving of any money, gift, or anything of value, and will not, directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, or anything of value to: (i) any foreign official (as defined herein), any foreign political party or official thereof, or any candidate for foreign political office; or (ii) any person while knowing that all or a portion of such money, gift or thing of value will be offered, paid, given or promised, directly or indirectly, to any such foreign official, foreign political party or official thereof, or to any candidate for foreign political office, (each such official, political party or official thereof or candidate or person being herein called a "Restricted Person"); or (iii) any officer, director, shareholder, employee or agent of any foreign government entity or person; for the purpose of influencing any act or decision of such foreign official, foreign political party or official thereof, candidate or person, officer, director, shareholder, employee or agent in his, her or its official capacity, or inducing such foreign official, foreign political party or official thereof, or candidate or person to do or omit to do any act in violation of the lawful duty of such foreign official, foreign political party or official thereof, candidate or person, or securing any improper advantage; or inducing such foreign official,

foreign political party or official thereof, candidate or person, officer, director, shareholder, employee or agent to use his, her or its influence with any foreign government or instrumentality thereof or any customer to affect or influence any act or decision of such foreign government or instrumentality or customer; in order to assist Buyer in obtaining or retaining business with, or directing business to, any person. As used herein, "foreign official" means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or any enterprise owned or controlled by a foreign government, department, agency or instrumentality, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization. (3) None of Seller's officers, directors, shareholders, employees or agents is a Restricted Person. Neither Seller nor any of its shareholders, directors, officers, employees or agents has performed or will perform any act which would constitute a violation of the FCPA or which would cause Buyer to be in violation of the FCPA. Payments by Seller to officers or employees of an entity that is owned and controlled by a foreign government are permitted where such payments constitute normal and lawful compensation commensurate with services performed and not made in a selective, discriminatory or preferential manner.

(4) No Restricted Person has a right to share directly or indirectly in any compensation payable under this Purchase Order. No payment will be made hereunder to any person other than Seller; and no payment will be made to Seller under this Purchase Order other than the payment of the compensation in accordance with the terms hereof. No compensation payable hereunder, has been used, nor will be used, for any activity or purpose that would violate the FCPA or that might expose Buyer to liability under the FCPA.

(5) Any modification or amendment to this Purchase Order shall be deemed a re-certification of the accuracy and truthfulness of the foregoing representations and warranties of this Section.

(6) Seller's price quotations and invoice prices shall accurately and fairly reflect the commensurate value of the goods and services provided under this Purchase Order.

(7) Seller shall cooperate with, and provide assistance to, Buyer in implementing adequate due diligence procedures in connection with the selection and retention of consultants and subcontractors by Buyer or Seller. In the event that Buyer determines that consultants and subcontractors selected and to be retained by Seller are a foreign official as defined above, Seller shall confirm that such consultants and subcontractors are competent, experienced and financially solvent and shall cause each such consultant and subcontractor to complete the Questionnaire and Certification form attached hereto as Exhibit B and any other documentation reasonably required by Buyer, and shall deliver such completed form and any required documentation to Buyer for review. If, after review of the completed Questionnaire and Certification form and any required documentation, Buyer agrees to Seller's use of such consultant or subcontractor in connection with satisfying the requirements of this Purchase Order, Seller shall include the substance of this Section 19 in any agreement between Seller and the consultant or subcontractor and shall cause the consultant or subcontractor to include the substance of this Section 19 in all agreements with any lower tier consultants or subcontractors.

(c) Seller certifies that neither Seller nor anyone employed by Seller is in violation of applicable federal statutes such as the Defense Acquisition Improvement Act of 1986 and the Post-Employment Restrictions Act of 1988 with regard to the employment of former government officers and employees and Section 423, Title 41 of the United States Code prohibiting certain activities by competing contractors and Government procurement officials during the conduct of Federal procurements involving soliciting or discussing post-government employment, offering or accepting a gratuity, or soliciting or disclosing proprietary or source selection information.

(d) The provisions of this Section 19, including this Paragraph (d), shall be included in any agreement between Seller and any consultant or subcontractor where the subcontract includes a statement of work. For these purposes, a statement of work is deemed to be a narrative description of the goods and/or services to be supplied. Seller and its employees who are employed by Seller to perform Seller's obligations and work under this Purchase Order are in compliance with federal statutes and regulations applicable to federal procurements under United States Government Contracts, including but not limited to: (1) 18 U.S.C. § 207 restricting the employment of former government employees; (2) 41 U.S.C. § 423 (Procurement Integrity as set forth at FAR 3.104) prohibiting during the conduct of Federal Procurements, the soliciting or discussing post-government employment, offering a gratuity, or soliciting or disclosing proprietary or source selection information; and (3) The Honest Leadership and Open Government Act of 2007.

(e) Seller warrants that it and its officers, employees or representatives have not, for the purpose of improperly obtaining or rewarding favorable treatment in connection with the award of this Purchase Order to Seller from Buyer: (1) provided, attempted to provide, or offered to provide any kickback; (2) solicited, accepted, or attempted to accept any kickback; or (3) included,

directly or indirectly, the amount of any kickback prohibited by (1) or (2) of this Section in the price charged by Seller to Buyer under this Purchase Order. Any breach of this warranty shall constitute a material breach of this Purchase Order. For purposes of this Section, the term "kickback" means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to Buyer or Buyer's officers, employees or representatives, including any of their family members, subcontractors, or subcontractor employees, for the purpose of improperly obtaining or rewarding favorable treatment in connection with this Purchase Order.

(f) Seller warrants that it has and shall maintain all registrations and licenses and shall obtain permits all as required to perform the work hereunder.

(g) 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 and certifications 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 and all goods supplied by it hereunder and Buyer 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 and agents 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 negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.

## **22. Currency and Offsets**

(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 this 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 and prohibitions on incentive payments for the purpose of satisfying any offset agreement with that country under 22 U.S.C. § 2779a (the "Feingold Amendment"). In addition, Seller agrees to identify and retain for Buyer's use any rights to offset credits generated by its suppliers and subcontractors arising out of or resulting from this Purchase Order. Seller shall provide a copy of each purchase order or subcontract placed with a foreign source under this Purchase Order in support of Buyer's rights to offset credit. Seller shall execute all necessary documents to evidence Buyer's right to use or assign any offset credits. Buyer reserves the right to assign offset credits generated through Seller's efforts under this Purchase Order

to third parties. Seller shall include the substance of this Paragraph 22(b), in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Purchase Order.

### 23. Export/Import Controls

(a) Seller hereby certifies that it understands its obligations to comply with International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR) and the terms of any U.S. Department of State or U.S. Department of Commerce export license or export or temporary import exemption/exception applicable to this Purchase Order. Seller, if it engages in the United States in the business of either manufacturing or exporting defense articles or furnishing defense services, hereby certifies that it is registered with the U.S. Department of State, Directorate of Defense Trade Controls, as defined in 22 CFR Part 122, Registration of Manufacturers and Exporters.

(b) Seller shall exercise strict control covering 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. 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 employee or subsidiary of Seller (including those located in the U.S.), without the express written authorization of Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite authorization for ITAR-controlled technical data or items. Seller shall consult with Buyer to determine whether the information provided by Buyer is technical data as outlined in the ITAR (22 CFR 120-130) 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) The following restrictions shall apply to all technical data, as that term is defined in ITAR 22 CFR 120-130, including Sections 120.6, 120.9, and 120.10, including, but not limited to: drawings, designs, specifications, process specifications, process information, know-how information, technical assistance, detailed process information, manufacturing know-how, and other technical documents and information furnished or disclosed to Seller by Buyer (herein called "Technical Data") and to any goods manufactured by use of Technical Data.

(d) Seller shall comply with ITAR and shall not disclose any Technical Data for any purpose not contemplated under the terms of this Purchase Order and the licensed authorization described in Paragraph (b), above. Sublicensed disclosure of Technical Data to any authorized third party requires a Non-Disclosure Agreement (NDA). Third parties, for purposes of this paragraph (d), include Seller's foreign subcontractors and potential subcontractors. The NDA must require compliance with ITAR and NDAs with foreign subcontractors and potential foreign subcontractors must specifically include the required provisions for Technical Assistance Agreements (TAAs) or Manufacturing License Agreements (MLAs) in ITAR Sections 124.8 and 124.9, respectively. Seller, upon execution of each NDA obtained pursuant to this Section, shall provide a copy to Buyer. The NDA must be maintained on file by Seller for a period of five (5) years after Purchase Order completion. The complete content of this Paragraph (d) must be included in all agreements or purchase orders issued to all affected subcontractors at any tier.

(e) The importer/exporter of record has obtained, or will obtain and properly use, U.S. Government import/export authorization to furnish to Seller any defense articles, Technical Data, defense services, software, and/or other controlled items (collectively referred to herein as "Controlled Items"), which are necessary for Seller to perform this Purchase Order and which require such authorization. Such Controlled Items are authorized for export only to Seller's country for use by Seller and may not, without the prior written approval of the U.S. Government, be transferred, transshipped on a non-continuous voyage, or otherwise disposed of in any other country, either in their original form or after being incorporated into other end items. If so requested by the importer/exporter of record, the other Party shall assist in obtaining such authorization. If U.S. Government import/export authorization is not available, cannot be obtained, or is obtained and subsequently revoked, Controlled Items to be delivered or exchanged pursuant to this Purchase Order shall not be imported, exported, or re-exported. Resale or other transfer of items delivered or exchanged pursuant to this Purchase Order shall be in accordance with this Section. Seller shall comply with the instructions or requirements of any attachment to this Purchase Order pertaining to import documentation necessary to comply with U.S. customs regulations.

(f) U.S. Government import/export authorization is based on the following ITAR requirements and on all applicable export licenses with which Seller agrees to comply:

1. Seller shall use Controlled Items furnished by Buyer only in the manufacture of goods in accordance with this Purchase Order.
2. Seller shall not disclose or provide Controlled Items furnished by Buyer to any foreign person either in the United States or

abroad before obtaining written authorization from Buyer or from the U.S. Department of State, Directorate of Defense Trade Controls, except that if Seller is itself a foreign person, it may disclose or provide Controlled Items furnished by Buyer to Seller's employees who are nationals of Seller's country.

3. Seller acquires no rights in Controlled Items furnished by Buyer except to use them to perform this Purchase Order. Seller shall not purport to convey to any subcontractor or person any greater rights in the Controlled Items than Seller has been authorized by the U.S. Government. Seller may convey to subcontractors the right to use the Controlled Items only as required to perform their subcontracts.

4. Seller shall deliver the goods manufactured in accordance with this Purchase Order only to Buyer in the United States or, with Buyer's authorization, to the U.S. Government.

5. On completion or termination of this Purchase Order, Buyer may require Seller to (i) return to Buyer all technical data furnished by Buyer pursuant to this Purchase Order or (ii) destroy such technical data and to certify in writing to such destruction.

6. Seller shall impose these requirements, 1 through 6 inclusive, suitably revised to identify properly the parties, on all subcontractors to whom Seller intends to furnish Controlled Items provided by Buyer for use by the subcontractors in performance of subcontracts.

(g) Seller agrees, in addition to the above procedures established by the ITAR, to place the following legend on all Technical Data obtained, used, generated, or delivered in performance of this Purchase Order:

*WARNING—Information Subject to Export Control Laws. This document, or software if applicable, contains information subject to the International Traffic in Arms Regulation (ITAR) or the Export Administration Regulation (EAR) of 1979. This information may not be exported, released, or disclosed to foreign persons, whether within or outside the United States without first complying with the export license requirements of the ITAR and/or the EAR. Include this notice with any reproduced portion of this document.*

(h) When requested by Buyer's authorized representative or agent, Seller shall, promptly and without additional cost, furnish Buyer with any documentation, including import certificates or end-user statements from Seller or Seller's government, which is reasonably necessary to support Buyer's application for U.S. import or export authorizations. Buyer shall not be responsible for delays in U.S. import or export of Controlled Items supplied hereunder by Buyer resulting from a lack of necessary documentation from Seller or Seller's country. In addition, for items being manufactured by Seller under an approved ITAR Manufacturing License Agreement (MLA), Seller shall provide a report to the Buyer in January of each new year listing the sales or transfers of items to the Buyer which occurred in the preceding year by quantity, type and U.S. dollar value. Buyer is required to furnish this Annual Report of Sales under an MLA to the U.S. Department of State, Directorate of Defense Trade Controls in accordance with ITAR Part 124.9(a)(5) at the beginning of each new year.

(i) 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 by the United States Government or the government of Seller.

(j) Seller agrees that no goods, technology, software or services supplied under this contract or purchase order are sourced from or originate with:

1. a country or government subject to U.S. economic sanctions administered by the U.S. Department of the Treasury or U.S. Department of State (hereinafter "Restricted Country");

2. a Specially Designated National identified on the U.S. Department of the Treasury's Specially Designated Nationals List, or any other U.S. government list restricting the acquisition of items from an entity or person located outside or inside the United States (hereinafter "Restricted National");

3. an entity or person that is owned or controlled by any Restricted Country or Restricted National; or

4. a restricted country or debarred party under the International Traffic in Arms Regulations or U.S. Department of Defense Federal Acquisition Regulations.

The U.S. Government requirements and additional background, including lists of restricted or denied persons referenced in this clause are available at the following web links: [www.treasury.gov/ofac](http://www.treasury.gov/ofac); [www.pmdtc.state.gov](http://www.pmdtc.state.gov); [www.state.gov/t/isn/c15231.htm](http://www.state.gov/t/isn/c15231.htm);

and [www.sam.gov/portal/public/SAM/](http://www.sam.gov/portal/public/SAM/).

(k) If the government of either Party denies, fails to grant, or revokes any import or export authorizations necessary for the performance of this Purchase Order, that Party shall immediately notify the other Party and neither Party shall be responsible for performance or payment under this Purchase Order for directly affected activities.

(l) Should Seller's goods or services originate from a foreign location and are subject to the export control laws and regulations of the country in which the goods 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. Seller shall be responsible for complying with any laws or regulations governing the importation of the goods into the United States of America.

(m) Buyer may be required to obtain information concerning citizenship, nationality, and related information of Seller's personnel. Seller agrees to provide such information as necessary and certifies the information to be true and correct.

(n) Should Seller discover any violation, Seller shall promptly notify Buyer and cooperate fully with any investigation and, if required by Buyer, in the preparation and submission of any voluntary disclosure to government authorities.

(o) Seller shall ensure that it prepares and provides a compliant invoice for each shipment to Buyer for Buyer's use in effecting an import entry declaration with U.S. Customs & Border Protection (CBP). Seller shall further ensure that the invoice contents accurately and completely reflect the transaction subject to this Purchase Order. The invoice shall be produced in the form described in Section 2 above, and shall include the elements set forth in Exhibit A attached hereto.

#### **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 VT Group Company (available at [www.VTGroup.com/responsibility/stewardship/ethics/index.html](http://www.VTGroup.com/responsibility/stewardship/ethics/index.html)) 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, including 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, Trade Agreements, Audit Rights, and Electronic Transmissions provisions of this Purchase Order, shall survive expiration, termination or completion of this Purchase Order.

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

(a) The Parties agree that this Purchase Order, if transmitted electronically and the electronic signatures thereon are authenticated; that neither Party shall contest the validity of such on the basis that this Purchase Order was electronically transmitted or contains an electronic signature.

(b) Seller shall, at Buyer's request and Seller's expense, send and receive business transactions by electronic means using Web-based technologies. Such Web-based technologies for electronic transmissions may include, but not be limited to: (a) email; (b) the Internet directly between Buyer and Seller; (c) electronic marketplace or portal ("EXOSTAR"); and (d) Buyer's current and future electronic data interchange ("EDI") systems. When using either EXOSTAR or Buyer's EDI systems the standard terms and conditions which may be a part of such systems shall be supplemented by, and superseded to the extent inconsistent with, these International General Terms and Conditions of Purchase.

#### **29. English Language**

This Purchase Order is made in the English language and all correspondence between the Parties of a technical and non-technical nature shall be in the English language and shall employ the units of measure customarily used by Buyer in the United States of America, unless otherwise specified. All notices and other binding communications may, unless otherwise specified, be

sent by facsimile, electronic mail, air mail, or other customary means.

### **30. Customs Trade Partnership Against Terrorism (C-TPAT) Program**

(a) The U.S. Bureau of Customs and Border Protection has created the Customs Trade Partnership Against Terrorism (“C-TPAT”) program in which the U.S. Government and business will work to protect the supply chain from the introduction of terrorist contraband (weapons, explosives, biological, nuclear or chemical agents, etc.) in shipments originating from off-shore of the United States to Buyer, drop shipments to its sub-tier suppliers, or drop shipments to its customers originating from off-shore of the United States. Seller shall ensure that it has completed the VT Group C-TPAT Foreign Supplier Security Self-Assessment Questionnaire and shall keep such Questionnaire updated. As a C-TPAT member, Buyer conditions its supply chain relationships based on C-TPAT participation and/or adherence to the C-TPAT security guidelines.

(b) Seller agrees to ensure the physical integrity and security of all shipments under this Purchase Order against the unauthorized introduction of harmful or dangerous materials, drugs, contraband, or weapons (including weapons of mass destruction), or introduction of unauthorized personnel in transportation conveyances or containers. Seller’s security measures must include, but are not limited to, physical security of manufacturing, packing and shipping areas, restrictions on access of unauthorized personnel to such areas; personnel screening to the maximum limits of law or regulations in Seller’s or manufacturer’s country; and development, implementation and maintenance of procedures to protect the security and integrity of all shipments.

(c) Seller acknowledges that shipments made under this Purchase Order must be with certified and validated C-TPAT transportation companies, unless otherwise approved by Buyer, or, in the case of non-U.S. transportation providers, such transportation providers must be participating in a trade security program sponsored by the government of the country of shipment.

(d) Seller acknowledges that it has reviewed its supply chain security procedures and by acceptance of this Purchase Order Seller certifies that its security procedures and their implementation are in accordance with the general security recommendations at: [http://www.cbp.gov/xp/cgov/trade/cargo\\_security/ctpat/](http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/). Within five (5) days of Buyer’s written request, Seller shall provide documentation, which may include completion of Buyer’s questionnaires or certificates, evidencing compliance with such security requirements. Upon prior written notification to Seller, Buyer, or its designee, may audit all pertinent books and records of Seller and its subcontractors, and make reasonable inspection of Seller’s and its subcontractor’s premises, in order to verify compliance with the requirements of this provision.

(e) Any delay in delivery due to Seller’s failure to comply with this provision shall not relieve Seller of its obligations and shall not constitute a force majeure or give rise to an excusable delay.

### **31. Trade Agreements**

(a) If goods or services will be delivered to a destination country having a trade preferential, customs union agreement, or customs program (“Trade Agreement”) with Seller’s country, Seller shall cooperate with Buyer to review eligibility of goods or services for any special program for Buyer’s benefit and provide Buyer required documentation to support the applicable special customs programs to allow duty free or reduced duty entry of goods into the destination country. Similarly, should any Trade Agreement applicable to the scope of a Purchase Order exist at any time during its term and be of benefit to Buyer in Buyer’s judgment, Seller shall cooperate with Buyer’s efforts to realize any such available credits, including counter-trade or offset credit value, which may result from such Purchase Order, and Seller acknowledges that such credits and benefits shall inure solely to Buyer’s benefit.

(b) Seller shall agree and cooperate with any verification audit/on-site inspection at Seller’s facilities requested by Buyer or Buyer’s Customs authorities to verify compliance with the rules of origin requirements.

### **32. Buyer’s Access to Records and Facilities**

In order to assess Seller’s work quality, conformance with Buyer’s specifications and compliance with this Purchase Order, and Seller’s overall financial statements and financial condition, Buyer or its authorized agents and representatives shall have the right at any time during normal business hours of Seller and without prior notice to Seller to inspect all: (i) records, books, tax returns and other documents in the possession or under the control of Seller relating to any of Seller’s obligations under this Purchase Order (“Records”) or any termination claim of Seller; (ii) materials and services related in any way to the goods, including purchased tooling, at all places, including sites where the materials or goods are created or the services are performed, whether they be at premises of Seller, Seller’s subcontractors or elsewhere; (iii) furnished property; and (iv) required tooling. If any inspection, audit or similar oversight activity is made on Seller’s or its suppliers’ premises, Seller shall, without additional

charge, provide all reasonable access and assistance for the safety and convenience of the inspectors; and take all necessary precautions and implement appropriate safety procedures for the safety of the inspectors while they are present on such premises. In the event that Buyer notifies Seller of any deficiency detected during such inspection, Seller shall correct such deficiency within the time period specified in such notice. Seller shall obtain from its subcontractors such access rights for the benefit of Buyer.

### **33. Audit Rights**

Seller shall maintain general Records relating to this Purchase Order for a minimum period of four years (or for such longer period agreed to in writing by the Parties) after completion of final delivery of materials, goods or services pursuant to this Purchase Order. Records of all manufacture, testing and inspection by Seller of the materials or goods shall be kept complete, separate and available to Buyer and its Customer during the performance of this Purchase Order and for such longer periods as may be specified in this Purchase Order, but not less than ten years after the last delivery of the materials, goods or services to Buyer. Buyer or its authorized agents and representatives shall have the right at any time during normal business hours of Seller and without prior notice to audit Records. In the event any such audit shall disclose an overpayment to Seller, Seller shall pay Buyer, within 14 calendar days after receipt of notice from Buyer, the amount of such overpayment together with interest and Seller shall reimburse Buyer for the cost of such audit. Seller shall obtain from its subcontractors such audit rights for the benefit of Buyer.

### **34. Labor Disputes**

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay timely performance of this Purchase Order, Seller shall immediately give notice to Buyer including all relevant information including, but not limited to, the nature of dispute, the labor organizations involved, the estimated impact on Seller's performance of Buyer's Purchase Order and the estimated duration. Seller shall also provide updated reports throughout the dispute duration. Seller agrees to insert the substance of this Section, including this sentence, in any lower-tier subcontract where a labor dispute might delay timely performance of this Purchase Order.

### **35. Independent Contractor**

Seller and Buyer are and shall be deemed to be independent contractors at all times during performance of the work specified in this Purchase Order. Under no circumstances shall Seller be deemed an agent for Buyer or Buyer be deemed an agent for Seller.

### **36. FAR/DFARS Provisions/Clauses**

(a) For Purchase Orders placed in support of and charged to a United States Government ("Government") Prime Contract or higher-tier subcontract, in addition to the International General Terms and Conditions above, the FAR and Defense Federal Acquisition Supplement (DFARS) clauses and provisions set out in Part II and Part III below shall apply as required by the terms of the prime contract or by operation of law or regulation. The effective version of each FAR and DFARS clause shall be the same version as that which appears in Buyer's prime contract or higher-tier subcontract under which this Purchase Order is a subcontract, and are incorporated herein by reference and are made available on the Internet at: <http://farsite.hill.af.mil/>. 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 the 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: 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, for example as in FAR 52.227-1 or FAR 52.227-2, or when title to property is to be transferred directly to the Government. The listed FAR and DFARS clauses are incorporated herein as if set forth in full text unless made inapplicable by their corresponding notes, if any. If any of the following FAR or DFARS clauses do not apply to this Purchase Order, such clauses are considered to be self-deleting.

(b) Any dispute arising under this Purchase Order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with this Paragraph 36(b) and all other disputes will be resolved according to Section 7 Disputes and Governing Law above.

1. Notwithstanding any other provisions in this Purchase Order, any decision of the Contracting Officer under the prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this Purchase Order, provided that (i) the Buyer notifies with reasonable promptness the Seller of such decision and (ii) The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense; or (iii) if Buyer should appeal such decision, Buyer at its sole discretion offers to the Seller the opportunity at its own expense to join Buyer in such appeal. Further, (iv) any decision

upon such appeal, when final, shall be binding upon the Seller and Seller shall have no recourse against Buyer for any damages that allegedly resulted from the decision of the Contracting Officer, (v) Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer and (vi) Seller shall indemnify and save harmless Buyer from any and all liability of any kind incurred by or imputed to Buyer under Section 5, "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, (41 U.S.C. 7103 (c)(2), Fraudulent Claims) if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.

2. Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this Purchase Order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this Purchase Order.

3. Nothing in this Paragraph 36(b) nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.

4. As used in this Paragraph 36(b), the word "appeal" means an appeal taken under the Contract Disputes Act of 1978, as amended.

## **PART II – FAR/DFARS CLAUSES FOR COMMERCIAL ITEM PROCUREMENTS**

For Purchase Orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the FAR 2.101 definition of a "commercial item," the following Part II clauses and provisions set forth in the FAR or the DFARS in effect as of the date of said prime contract are incorporated herein by reference.

### **A. APPLICABLE TO PURCHASE ORDERS WITHOUT REGARD TO DOLLAR VALUE:**

1. **52.219-8** "Utilization of Small Business Concerns" (Applicable to Purchase Orders to the extent that the work under the Purchase Order will be performed in the United States or its outlying areas or Seller is recruiting employees in the United States or its outlying areas to work on the Purchase Order.)
2. **52.222-50 & Alt I** "Combating Trafficking in Persons" (Alternate I is applicable to Purchase Orders if it is included in the prime contract.)
3. **52.222-54** "Employment Eligibility Verification" (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 \$3,000; and (iii) includes work performed in the United States. "United States", as used in this parenthetical, means the 50 States, the District of Columbia, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.)
4. **52.225-13** "Restrictions on Certain Foreign Purchases"
5. **52.244-6** "Subcontracts for Commercial Items"
6. **52.247-64** "Preference for Privately Owned U.S. Flag Commercial Vessels"
7. **252.204-7008** "Export-Controlled Items"
8. **252.223-7008** "Prohibition of Hexavalent Chromium" (Applicable to all Purchase Orders for supplies, maintenance and repair services, or construction materials.)
9. **252.225-7008** "Restriction on Acquisition of Specialty Metals" (Applicable to Purchase Orders for the delivery of specialty metals as end items to Buyer or Seller to the extent necessary to ensure compliance of the end products that Buyer will deliver to the Government when DFARS clause 252.225-7009 is in the prime contract.)
10. **252.225-7009** "Restriction on Acquisition of Certain Articles Containing Specialty Metals" (excluding Paragraph (d) which is deleted from this clause). (Applicable to Purchase Orders for items containing specialty metals to the extent necessary 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.)
11. **252.225-7010** "Commercial Derivative Military Article-Specialty Metals Compliance Certificate" (Applicable to solicitations for Purchase Orders that will incorporate DFARS clause 252.225-7009.)
12. **252.225-7014 & Alt I** "Preference for Domestic Specialty Metals" and Alternate I (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded before July 29, 2009 and that do not specifically incorporate a different specialty metals clause.)
13. **252.225-7014 (Dev. No. 2006-O0004) & Alt I (Dev. No. 2006-O0004)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2006-O0004) and Alternate I (DEVIATION No. 2006-O0004) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after November 15,

2006, and before October 26, 2007 and that do not specifically incorporate a different specialty metals clause.)

14. **252.225-7014 (Dev. No. 2007-O0011) & Alt I (Dev. No. 2007-O0011)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2007-O0011) and Alternate I (DEVIATION No. 2007-O0011) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after October 25, 2007 and before January 29, 2008 and that do not specifically incorporate a different specialty metals clause.)

15. **252.225-7014 (Dev. No. 2008-O0002) & Alt I (Dev. No. 2008-O0002)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2008-O0002) and Alternate I (DEVIATION No. 2008-O0002) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after January 28, 2008 and before July 29, 2009 and that do not specifically incorporate a different specialty metals clause.)

16. **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.)

17. **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 Government.)

18. **252.227-7037** "Validation of Restrictive Markings on Technical Data" (Applicable whenever technical data is to be delivered under this Purchase Order.)

19. **252.244-7000** "Subcontracts for Commercial Items and Commercial Components (DoD Contracts)"

20. **252.246-7003** "Notification of Potential Safety Issues" (Applicable to Purchase Orders for (i) parts defined as critical safety items in accordance with this clause; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; and (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system.)

21. **252.247-7023** "Transportation of Supplies by Sea"

22. **252.247-7024** "Notification of Transportation of Supplies by Sea"

**B. PURCHASE ORDERS OVER \$10,000 ALSO INCLUDE THE FOLLOWING:**

1. **52.222-21** "Prohibition of Segregated Facilities" (Applicable to Purchase Orders that are subject to FAR 52.222-26.)

2. **52.222-26** "Equal Opportunity" (Applicable to Purchase Orders except to the extent that work under the Purchase Order will be performed outside the United States or by employees that are not recruited within the United States to work on the Purchase Order. "United States", as used in this parenthetical, means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)

3. **52.222-40** "Notification of Employee Rights Under the National Labor Relations Act" (Applicable to Purchase Orders (i) issued under prime contracts resulting from solicitations issued after December 12, 2010 and (ii) when work under the Purchase Order will be performed wholly or partially in the United States.)

**C. PURCHASE ORDERS OVER \$15,000 ALSO INCLUDE:**

1. **52.222-36** "Affirmative Action for Workers with Disabilities" (Applicable to Purchase Orders to the extent that work under the Purchase Order will be performed in the United States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, or Wake Island or Seller is recruiting employees in the United States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, or Wake Island to work on the Purchase Order.)

**D. PURCHASE ORDERS OF \$25,000 OR MORE ALSO INCLUDE:**

1. **52.204-10** "Reporting Executive Compensation and First-Tier Subcontract Awards" (Applicable to Purchase Orders when Buyer is the Prime Contractor.) (The usual substitution of the parties is not applicable to this clause. Seller shall report to Buyer the information required under the clause.)

**E. PURCHASE ORDERS OVER \$30,000 ALSO INCLUDE:**

1. **52.209-6** "Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment"

**F. PURCHASE ORDERS OF \$100,000 OR MORE ALSO INCLUDE:**

1. **52.222-35** "Equal Opportunity for Veterans" (Applicable to Purchase Orders when the listing of employment openings for purposes of work to be performed under this Purchase Order occur and are filled within the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)

2. **52.222-37** "Employment Reports on Veterans" (Applicable to Purchase Orders when the listing of employment openings for purposes of work to be performed under this Purchase Order occur and are filled within the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)

**G. PURCHASE ORDERS OVER \$150,000 ALSO INCLUDE:**

1. **52.203-7** "Anti-Kickback Procedures" (Excepting subparagraph (c)(1) of the clause.)
2. **52.203-12** "Limitation on Payments to Influence Certain Federal Transactions"

**H. APPLICABLE TO PURCHASE ORDERS THAT HAVE A VALUE OF MORE THAN \$5,000,000; AND THAT HAVE A PERFORMANCE PERIOD OF MORE THAN 120 DAYS.**

1. **52.203-13** "Contractor Code of Business Ethics and Conduct" (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.)

**I. LIMITATIONS ON PASS-THROUGH CHARGES; APPLICABLE AS INDICATED BELOW**

1. **52.215-22** "Limitations on Pass-Through Charges- Identification of Subcontract Effort" (Applicable to solicitations for Purchase Orders that will incorporate FAR clause 52.215-23 or 52.215-23 Alt 1.)
2. **52.215-23 & Alt I** "Limitations on Pass-Through Charges" (Include Alternate I 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.)
3. **252.215-7003** "Excessive Pass-Through Charges – Identification of Subcontract Effort"(APR 2007) (Applicable to solicitations for Purchase orders issued under DoD solicitations issued after April 25, 2007 and before May 13, 2008 and that do not specifically incorporate the FAR Limitations on Pass-Through Charges provision, except solicitations for firm-fixed price FFP Purchase Orders and fixed-price FP Purchase Orders with economic price adjustment.)
4. **252.215-7003** "Excessive Pass-Through Charges – Identification of Subcontract Effort". (MAY 2008) (Applicable to solicitations for Purchase Orders issued under DoD solicitations issued after May 12, 2008 and before October 14, 2009 and that do not specifically incorporate the FAR Limitations on Pass-Through Charges provision,, except solicitations for FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)
5. **252.215-7004** "Excessive Pass-Through Charges". (APR 2007) (Applicable to Purchase Orders under DoD contracts awarded after April 25, 2007 and before May 13, 2008 and that do not specifically incorporate the FAR Limitations on Pass-Through Charges clause, except FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)
6. **252.215-7004 & Alt I** "Excessive Pass-Through Charges. (MAY 2008) (Include Alternate I if it is included in the prime contract.) (Applicable to Purchase Orders under DoD contracts awarded after May 12, 2008 and before October 14, 2009 and that do not specifically incorporate the FAR Limitations on Pass-Through Charges clause, except FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)

**PART III – FAR/DFARS CLAUSES FOR NON-COMMERCIAL ITEM PROCUREMENTS**

For Purchase Orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring a non-commercial item, the following clauses set forth in the FAR or the DFARS in effect as of the date of said prime contract are incorporated herein by reference. With respect to any applicable DFARS clauses incorporated into this Purchase Order relating to rights in noncommercial technical data and noncommercial computer software and noncommercial computer software documentation or like provisions in a foreign government contract, the Seller grants to Buyer the right to use, disclose, modify, combine, integrate or make derivative works of any noncommercial technical data, noncommercial computer software and/or noncommercial computer software documentation delivered under this Purchase Order to the extent necessary, and for such period as is required, for Buyer to complete its performance under the Buyer's U.S. Government or foreign government programs.

**A. APPLICABLE TO PURCHASE ORDERS WITHOUT REGARD TO DOLLAR VALUE:**

1. **52.204-2** "Security Requirements" (Applicable to Purchase Orders that involve access to classified information.)
2. **52.204-9** "Personal Identity Verification of Contractor Personnel" (Applicable to Purchase Orders when Seller's employees are

required to have routine physical access to a Federally-controlled facility and / or routine access to a Federally-controlled information system.)

3. **52.211-5** "Material Requirements"

4. **52.219-8** "Utilization of Small Business Concerns" (Applicable to Purchase Orders to the extent that work under the Purchase Order will be performed in the United States or its outlying areas or Seller is recruiting employees in the United States or its outlying areas to work on the Purchase Order.)

5. **52.222-4** "Contract Work Hours and Safety Standards Act – Overtime Compensation" (Applicable to Purchase Orders that (i) require or involve the employment of laborers and mechanics at any tier and (ii) when any work under the Purchase Order will be performed in the United States, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, Johnston Island, Wake Island, and Outer Continental Shelf Lands as defined in the Outer Continental Shelf Lands Act (43 U.S.C.1331) (29 CFR 5.15).)

6. **52.222-50 & Alt I** "Combating Trafficking in Persons" (Alternate I is applicable to Purchase Orders if it is included in the prime contract.)

7. **52.222-54** "Employment Eligibility Verification" (Applicable to Purchase Orders for (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 \$3,000; and (iii) includes work performed in the United States. "United States", as used in this parenthetical, means the 50 States, the District of Columbia, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.)

8. **52.223-3** "Hazardous Material Identification and Material Safety Data" ("Government" means "Government and Buyer" in this clause.)

9. **52.223-5** "Pollution Prevention and Right-to-Know Information" (Applicable to Purchase Orders that provide for performance on a Federal facility.)

10. **52.223-7** "Notice of Radioactive Materials"

11. **52.223-11** "Ozone-Depleting Substances" (Applicable to Purchase Orders when any work under the Purchase Order will be performed in the United States or its outlying areas.)

12. **52.225-8** "Duty-Free Entry" (Applicable to Purchase Orders for supplies that may be imported into the United States.)

13. **52.225-13** "Restrictions on Certain Foreign Purchases"

14. **52.227-9** "Refund of Royalties" (Applicable to Purchase Orders in which the amount of royalties reported during negotiation of the Purchase Order exceeds \$250.)

15. **52.227-14** "Rights in Data-General"

16. **52.228-3** "Workers' Compensation Insurance" (Defense Base Act)

17. **52.228-4** "Workers' Compensation and War-Hazard Insurance Overseas"

18. **52.236-13** "Accident Prevention" (Applicable to fixed-price construction, fixed-price dismantling, demolition, or removal of improvements Purchase Orders.)

19. **52.237-2** "Protection of Government Buildings, Equipment and Vegetation"

20. **52.242-13** "Bankruptcy"

21. **52.243-6** "Change Order Accounting"

22. **52.244-6** "Subcontracts for Commercial Items"

23. **52.245-1** "Government Property" (Applicable to Purchase Orders issued under non DoD prime contracts containing FAR 52.245-1 without Alternate I and the Purchase Order is either a cost-reimbursement, time and materials, or labor hour type, or is a fixed priced Purchase Order awarded on the basis of submission of certified cost or pricing data (reference FAR 45.104). Under DoD prime contracts containing FAR 52.245-1 without Alternate I, in addition to the Purchase Order types listed at FAR 45.104, the clause is applicable to negotiated fixed-price Purchase Orders awarded on a basis other than submission of certified cost or pricing data.)

24. **52.245-1 Alt I** "Government Property" (Alternate I – Applicable to Purchase Orders issued under prime contracts containing FAR 52.245-1 with Alternate I, and to Purchase Orders issued under prime contracts containing FAR 52.245-1 without Alternate I when the Purchase Order awarded is of a type other than a Purchase Order type listed in FAR 45.104 or DFARS 245.104.)

25. **52.246-2** "Inspection of Supplies – Fixed-Price"

26. **52.247-63** "Preference for U.S.-Flag Air Carriers" (Applicable to Purchase Orders that involve international air transportation.)

27. **52.247-64** "Preference for Privately Owned U.S.-Flag Commercial Vessels"

28. **52.249-2** "Termination for Convenience of the Government" (Fixed-Price) – (The usual substitution of the parties in which "Government" means "Buyer", "Contracting Officer" means "Buyer's Purchasing Representative", and "Contractor" means "Seller" is applicable to this clause except that any express obligation to transfer or assign title to property shall be modified such that

- "Government" means "Government or Buyer".) (In paragraph (d) the term "45 days" is changed to "90 days". The term "one-year" in paragraph (e) is changed to "six months". The term "90 days" in paragraph (l) is changed to "forty-five days".)
29. **252.204-7000** "Disclosure of Information" (Applicable to Purchase Orders when the Seller will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public.)
  30. **252.204-7008** "Export-Controlled Items".
  31. **252.208-7000** "Intent to Furnish Precious Metals as Government-Furnished Material" (Applicable to Purchase Orders when the item being purchased contains precious metals.)
  32. **252.209-7004** "Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country"
  33. **252.211-7003** "Item Identification and Valuation" (Seller's obligations under this clause are limited to cooperating with Buyer's efforts to comply with this clause, including granting Buyer access to Seller's deliverables at its facilities and to appropriate property records.)
  34. **252.211-7007** "Reporting of Government-Furnished Property" (Applicable to Purchase Orders when FAR Clause 52.245-1 is contained in the prime contract and Seller is in possession of Government Property. Seller will comply with paragraph (d) of this clause.)
  35. **252.223-7001** "Hazard Warning Labels" (Applicable to Purchase Orders for goods that require submission of hazardous material data sheets (see FAR 23.302(c)).
  36. **252.223-7002** "Safety Precautions for Ammunition and Explosives" ("Government" means "Government and/or Buyer".)
  37. **252.223-7003** "Change in Place of Performance – Ammunition and Explosives"
  38. **252.223-7006 & Alt I** "Prohibition on Storage and Disposal of Toxic and Hazardous Materials" (Includes Alt I if it is in the prime contract.) (Applicable to Purchase Orders that require, may require, or permit a Seller to treat or dispose of non-DoD-owned toxic or hazardous materials as defined in this clause.)
  39. **252.223-7007** "Safeguarding Sensitive Conventional Arms, Ammunition and Explosives" (Applicable to Purchase Orders for (i) the development, production, manufacture, or purchase of arms, ammunition, and explosives (AA&E), or (ii) when AA&E will be provided to the Seller as Government-furnished property.)
  40. **252.223-7008** "Prohibition of Hexavalent Chromium" (Applicable to all Purchase Orders for supplies, maintenance and repair services, or construction materials.)
  41. **252.225-7007** "Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies"
  42. **252.225-7008** "Restriction on Acquisition of Specialty Metals" (Applicable to Purchase Orders for the delivery of specialty metals as end items to Buyer or Seller to the extent necessary to ensure compliance of the end products that Buyer will deliver to the Government when DFARS clause 252.225-7009 is in the prime contract.)
  43. **252.225-7009** "Restriction on Acquisition of Certain Articles Containing Specialty Metals" (excluding paragraph (d)) (Applicable to Purchase Orders for items containing specialty metals to the extent necessary 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.)
  44. **252.225-7010** "Commercial Derivative Military Article – Specialty Metals Compliance Certificate" (Applicable to solicitations for Purchase Orders that will incorporate DFARS clause 252.225-7009.)
  45. **252.225-7012** "Preference for Certain Domestic Commodities"
  46. **252.225-7013** "Duty-Free Entry"
  47. **252.225-7014 & (Alt I)** "Preference for Domestic Specialty Metals and Alternate I" (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded before July 29, 2009 and that do not specifically incorporate a different specialty metals clause.)
  48. **252.225-7014 (Dev. No. 2006-O0004) & Alt I (Dev. No. 2006-O0004)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2006-O0004) and Alternate I (DEVIATION No. 2006-O0004) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after November 15, 2006, and before October 26, 2007 and that do not specifically incorporate a different specialty metals clause.)
  49. **252.225-7014 (Dev. No. 2007-O0011) & Alt I (Dev. No. 2007-O0011)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2007-O0011) and Alternate I (DEVIATION No. 2007-O0011) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after October 25, 2007 and before January 29, 2008 and that do not specifically incorporate a different specialty metals clause.)
  50. **252.225-7014 (Dev. No. 2008-O0002) & Alt I (Dev. No. 2008-O0002)** "Preference for Domestic Specialty Metals" (DEVIATION No. 2008-O0002) and Alternate I (DEVIATION No. 2008-O0002) (Applicable to Purchase Orders for items containing specialty metals that the Buyer will deliver to the Government under prime contracts awarded after January 28, 2008 and before July 29, 2009 and that do not specifically incorporate a different specialty metals clause.)

51. **252.225-7015** "Restriction on Acquisition of Hand or Measuring Tools
52. **252.225-7016** "Restriction on Acquisition of Ball and Roller Bearings"
53. **252.225-7025** "Restriction on the Acquisition of Forgings"
54. **252.225-7027** "Restriction on Contingent Fees for Foreign Military Sales"
55. **252.225-7028** "Exclusionary Policies and Practices of Foreign Governments" (Applicable only to Purchase Orders for supplies and services under international military education training and Foreign Military Sales prime contracts.)
56. **252.225-7030** "Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate"
57. **252.225-7031** "Secondary Arab Boycott of Israel"
58. **252.225-7040** "Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States" (Applicable to Purchase Orders that will be performed outside the United States in areas of combat and other significant military operations designated by the Secretary of Defense, contingency operations, humanitarian or peacekeeping operations, or other military operations or exercises designated by the Combatant Commander.)
59. **252.227-7013** "Rights in Technical Data – Noncommercial Items" (Applicable to solicitations and resulting Purchase Orders when Buyer will be required to deliver to the Government Seller's technical data pertaining to noncommercial items, or pertaining to commercial items for which the Government will have paid for any portion of the development costs.)
60. **252.227-7014** "Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation" (Applicable to solicitations and resulting Purchase Orders when Seller's performance will require delivery of computer software or computer software documentation.)
61. **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 Government.)
62. **252.227-7016** "Rights in Bid or Proposal Information" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013, 252.227-7014, or 252.227-7018.)
63. **252.227-7017** "Identification and Assertion of Use, Release, or Disclosure Restrictions" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013, 252.227-7014, or 252.227-7018.)
64. **252.227-7019** "Validation of Asserted Restrictions – Computer Software" (Applicable to all Purchase Orders when Seller's performance includes the furnishing of computer software that Buyer will furnish to the Government.)
65. **252.227-7025** "Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends"
66. **252.227-7026** "Deferred Delivery of Technical Data or Computer Software"
67. **252.227-7027** "Deferred Ordering of Technical Data or Computer Software"
68. **252.227-7028** "Technical Data or Computer Software Previously Delivered to the Government" (Applicable to solicitations for Purchase Orders when the resulting Purchase Order will require the Seller to deliver technical data.)
69. **252.227-7030** "Technical Data – Withholding of Payment" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013 or 252.227-7018.)
70. **252.227-7037** "Validation of Restrictive Markings on Technical Data" (Applicable to Purchase Orders requiring the delivery of technical data.)
71. **252.228-7001** "Ground and Flight Risk" (Applicable to solicitations and resulting Purchase Orders for the acquisition, development, production, modification, maintenance, repair, flight, or overhaul of aircraft unless an exception listed at DFARS 228.370(b)(1) applies.)
72. **252.228-7005** "Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles"
73. **252.231-7000** "Supplemental Cost Principles" (Applicable to solicitations and resulting Purchase Orders that are subject to the principles and procedures described in FAR subparts 31.1, 31.2, 31.6, or 31.7.)
74. **252.235-7003** "Frequency Authorization" (Applicable to Purchase Orders requiring the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.)
75. **252.244-7000** "Subcontracts for Commercial Items and Commercial Components (DoD Contracts)"
76. **252.246-7001** "Warranty of Data" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013.)
77. **252.246-7003** "Notification of Potential Safety Issues" (Applicable to Purchase Orders for (i) parts defined as critical safety items in accordance with this clause; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; and (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system.)
78. **252.247-7023** "Transportation of Supplies by Sea"
79. **252.247-7024** "Notification of Transportation of Supplies by Sea"

**B. PURCHASE ORDERS OVER THE MICRO-PURCHASE THRESHOLD (AS DEFINED AT FAR 2.101) ALSO INCLUDE:**

1. 52.223-18 "Encouraging Contractor Policies to Ban Text Messaging while Driving"

**C. PURCHASE ORDERS OVER \$10,000 ALSO INCLUDE:**

1. 52.222-21 "Prohibition of Segregated Facilities" (Applicable to Purchase Orders that are subject to FAR 52.222-26.)
2. 52.222-26 "Equal Opportunity" (Applicable to Purchase Orders except to the extent that work under the Purchase Order will be performed outside the United States or by employees that are not recruited within the United States to work on the Purchase Order. "United States", as used in this parenthetical, means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)
3. 52.222-40 "Notification of Employee Rights Under the National Labor Relations Act" (Applicable to Purchase Orders (i) issued under prime contracts resulting from solicitations issued after December 12, 2010 and (ii) when work under the Purchase Order will be performed wholly or partially in the United States.)

**D. PURCHASE ORDERS OVER \$15,000 ALSO INCLUDE:**

1. 52.222-36 "Affirmative Action for Workers with Disabilities" (Applicable to Purchase Orders to the extent that work under the Purchase Order will be performed in the United States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, or Wake Island or Seller is recruiting employees in the United States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, or Wake Island to work on the Purchase Order.)

**E. PURCHASE ORDERS OF \$25,000 OR MORE ALSO INCLUDE:**

1. 52.204-10 "Reporting Executive Compensation and First-Tier Subcontract Awards" (Applicable to Purchase Orders when Buyer is the Prime Contractor.) (The usual substitution of the parties is not applicable to this clause. Seller shall report to Buyer the information required under the clause.)

**F. PURCHASE ORDERS OVER \$30,000 ALSO INCLUDE:**

1. 52.209-6 "Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment"

**G. PURCHASE ORDERS OF \$100,000 OR MORE ALSO INCLUDE:**

1. 52.222-35 "Equal Opportunity for Veterans" (Applicable to Purchase Orders when the listing of employment openings for purposes of work to be performed under this Purchase Order occur and are filled within the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)
2. 52.222-37 "Employment Reports on Veterans" (Applicable to Purchase Orders when the listing of employment openings for purposes of work to be performed under this Purchase Order occur and are filled within the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.)

**H. PURCHASE ORDERS OVER \$150,000 ALSO INCLUDE:**

1. 52.203-7 "Anti-Kickback Procedures" (Excepting subparagraph (c)(1) of the clause.)
2. 52.203-12 "Limitation on Payments to Influence Certain Federal Transactions"
3. 52.248-1 "Value Engineering"
4. 252.249-7002 "Notification of Anticipated Contract Terminations or Reductions (less paragraph (d)(1))"

**I. PURCHASE ORDERS OVER THE SIMPLIFIED ACQUISITION THRESHOLD (AS DEFINED AT FAR 2.101) ALSO INCLUDE:**

1. 52.203-5 "Covenant Against Contingent Fees"
2. 52.203-6 "Restrictions on Subcontractor Sales to the Government"
3. 52.215-2 "Audit and Records – Negotiation" (Applicable to Purchase orders: (i) for which certified cost or pricing data are required or (ii) that require Seller to furnish reports as discussed in paragraph (e) of the clause.)
4. 52.215-14 "Integrity of Unit Prices" (less paragraph (b))
5. 52.227-1 "Authorization and Consent and Alternate I" (Include Alternate I if it is included in the prime contract.) (These clauses are prohibited in Purchase Orders when both complete performance and delivery are outside the United States.)
6. 52.227-2 "Notice and Assistance Regarding Patent and Copyright Infringement" (This clause is applicable to Purchase Orders

except when FAR clause 52.227-1 and Alternate I are prohibited.)

7. **252.203-7001** "Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies"

**J. PURCHASE ORDERS OVER \$650,000 ALSO INCLUDE:**

1. **52.219-9** "Small Business Subcontracting Plan" (Applicable to Purchase Orders to the extent that the work under the Purchase Order will be performed in the United States or its outlying areas or Seller is recruiting employees in the United States or its outlying areas to work on the Purchase Order.)
2. **252.219-7003** "Small Business Subcontracting Plan (DoD Contracts)" (Include Alternate I if it is included in the prime contract) (Applicable to Purchase Orders under prime contracts that contain FAR clause 52.219-9 and when work under the Purchase Order will be performed in the United States or its outlying areas or Seller is recruiting employees in the United States or its outlying areas to work on the Purchase Order.)

**K. UNLESS OTHERWISE EXEMPT (SEE FAR 15.408), PURCHASE ORDERS ALSO INCLUDE:**

1. **52.215-10** "Price Reduction for Defective Certified Cost or Pricing Data"
2. **52.215-11** "Price Reduction for Defective Certified Cost or Pricing Data – Modifications"
3. **52.215-12** "Subcontractor Certified Cost or Pricing Data"
4. **52.215-13** "Subcontractor Certified Cost or Pricing Data – Modifications"
5. **52.215-15** "Pension Adjustments and Asset Reversions"
6. **52.215-18** "Reversion or Adjustment of Plans for Post-retirement Benefits (PRB) Other Than Pensions"
7. **52.215-19** "Notification of Ownership Changes"
8. **52.215-20** "Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data"
9. **52.215-21** "Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data – Modifications"

**TRUTH IN NEGOTIATIONS (Cost and Pricing Data)**

Unless exempt, Seller shall submit a FAR Part 15 compliant cost proposal inclusive of appropriate updates throughout the negotiation process. At the conclusion of negotiations, and regardless of any prior certification, Seller must certify as to the accuracy, currency and completeness of its information in accordance with the FAR required Certificate of Current Cost or Pricing Data.

1. **Indemnification.** If any price (including profit or fee) negotiated in connection with the prime contract between the Government and the Buyer or any cost that is reimbursable under said contract is reduced because cost or pricing data furnished by the Seller in connection with any proposal submitted by the Buyer relating to said contract or in connection with this Purchase Order was not accurate, complete, or current, the Seller shall indemnify the Buyer in the amount of said reduction.

The phrase "cost or pricing data" as used herein shall be deemed to include any such data which related to a lower-tier prospective or actual subcontract, at any level, which was submitted by the Seller or which it procured by submission of, in connection with the aforesaid proposal or this Purchase Order in support of its cost estimate.

If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Seller shall be liable and shall pay the Buyer at the time such overpayment is repaid:

a. Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Seller to the date the Buyer is repaid by the Seller at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6621(a)(2); and

b. For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if the Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.

2. **Cost or Pricing Data for Changes.** Prior to the pricing of any change or other modification to this Purchase Order which involves increases and/or decreases in costs plus applicable profit expected to exceed the threshold for submission of cost or pricing data, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in Federal Acquisition Regulation 15.406-2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.

When required to obtain cost or pricing data from its subcontractors, pursuant to the provisions of this Purchase Order, Seller shall obtain such data.

**M. PURCHASE ORDERS OVER \$1,000,000 ALSO INCLUDE:**

1. **252.222-7006** "Restricting the Use of Mandatory Arbitration Agreements" (Applicable to Purchase Orders issued under prime

contracts containing the clause and awarded after June 17, 2010.)

**CERTIFICATION Regarding Compliance with DFARS 252.222-7006 (If this clause is included in Buyer's prime contract or higher tier subcontract, this certification is applicable to Purchase Orders over \$1,000,000 issued after June 17, 2010, under DoD contracts, provided that such certification shall not be required with respect to Seller's or Seller's subcontractor's agreements with employees or independent contractors that may not be enforced in a court of the United States):**

By Seller's acceptance of this Purchase Order:

(i) Seller certifies that it shall not enter into, and shall not take any action to enforce any provision of, any agreement with any of its employees or independent contractors performing work related to this Purchase Order, that requires, as a condition of employment, that the employee or independent contractor agree to resolve through arbitration any claim under Title VII of the Civil Rights Act of 1964, or any tort related to or arising out of a sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention; and

(ii) Seller certifies that it requires each of its lower tier subcontractors, which performs work under this Purchase Order and which is a "covered subcontractor" as defined in DFARS 252.222-7006, to agree not to enter into, and not take any action to enforce any provision of, any agreement with any of its employees or independent contractors performing work related to this Purchase Order, that requires, as a condition of employment, that the employee or independent contractor agree to resolve through arbitration any claim under Title VII of the Civil Rights Act of 1964, or any tort related to or arising out of a sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention.

2. **252.225-7033 "Waiver of United Kingdom Levies"** (Applicable to Purchase Orders where a lower-tier subcontract exceeding \$1 million with a U.K. firm is anticipated.)

**N. PURCHASE ORDERS OVER \$1,500,000 ALSO INCLUDE:**

1. **252.211-7000 "Acquisition Streamlining"**

**O. PURCHASE ORDERS OVER \$5,000,000 ALSO INCLUDE:**

2. **52.203-14 "Display of Hotline Poster(s)"**

**P. PURCHASE ORDERS THAT HAVE A VALUE OF MORE THAN \$5,000,000 ALSO INCLUDE:**

1. **52.203-13 "Contractor Code of Business Ethics and Conduct"** (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" does not change.) (Applicable to Purchase Orders that have a performance period of more than 120 days.)

2. **252.203-7004 "Display of Fraud Hotline Poster(s)"** (Applicable to all Purchase Orders except Purchase Orders that are for acquisition of a commercial item, or that will be performed entirely outside the United States, in lieu of FAR 52.203-14 Display of Hotline Poster(s).)

**Q. LIMITATIONS ON PASS-THROUGH CHARGES; APPLICABLE AS INDICATED BELOW**

1. **52.215-22 "Limitations on Pass-Through Charges – Identification of Subcontract Effort"** (Applicable to solicitations for Purchase Orders that will incorporate FAR clause 52.215-23 or 52.215-23 Alt I.)

2. **52.215-23 & Alt I "Limitations on Pass-Through Charges"** (Include Alternate I if it is included in the prime contract) (Applicable to cost-reimbursement Purchase Orders that exceed the simplified acquisition threshold, except if the contract is with the Department of Defense (DoD), then this clause is applicable to all cost-reimbursement Purchase Orders and fixed-price Purchase Orders, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.)

3. **252.215-7003 "Excessive Pass-Through Charges – Identification of Subcontract Effort"** (APR 2007) (Applicable to solicitations for Purchase orders issued under DoD solicitations after April 25, 2007 and before May 13, 2008 and that do not specifically incorporate the FAR limitations on Pass-Through Charges provision, except solicitations for firm-fixed-price (FFP) Purchase Orders to be awarded on the basis of adequate price competition and fixed-price (FP) Purchase Orders with economic price adjustment to be awarded on the basis of adequate price competition.)

4. **252.215-7003** "Excessive Pass-Through Charges – Identification of Subcontract Effort" (MAY 2008) (Applicable to solicitations for Purchase Orders issued under DoD solicitations issued after May 12, 2008 and before October 14, 2009 and that do not specifically incorporate the FAR limitations on Pass-Through Charges provision, except solicitations for FFP Purchase Orders to be awarded on the basis of adequate price competition and FP Purchase Orders with economic price adjustment to be awarded on the basis of adequate price competition.)

5. **252.215-7004** "Excessive Pass-Through Charges". (APR 2007) (Applicable to Purchase Orders issued under DoD contracts awarded after April 25, 2007 and before May 13, 2008 and that do not specifically incorporate the FAR limitations on Pass-Through Charges clause, except FFP Purchase Orders awarded on the basis of adequate price competition and FP Purchase Orders with economic price adjustment awarded on the basis of adequate price competition.)

6. **252.215-7004 & Alt I** "Excessive Pass-Through Charges" (MAY 2008) (Include Alternate I if it is included in the prime contract) (Applicable to Purchase Orders under DoD contracts awarded after May 12, 2008 and before October 14, 2009 and that do not specifically incorporate the FAR limitations on Pass-Through Charges clause, except for FFP Purchase Orders awarded on the basis of adequate price competition and FP Purchase Orders with economic price adjustment awarded on the basis of adequate price competition.)

#### **R. CERTIFICATIONS:**

The Offeror, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.

1. **52.203-11** "Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions" (Applicable to offers and Purchase Orders over \$150,000.)
2. **52.209-5** "Certification Regarding Responsibility Matters" (Applicable to offers and Purchase Orders over \$30,000.)

#### **S. COST ACCOUNTING CLAUSES (Applicable when stated in the Purchase Order):**

1. **52.230-4** "Disclosure and Consistency of Cost Accounting practices – Foreign Concerns"
2. **52.230-6** "Administration of Cost Accounting Standards"

Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Disclosure and Consistency of Cost Accounting Practices – Foreign Concerns, FAR 52.230-4, and Administration of Cost Accounting Standards, FAR 52.230-6, provided Seller shall not be required to disclose to Buyer such communications containing information which is confidential to the Seller. In addition to any other remedies provided by law or under this Purchase Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subjected to any liability as the result of a failure of the Seller or its lower-tier subcontractors to comply with the requirements of FAR 52.230-2, 52.230-3, 52.230-4, 52.230-5 or 52.230-6. Paragraph (b) is deleted in each of the foregoing clauses, except in FAR 52.230-6.

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**EXHIBIT A**

**INVOICING INSTRUCTIONS**

**Invoices submitted to Buyer shall contain the following information:**

- a. Purchase Order number, including Purchase Order item number for the delivered goods.
- b. Location and Names of Seller and/or Shipper, Buyer, Buyer's Supply Chain contact person, and dates, as follows:
  - i. Date when goods are sold or agreed to be sold.
  - ii. Goods shipment date (month, day, year).
  - iii. Name and address of the Shipper, if Seller is not the Shipper.
  - iv. Name and contact information for an employee, employed by Seller or Shipper, who has detailed knowledge of the sales transaction.
- c. Terms of Sale: Specify the Incoterms as agreed in the Purchase Order.
- d. Quantities, weights and measures:
  - i. Record the quantity of the goods in the shipment.
  - ii. If not separately noted on a packing list(s), include the following on the invoice:
    1. Total quantity of goods being shipped.
    2. Net weight of each good and gross weight of entire shipment.
    3. Specify unit of measure being used.
    4. Specify the total number of boxes included per packing list.
- e. Detailed description of the goods being shipped to ensure proper product classification per the Harmonized Tariff Schedule (HTS), including, at a minimum:
  - i. The full name (no abbreviations) by which each good is known.
  - ii. Part number as it appears on the Purchase Order. If the item is raw material, provide the material type (e.g. aluminum sheet rock), form (e.g. bar, wire, plates, sheets), and dimensions.  
Note: Generic descriptions, abbreviations and acronyms are not acceptable.
- f. Country of origin: Indicate the country of manufacture of each good.
- g. Valuation:
  - i. Must be complete and accurate, including the unit price of each good and the total value of the entire shipment.
  - ii. Currency on all invoices must reflect the actual currency of the Purchase Order and the transaction of money between Buyer and Seller.
  - iii. List separately any Assists and/or Additional costs or charges made for activities related to the Purchase Order transaction. Examples of these include:
    1. Assists: any finished or semi-finished components, raw materials, forgings, castings or tooling that are supplied by Buyer to Seller free of charge or at a reduced cost, and used in the production of the imported goods.
    2. Engineering and Design Work: Work that is performed outside of the United States by non-U.S. employees, and is not included in the unit price of the goods being imported.
    3. Packing Costs: Costs for packing that are incurred by Buyer and that have not been included in the unit price.
    4. Non-recurring charges: One-time charges, incurred by Buyer, for such items as, expedite fees, Non-Recurring Engineering tooling costs, which have not been included in the unit price.
    5. Selling Commissions – Commissions incurred by Buyer that have not been included in the unit price.
    6. Royalties: Fees Buyer is required to pay as a condition of the sale.
  - iv. List all discounts that have been agreed to, or may be allowed, that apply to the Purchase Order price or value, but that have not been included in the unit price (terms of payment).
  - v. Repairs or modified parts – separately declare the value of the item and the value of the repair or modifications on the invoice. For repairs effected at "no charge," declare the actual value of the repair had there been a charge on the invoice.

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**EXHIBIT B**

**SUBCONTRACTOR QUESTIONNAIRE AND CERTIFICATION**

NOTE: In the event Seller proposes to enter into a subcontract with a consultant or subcontractor, Seller shall transmit this Questionnaire Certification to each such consultant or subcontractor to prepare responses to the Questionnaire and forward it, together with the executed certification, to Seller for submission to VT Group Company.

The term "Company" below refers to the Seller's consultant or subcontractor, and "Seller" refers to VT Group Company's subcontractor or supplier in connection with this transaction.

### 1) Company Information

Company Name:			
Company Address:		Website:	
		Phone:	
		Fax:	
		Email:	
Business Type: <i>(check applicable box)</i>	<input type="checkbox"/>	Corporation	Principle Place of Business:
	<input type="checkbox"/>	Partnership	
	<input type="checkbox"/>	Joint Venture	
	<input type="checkbox"/>	Sole Proprietorship	
	<input type="checkbox"/>	LLC	
	<input type="checkbox"/>	Other	
If Other, please explain:			

### 2) Project Information

a) Please describe the nature of the materials, goods and/or services to be provided to Seller.	
b) Please set forth the number of years Company has been provided the materials, goods and/or services of the kind described in the Subcontract with Seller.	

### 3) Company Ownership

Please identify Company owner(s)/shareholder(s) and the nationality and percentage interest of each.

Name of Individual(s)	Nationality	Ownership Percentage (%)
		%
		%
		%

### 4) Government Relationships

a) Is any owner/shareholder, officer, employee, or other representative of the Company a current or former official or employee of a government department, agency or instrumentality?	Yes		No	
<i>If "Yes", please provide the following information:</i>				
Name of Individual(s)	Government Department, Agency or Instrumentality	Last Date of Employment		
b) Is the Company owned or controlled by any government or department, agency or instrumentality?	Yes		No	
<i>If "Yes", please describe the government ownership or controlling interest.</i>				

c) Is any owner/shareholder, officer, employee, or other representative an official of a political party or candidate for political office?	Yes		No	
<i>If "Yes", please explain.</i>				
<b>5) Agents/Consultants</b>				
Does Company intend to use a sales representative, consultant or agent of any kind in connection with the proposed project?	Yes		No	
<i>If "Yes", please identify the individual(s) and explain the basis for retention.</i>				
<b>6) Company Policies and Practices</b>				
a) Does the Company have any code, policy or procedure dealing with compliance with laws and specifically, bribery or corruption of public officials?	Yes		No	
<i>If "Yes", please provide a copy.</i>				
b) Does the Company have any policy that governs the giving of gifts or gratuities to government officials by Company personnel or its consultants, representatives or agents?	Yes		No	
<i>If "Yes", please provide a copy.</i>				
c) Does the Company conduct training programs for Company personnel or its consultants, agents or representatives with respect to (i) compliance with laws and specifically bribery or corruption of public officials and (ii) the giving of gifts and gratuities.	Yes		No	
<i>If "Yes", please explain and/or provide copies of training documentation used.</i>				
<p>The undersigned, a duly authorized officer of the Company, hereby represents, warrants and covenants to VT Group Company on behalf of the Company as follows:</p>				
<p>1. No part of the monies paid by the Seller to the Company under the subcontract or purchase order has been paid, nor will be paid or promised, or will inure directly or indirectly, to the financial or other benefit of any (i) officer, employee or director of the Seller, or any subcontractor or supplier thereof; or (ii) to any official of any government or any enterprise owned or controlled by any government.</p> <p>2. The Company will conduct itself in compliance with all applicable Foreign Corrupt Practices Act (FCPA) and Anti-Corruption laws, including the VT Group Company's Code of Conduct available at the following website: <a href="http://www.vt-group.com">http://www.vt-group.com</a>.</p> <p>3. The amounts detailed in Company's invoices to Seller shall accurately and fairly reflect related goods or services and expenses; are commensurate amounts for goods delivered or services rendered and expenses incurred; and satisfy the requirements of the Company's subcontract or purchase order with Seller.</p> <p>4. The Company acknowledges and agrees that if the representations, warranties and covenants herein are breached or become inaccurate or misleading, the Company's subcontract with Seller shall terminate and the Company's right to compensation shall be forfeited and any monies previously paid shall be returned.</p>				
<b>Company Name:</b>				
<i>The person signing below represents s/he is duly authorized to sign the responses to this questionnaire on behalf of the Company.</i>				
<b>Name (print):</b>				
<b>Title:</b>				
<b>Date:</b>				
<b>Signature:</b>				