

PURCHASE ORDER(S) - TERMS & CONDITIONS

1. **GENERAL DEFINITIONS:** The term “BUYER” as used herein shall mean Fred R Rippy, Inc. The “SELLER” as used herein shall mean the Supplier.
2. **ACCEPTANCE:** This purchase order represents Buyer’s offer to purchase the Goods and/or Services strictly in accordance with the stated terms and conditions. Seller’s acceptance of this purchase order is expressly limited to the terms and conditions stated and no additional or different terms shall be binding on Buyer unless agreed to by Buyer in writing signed by Buyer’s authorized representative. Seller shall be deemed to have accepted this purchase order by signing and returning the acknowledgement, or by commencing work on the Goods and/or Services ordered. If any term or condition of this purchase order is invalid, illegal or unenforceable, the remaining terms and conditions of this purchase order shall remain in effect. Where the context permits, the use of the term Goods shall include Services.
3. **PAYMENT:** Invoices shall be mailed or emailed to Buyer & Accounts Payable when Goods are shipped or Services completed and be a reflection of the purchase order. The purchase order number shall be shown on the relevant invoice. Payment terms and discount period referred to on the face of this purchase order begins from date of Buyer’s receipt of acceptable Goods or correct invoice, whichever is later. Payment shall not constitute acceptance of the Goods. Any over shipment or substitution of Goods made by Seller shall entitle Buyer to withhold payment for entire shipment pending its approval of the over shipment or substitution without loss of discount privileges. Buyer has the right to pay invoices covering Goods shipped in advance of schedule on the maturity date of the specified delivery date on the purchase order. Where variance appears between purchase order and invoice in respect to price or payment terms, Buyer shall be entitled to most favorable terms. Buyer may offset refunds or reductions from the purchase order against obligations under other purchase orders with Seller. Seller agrees to refund any overpayments immediately upon discovery.
4. **SHIPMENT, DELIVERY PACKAGING & MARKINGS:** All shipments and deliveries shall be strictly in accordance with the quantities, schedules and shipping instructions stated in this purchase order. Goods shall be shipped U.S. domestic DAP destination unless otherwise stated on the face of this purchase order. International shipments shall be in accordance with INCOTERMS/DAP (Buyer’s Facility) or as otherwise stated on the purchase order. Title and risk of loss shall pass at the destination, subject to inspection and acceptance as described herein. Delivery terms INCOTERMS/DAP (Buyer’s Facility), all import duties and transportation charges shall be paid by Seller. Seller shall obtain export licenses, authorizations, security clearances and other formalities. Goods shipped U.S. domestic DAP destination transportation charges shall be paid by Seller. Seller takes responsibility on delivery until Goods have reached the Buyer’s destination (Buyer’s dock). All the Goods must be suitably preserved, packaged, marked and prepared for shipment in compliance with best commercial packaging or other Buyer specifications provided on the purchase order. No allowance shall be made for packing, cartage, crating or storage unless stated herein. Seller shall pack, mark and ship all Goods in accordance with requirements of this order to be in compliance with transportation regulations and good commercial practices for protection and shipment. Packing List (delivery notes) must be included in each shipment and provide the following: purchase order number, item number, quantity, weight and the date of shipment. Additional certifications may be required. Each container must be marked to show the purchase order number and item number. Seller shall include (if applicable) the Certificate of Conformance, Mill Certifications, Test Data and Safety Data Sheets. Seller shall not make advance, late, short or excess deliveries without Buyer’s prior written approval. If the Goods ordered by Buyer are delivered more than 4 weeks (28) days prior to the purchase order delivery date, Buyer may reject the Goods for full credit and return ship to Seller at Seller’s expense or accept such Goods. Buyer shall have the right of inspection of the Goods and may reject all or part of the Goods if defective, as provided under “Inspection”, below. Seller agrees to pay to Buyer any penalty or damages imposed upon or incurred by Buyer resulting from the failure of Seller to deliver the Goods ordered in accordance with the quantities, schedules and shipping instructions stated in this purchase order. If Seller is unable to provide Goods within the purchase order delivery date, Seller shall provide Buyer a credit in the amount of two percent (2%) per calendar week up to 25% of the purchase order line item causing the delay. Any Such credit may be applied to Buyer’s payments to Seller invoices. If at any time during the term of this purchase order, Seller anticipates a shortfall in production of the Goods or Services to be provided, then Seller shall (i) promptly notify Buyer in writing as to the reason for the shortfall, and state Seller’s expectations as to the duration of the shortfall; and (ii) take all expedite action required to avoid the shortfall which may include overtime or expedited freight fees at Seller’s cost. If Buyer’s mode of transportation would not permit Seller to meet the purchase order delivery date, Seller shall ship such Goods by air freight or other expedited means acceptable to Buyer, and Seller shall pay the expedite shipping costs.
5. **CHANGES:** Buyer may at any time, by a written order, make changes within the general scope of this purchase order of any one or more of the following: (i) Drawings, designs, or specifications, when the supplies to be furnished are to be specially manufactured in accordance therewith; (ii) Method of shipment or packing; (iii) Place of delivery; or (iv) Delivery schedule. If any such change causes an increase or decrease in the cost of, or the time required for, performance of this order, Buyer shall make an equitable adjustment in the contract price, delivery schedule, or both, and shall modify this order in writing. Seller must assert its right to adjustment under this clause within five (5) days from date of receipt of Buyer’s request for change with written justification which will be made available for Buyer’s audit upon request. However, nothing in this clause shall excuse the Seller from proceeding with this purchase order as changed. Seller shall not make any changes without Buyer’s written approval that may affect form, fit, function, processes, facilities or location at which Goods are produced. Seller must first obtain the signature of Buyer’s authorized representative before making such changes. Seller shall not make any other changes without providing Buyer a 30-day notice of the proposed change. Approval not needed by Buyer if Seller has an excess quantity variance, within 2% of the value written on purchase order. Anything above a 2% excess, will require written approval by the buyer, prior to shipment.
6. **TERMINATION:** (a) Default: Buyer may by written notice of default to Seller, terminate this order in whole or in part without liability to Seller if Seller fails to (i) Deliver the supplies or perform the work within the time specified in this order or any written extension; (ii) Make progress so as to endanger performance of this order; or (iii) Perform any of the other provisions of this order. However, with respect to the provisions of (i) and (ii) Buyer’s right to terminate may be exercised if Seller does not cure such failure within three (3) days after receipt of the notice from Buyer specifying the failure; or if such failure is not capable of cure within three (3) days, if Seller does not take initial steps to cure within three (3) days and diligently prosecute such cure to completion. In addition to other damages recoverable by Buyer for Seller’s default, Seller is liable for Buyer’s costs associated with re-procurement by Buyer. Seller shall transfer, at the sole discretion of Buyer, completed supplies, work in process and any tools furnished by Buyer. Except for default of subcontractors or suppliers of Seller, Seller shall not be liable for excess costs if the failure to perform the order arises from Force Majeure Delay (as defined below) without the fault or negligence of Seller. If after termination for default is determined that Seller was not in default or that default was excusable, the rights and obligations of Buyer and Seller shall be the same as if the termination had been issued for convenience of Buyer. The rights and remedies of Buyer in this clause are in addition to any other rights and remedies provided by law or under this order. (b) For Convenience: Buyer may terminate work without cause under this order in whole or in part at any time by written notice. The notice shall state the extent and effective date of such termination, and upon receipt thereof, Seller will, to the extent directed by Buyer, stop work under this order and the placement of further orders or subcontracts and shall take any necessary action to protect property in Seller’s possession in which Buyer or the Government has or may acquire an interest. In the event of termination for the convenience of Buyer, Seller shall be entitled to the sum of all costs which have reasonably and properly been incurred by Seller in connection with the order which remain undelivered, less amounts realized by Seller from alternative sales of such work not purchased by Buyer. In no case shall Buyer be obligated to pay for finished Goods or work in process that is in excess of agreed lead time and delivery schedules in the applicable order. Seller shall have no claim for damages of any kind including but not limited loss of revenue or profit. Seller agrees that if a claim is filed as provided in this clause, Seller’s books and records and its facilities shall at all reasonable times be subject to inspection and audit by an authorized representative of Buyer. Seller agrees that it shall exclude from any claims hereunder and shall not be entitled to reimbursement for any work thereof which are standard products or parts which it normally sells to customers; or any parts which Seller uses in its normal operations or Seller could use in producing work for its other customers. (c) Insolvency: In the event of any proceedings against Seller, voluntary or involuntary, in bankruptcy or insolvency or for the appointment of a receiver or trustee, or an assignment for the benefit of creditors of Seller, Buyer may at its sole discretion terminate this order for Default in whole or in part, subject to all rights and remedies of Buyer at law. (d) Termination: Termination by Buyer under this section shall not relieve Seller of any of Seller’s obligations with respect to Goods or Services furnished prior to the effective date of termination.
7. **COMPLIANCE WITH LAWS AND REGULATIONS:** Seller shall comply with all applicable Federal, Government, State and local laws and regulations and shall indemnify Buyer and the Government from any liability, expense or loss resulting from Seller’s failure to do so. Seller agrees to safeguard and comply with all laws and regulations regarding the proper handling and non-disclosure of all Confidential Information as defined below that may be disclosed to it or developed by it in connection with work under this order. In the event failure to comply with these provisions results in a business interruption of Buyer’s operations, Buyer will seek to recover the damages, including financial losses it suffers as a consequence of such failure. Seller warrants that all Goods sold hereunder shall have been produced, sold, delivered and furnished in strict compliance with all applicable laws and regulations, including, without limitation, relating to equal employment opportunities, affirmative action and health/safety.

8. **SURVEILLANCE:** Seller hereby grants, and shall use commercially reasonable efforts to any subcontractor to grant, to the Buyer and any of Buyer's customers the right to visit Seller's or its subcontractor's facilities during operating hours to review progress and performance of production, schedule, cost, quality, tooling and protection of Buyer's confidential information. Such access is subject to the regulations of any governmental agency regarding admissibility and movement of visitors.
9. **INDEMNITY:** Seller hereby indemnifies and holds harmless Buyer from any and all claims, actions and demands for injuries or damages to persons or property relating to performance or negotiation of this order. Upon request, Seller agrees to furnish a certificate from its insurance carriers which shall show the amount of coverage and date of expiration providing adequate (i) workmen's compensation as required by the laws of the state in which the work is performed and such insurance shall provide waiver of subrogation against Buyer; (ii) commercial general liability bodily injury and/or property damage which coverage shall include premises, operations and products; (iii) if applicable, automobile liability; and (iv) aviation products liability. If Seller is a self-insurer for workmen's compensation, he shall furnish a certificate to Buyer from the Department of Labor of the State in which the labor is to be performed. Seller warrants that use or sale of the Goods under this order shall not infringe any patent or intellectual property rights belonging to a third party and hereby agrees to indemnify Buyer and/or the United States Government from any such infringement, shall defend any suit brought against Buyer and/or the Government and shall reimburse Buyer from any loss or judgment including all court costs and attorney's fees. Seller further agrees to comply with all applicable laws and regulations, and to indemnify Buyer from any claims in regard thereto.
10. **ASSIGNMENT AND SUBCONTRACTING:** Neither this order nor any interest herein may be assigned in whole or in part by Seller without the prior written consent of Buyer. Neither all nor substantially all of this order may be further subcontracted by Seller without the prior written consent of Buyer. If this order is issued under a Government contract, it may be assigned by Buyer to the Government and, upon the Government's acknowledgment of such assignment, Seller shall look to the Government for payment.
11. **INSPECTION:** Buyer, Buyer's customer and/or the Government have rights to inspect the Goods covered by this order either at the place of manufacture or at place of delivery, and acceptance of said Goods by Buyer shall be dependent upon final inspection and acceptance thereof by Buyer, Buyer's customer, and/or the authorized representative of the Government if Government inspection is conducted. Provisions in the clause relating to access, rights to inspection, safe protection and relief from liability apply equally to Buyer and the Government. At Buyer's option defective Goods may be returned at Seller's expense for full credit or replacement, subject to all rights and remedies of Buyer at law. Buyer reserves the right to inspect Goods delivered under this purchase order on a sample inspection basis. Rejection of a sample shall be cause for rejection of the entire line item or lot. Buyer may reject the Goods and elect one of the following remedies at Seller's expense: (i) return the Goods for full credit or refund, including freight charges; (ii) require the Seller to correct, repair or replace the Goods within a time period acceptable to Buyer; or (iii) obtain replacement Goods from a third party at the expense of Seller, with Buyer's written approval prior to shipment. Buyer shall be entitled to recovery of related nonconformity or warranty claim costs including, without limitation, the cost of identification of the defect, removal and reinstallation of the defective Goods, storage, transportation, testing, qualification or requalification, injuries to persons or property caused by the defective Goods, and any other costs imposed on Buyer by Buyer's customer or other third party arising from the breach of nonconformity. Seller agrees to indemnify Buyer for all such damages. Seller shall notify Buyer in writing, in the event that nonconformity material has been delivered against this purchase order. This notification shall survive the performance period of this purchase order.
12. **WARRANTY:** By furnishing Goods under this order, Seller expressly warrants that (i) Goods will be free from defects in materials and workmanship and safe to use; (ii) will be merchantable and in full conformity with Seller's specifications, drawings and data; (iii) will be fit for the ordinary purposes for which such Goods are used; (iv) will be of good quality within the description of this Order; (v) will be adequately contained, packaged and labeled; (vi) will conform to the terms of this Order; (vii) will be fit for Buyer's intended use, provided Seller has reason to know of such use; and (viii) that Seller will convey good title to the supplies, free and clear of all liens, claims and encumbrances. This warranty is in addition to implied warranties to Buyer at law. No approval of design by Buyer furnished by Seller shall constitute a waiver by Buyer of Seller's obligations hereunder. In addition to Buyer's remedies at law, Buyer may, for breach of any warranty, and at its option and at Seller's expense, require Seller to pay all shipping charges for return and within ten (10) working days provide repair, replacement or at Buyer's option return for full credit. In addition, Seller shall be liable for any costs for incidental or consequential damage incurred by Buyer with respect to any defective or delinquent Goods.
13. **RECORD RETENTION:** Seller shall maintain complete and accurate records evidencing the Goods and supporting all services performed, quality procedures and tests. In the case of government related contracts, with respect to those factors which comprise or effect direct labor hours, material costs, burden rates and subcontracts. Buyer and Government shall have the right to audit such records at Seller's facility on reasonable advance request. Unless a longer period is specified in the order, all such records will be kept for a minimum of ten (10) years.
14. **PURCHASING QUALITY CLAUSES:** This order shall be subject to Buyer's Purchasing Quality Clauses PQC Form 6-3, which are located on Buyer's website at <https://www.fripppy.com/> (under Purchasing Quality Clauses) Seller should refer to Buyer's website for the latest revision prior to accepting any purchase order. Seller's facilities, manufacturing processes, quality control, and inspection system are subject to review, inspection and analysis by Buyer, its representatives, Buyer's customers and Government (on government contracts). Seller agrees to implement any reasonable corrective action requested by Buyer resulting from such review. Seller shall flow down to their supplier at any level all applicable quality terms of Buyer. The English language shall be used in all quality related documentation.
15. **COMPANY'S INTELLECTUAL PROPERTY AND TOOLING:** All inventions, ideas, concepts, trademarks, know-how, designs, specifications, drawings, documents, materials, tools, jigs, fixtures, methods, processes and other property, owned or paid for by Buyer, shall be the property of Buyer, subject to removal at any time without cost or expense to Buyer. All property of Buyer shall be identified and marked as such, used only for Buyer's purchase orders and covered by adequate liability, damage and fire insurance (including extended coverage) for its fair and reasonable value. Seller shall assume full liability for and maintain and repair all property of Buyer in its possession or control and shall, on request, return the same to Buyer in good condition, reasonable wear and tear excepted. Seller shall provide Buyer with inventories of all property of Buyer in its possession or control when requested by Buyer and certify to Buyer that all use thereof is expended on Buyer's purchase orders.
16. **PRICING:** Seller warrants that prices for the Goods and Services ordered are not less favorable than those currently extended to any other customer of Seller for the same or like Goods or Services (whether in like or smaller quantities), and are otherwise in accordance with all applicable price laws and regulations. If Seller establishes or offers a lower price for the Goods or Services ordered (whether in like or smaller quantities) from the date of acceptance of this purchase order by Seller to the date Goods or Services are invoiced to Buyer, Seller agrees to reduce the prices stated in this purchase order correspondingly.
17. **CONFIDENTIALITY:** The term "Confidential Information" shall include and mean any and all technical and business information related to the Purchase Order which is hereafter disclosed by Buyer to Seller orally, visually, electronically or in writing. Such Confidential Information may include, but is not limited to, information in the form of, or relating to, drawings, specifications, memoranda, operational data, photographs, models, prototypes, designs, materials, constructions, computer firmware and software, manufacturing methods, processes, and techniques, quality control and test methods and data, costs and pricing, financial information, marketing and sales data and plans, and product applications. Seller agrees to treat such Confidential Information as confidential and shall have a duty to protect such Confidential Information, which shall continue until the information ceases to be deemed Confidential Information pursuant to this Agreement. Seller shall not divulge, in whole or in part, such Confidential Information to anyone without the prior written consent of Buyer; except that either Party may disclose such Confidential Information to its officers, employees, and affiliates (hereinafter "Representatives") to the extent such disclosure is necessary to fulfill the Purchase Order and provided that such Representatives shall abide by the terms of this Confidentiality provision. Confidential Information may also be disclosed by Seller pursuant to any applicable statute, law, rule or regulation of any government authority or pursuant to an order of any court of competent jurisdiction; provided, however, Seller shall advise Buyer in a timely manner to enable Buyer to apply for such legal protection as may be available with respect to the confidentiality of the Confidential Information. Seller shall not disclose and shall make no use, commercial or otherwise, of any such Confidential Information other than for purposes of fulfilling the Purchase Order without the prior written consent of Buyer. Upon completion, cancellation or termination of Buyer's purchase orders, Seller shall, at Seller's expense, return to Buyer or destroy all documents or other media containing or incorporating any of the information and, on request, provide a certificate confirming the return or destruction of all such material. Seller shall include a provision comparable to this section in all subcontracts relating to the Goods or Services ordered.

18. **TAXES:** All applicable federal, state and local taxes shall be listed separately on Seller's invoice, and such taxes shall not be payable if Buyer provides an appropriate exemption certificate. If not listed separately on Seller's invoice, Seller assumes responsibility for paying all applicable taxes, and shall indemnify Buyer against all liabilities, fines, penalties, interest, costs and expenses (including, but not limited to, attorneys' fees) arising from the failure to pay such taxes in a timely manner.
19. **REMEDIES AND WAIVER:** The remedies provided Buyer in these terms and conditions shall be cumulative and in addition to any other remedies provided herein, by law or in equity. No waiver by Buyer of any right or remedy under these terms and conditions shall be effective unless in writing signed by Buyer's authorized representative. Neither failure nor any delay in exercising any right, power or privilege under these terms and conditions will operate as a waiver of such right, power or privilege. No single or partial exercise of any such right, power or privilege by Buyer will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. No waiver that may be given by Buyer will be applicable except in the specific instance for which it is given.
20. **DISPUTES AND APPLICABLE LAW:** This order will be construed and interpreted according to U.S. Federal common law of Government contracts and by all applicable U.S. Federal, California state, and local statutes and regulations. Any judicial proceeding commenced by Buyer or Seller shall be in a court of competent jurisdiction in the State of California in the County of Los Angeles, except at Buyer's election. The rights and obligations of Seller and Buyer shall be governed by any decision by a contracting officer, a cognizant board of contract appeals or a Federal Court under a Government contract to which this order relates. To the extent that Seller and Buyer have claims against Buyer's customer, Buyer and Seller shall reasonably cooperate with each other to prosecute such claims, provided that Seller's claim is properly substantiated by Seller, each incurring their own respective attorney's fees, except that Seller shall indemnify and hold harmless Buyer from any costs or damages arising out of such proceedings. In any legal action commenced by either Buyer or Seller arising out of performance of this order the prevailing party shall be entitled to recovery of reasonable attorney's fees and court costs. Pending resolution of any dispute by settlement or by final judgment, Buyer and Seller shall proceed diligently with performance of this order and Seller's performance shall be an acceptance with Buyer's written instructions.
21. **STOP WORK ORDER:** Buyer may at any time by written order require Seller to stop all or any part of the work under this order for a period of 90 days after the stop order is delivered by Buyer to the Seller, and for any extension of this period to which the parties may agree. The stop work order shall be specifically identified as a stop work order issued under this clause and shall be in writing. Upon receipt of the order, Seller shall take all steps to comply with these terms and all reasonable steps to minimize incurrence of costs allocable to the work covered by the order during the period or work stoppage. Within a period of 90 days after the stop work order is delivered to Seller or within any extension of that period to which the parties have agreed, Buyer shall cancel the stop work order to terminate the work covered by the order as provided in the termination for default or termination for convenience clauses of this order. If a stop work order issued under this clause is canceled or the period of the order or any extension thereof expires, Seller shall resume work and Buyer shall make an equitable adjustment of the delivery schedule or contract price or both and this order shall be modified in writing accordingly if the stop work order results in an increase in the time required for or in the Seller's costs allocable to the performance of this order, provided that Seller asserts a claim for adjustment within 14 days after the end of the period of work stoppage.
22. **TRADE COMPLIANCE AND EXPORT REGULATIONS:** Seller agrees that no hardware, software, technical data, and/or services controlled under any US or other applicable non-US export and import laws and regulations and provided by Buyer in connection with the order shall be provided to any person or entity, including non-US persons, employees, subsidiaries or affiliates, unless the transfer is permitted and approved. Some items may require licensing and other authorizations by Buyer's customer or Government. Seller shall not export, re-export, transfer, disclose, or otherwise provide physical or electronic access to technical data to any person not authorized to receive Technical Data under existing laws and/or government export authorization (including authorized third party information technology services providers. For Goods that are not Buyer design authority, Seller shall inform Buyer in writing as to the export classification, tariff classification, and country of origin of the supplied Goods. Seller shall be responsible for any required export license or other authorization in a timely fashion to meet the required purchase order delivery date. Seller represents and warrants its understanding that the Goods or Services, software, or technology it supplies under these terms and conditions are subject to the jurisdiction of the export controls, trade or economic sanctions, and arms embargoes of relevant government authorities. The use, export, re-export, resale, release or other transfer of any Goods or Services shall comply with Buyer's national export regulations, and extraterritorial export regulations which include the U.S. Export Administration Regulations ("EAR"), and the U.S. International Traffic in Arms Regulations ("ITAR"). Seller shall mark any technology or technical data subject to export regulations and only communicate the same through secure channels. In the case of U.S. Sellers who manufacture or export defense articles or defense Services subject to the ITAR, to obtain and maintain a registration with the U.S. Department of State's Directorate of Defense Trade Controls ("DDTC"), and provide, upon request of Buyer evidence of the same or otherwise certify in writing to Buyer that the Seller does not engage in the above mentioned activities such that registration with DDTC is not required. The Seller shall indemnify Buyer against any loss, cost (including attorney's fees), penalty, claim or demand of any kind arising out of or occasioned by any violation of this section or charge thereof.
23. **SUBCONTRACTING:** Seller may not assign, delegate, or subcontract all or substantially all of its rights, responsibilities or obligations due or to become due under the order without prior written approval by the Buyer. Seller shall be solely and fully responsible for monitoring sub-suppliers under all provisions of the applicable contract/order(s), and for ensuring that each of the suppliers comply with the requirements set forth herein. Seller remains fully liable and shall be Buyer's sole point of contact for, all aspects of the proper performance of the order, regardless of (i) any delegation, assignment or subcontracting; (ii) Seller's failure to ensure the relevant subcontracts contain provisions that comply within the requirements set forth herein.
24. **FORCE MAJEURE:** Seller shall be liable for any failure or delay in performance in connection with the order except where such failure or delays result from causes that are, unforeseeable or unavoidable, and are in all cases outside of its control without fault or negligence of Seller, provided Seller must contact Buyer in a written notice within five (5) days of learning such cause will occur or has occurred ("a Force Majeure Event"). If failure or delay caused by an event affecting any of the Seller's subcontracts, such failure or delay shall not be excusable unless such event is "a Force Majeure Event" as defined above and such goods or services to be provided by Seller are not obtainable by Seller from other sources in time for confirmed scheduled deliveries or commitments for the goods or services to the Buyer. Buyer has the right to cancel without liability to Seller for its purchase of any goods or services affected by the failure or delay in performance and, if the delay is expected to last for a period that could impact deliveries to Buyer's customer, Buyer may cancel, without liability, any portion of or the entire order.
25. **CONTINUED SUPPLY; OBSOLESCENCE:** Should Seller discontinue the manufacture Goods or experience obsolescence during the period of performance of the order, Seller shall notify Buyer by written notice at least one (1) year in advance of such discontinuance to permit a "last buy" of Goods. Seller is responsible for monitoring the risk of obsolescence and unavailability of materials or components necessary for the manufacture of the Goods on this order.
26. **CONFLICT MINERALS:** Seller recognizes and agrees to the public policy underlying enactment of the Conflict Minerals provisions (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Accordingly, Seller commits to comply with Section 1502 and implementation regulations. Upon written request from Buyer, Seller will provide commercially responsible information in regards to Conflict minerals used and where these minerals originate.
27. **COUNTERFEIT PARTS PREVENTION AND NOTIFICATION:** Seller represents and warrants that only new and authentic materials are used in the Goods and that the Goods delivered contain no Counterfeit Parts. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, unless expressly authorized in writing by Buyer, Seller shall only purchase authentic parts/components directly from the Original Equipment Manufacturer (OEM) or Original Component Manufacturer (OCM) or through the OEM's/OCM's authorized distribution chain. Seller must make available to Buyer, at Buyer's request, OEM/OCM documentation that authenticates traceability of the components to that applicable OEM/OCM. Seller shall maintain a documented system consistent with applicable industry standards, for the detection and avoidance of counterfeit parts and material. Seller shall flow the requirements of this provision to its subcontractors and suppliers at any tier for the performance of any order. Should Seller become aware of a confirmed or suspect counterfeit part that, by any means, has been delivered to Buyer, notification will be made as soon as possible (but no later than five (5) days following discovery) to Buyer. Additionally, notification shall be made after discovery to the Government-Industry Data Exchange Program (GIDEP) and, notification shall be made as required by the Federal Acquisition Regulations (where applicable). Seller shall be liable for the cost of counterfeit parts and suspect counterfeit parts and the cost of rework or corrective action that may be required to remedy the use or inclusion of such parts.

28. **US GOVERNMENT ORDERS OR CONTRACTS:** Any and all orders issued under contracts between Buyer and the US Government, Department of Defense, National Aeronautics and Space Administration, or subcontracts at any tier under such US Government contracts, additional Terms and Conditions subjected to flow down in accordance of the contract. Government rated orders shall prevail over current standing orders within the Seller's operations, with priority and allocation requirements.
29. **FAR and DFARS CLAUSES:** If this order is placed under a U.S. Government prime contract or subcontract, the following provisions of the Federal Acquisition Regulations ("FAR") and the Department of Defense Supplement to the FAR ("DFARS"), in effect on the date of this Purchase Order, unless otherwise specified, are applicable to and are incorporated by reference into this order (in addition to the above terms and conditions). Seller's obligations are thereunder similar to the obligations of Buyer under its Government prime contract or subcontract. In addition to the following clauses, there are also incorporated by reference into this purchase order any and all clauses or terms and conditions which are required to be in federal procurement subcontracts as a matter of law. As used in the following clauses, and unless the context of the clauses requires otherwise, "Contracting Officer" shall mean the person duly authorized to act on behalf of Buyer with respect to this order, "Contract" shall mean this order, "Subcontract" shall mean this subcontract and purchase orders issued under this order by Seller, "Contractor" shall mean Seller, and "Government" shall mean Buyer. Copies of all notices or reports to be furnished under the clauses incorporated below shall be furnished to Buyer.

Additional provisions for orders under FAR/DFARS**FAR/DFARS Clauses Incorporated by Reference**

The following clauses from the FAR and the DFARS are hereby incorporated by reference with the same force and effect as if set forth in full text:

52.203-3 Gratuities**52.203-5 Covenant Against Contingent Fees****52.203-6 Restrictions on Subcontractor Sales to the Government (contracts exceeding the simplified acquisition threshold)****52.203-7 Anti-Kickback Procedures (less paragraph (c) (1)) (subcontracts under this contract that exceed the threshold specified in FAR 3.502-2(i) on the date of award)****52.203-10 Price or Fee Adjustment for Illegal or Improper Activity****52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (contracts exceeding the threshold in FAR 3.808)****52.203-12 Limitation on Payments to Influence Certain Federal Transactions (contracts exceeding the threshold in FAR 3.808)****52.203-13 Contractor Code of Business Ethics and Conduct (contracts over \$5.5 million and period of performance greater than 120 days)****52.203-14 Display of Hotline Poster (contracts over \$5.5 million)****52.203-15 Whistleblower Protections (contracts funded with Recovery Act funds)****52.203-16 Preventing Personal Conflicts of Interest (contracts exceeding the simplified acquisition threshold)****52.203-17 Whistleblower Protections (contracts exceeding the simplified acquisition threshold)****52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements****52.204-7 System for Award Management****52.204-9 Personal Identity Verification of Contractor Personnel****52.204-2 Security Requirements (for contracts with classified information)****52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards****52.204-21 Basic Safeguarding of Covered Contractor Information Systems****52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and other Covered Entities****52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment****52.209-2 Prohibition On Contracting with Inverted Domestic Corporations—Representation****52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Except for Commercial Items) (contracts over \$35,000)****52.209-9 Updates of Publicly Available Information Regarding Responsibility Matters****52.211-5 Material Requirements****52.211-15 Defense Priority and Allocation Requirements (when PO is a rated order)****52.213-4 Terms and Conditions-Simplified Acquisitions (other than commercial items)****52.214-26 Audit and records – Sealed Bidding (sealed bid contracts expected to exceed the threshold in FAR 15.403-4)****52.214-27 Price reduction for Defective Certified Cost or Pricing Data-modifications-sealed bidding (contracts expected to exceed the threshold for submission of certified cost or pricing data at FAR 15.403-4)****52.214-28 Subcontractor Cost or Pricing Data-modifications-sealed bidding (contracts expected to exceed the threshold for submission of certified cost or pricing data at FAR 15.403-4)****52.215-2 Audits and Records – Negotiation (applies if contract exceeds the simplified acquisition threshold and if Seller is required to furnish cost or pricing data, or if contract requires Seller to furnish cost, funding or performance reports, or if this is an incentive or re-determinable type contract)****52.215-10 Price Reduction for Defective Cost or Pricing Data (contracts where submission of certified cost or pricing data is required)****52.215-11 Price Reduction for Defective Cost or Pricing Data – Modifications (contracts expected to exceed the threshold at FAR 15.403-4)****52.215-12 Subcontractor Cost or Pricing Data (contracts expected to exceed the threshold at FAR 15.403-4)****52.215-13 Subcontractor Cost or Pricing Data – Modifications (contracts expected to exceed the threshold at FAR 15.403-4)****52.215-14 Integrity of Unit Prices (contracts exceeding the simplified acquisition threshold)****52.215-15 Pension Adjustment and Asset Reversions (applies if contract meets requirements of FAR 15.408(g))****52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) other than Pensions (applies if contract meets requirements of FAR 15.408(g))****52.215-19 Notification of Ownership Changes (applies if contract meets requirements of FAR 15.408(k))****52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data****52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data – Modifications****52.215-23 Limitations on Pass-Through Charges (for cost reimbursement contracts exceeding the threshold for obtaining certified cost or pricing data at FAR 15.403-4)****52.217-9 Option to Extend the Term of the Contract****52.219-1 Small Business Program Representations****52.219-8 Utilization of Small Business Concerns****52.219-9 Small Business Subcontracting Plan (contracts over \$700,000 except for small businesses)****52.222-1 Notice to the Government of Labor Disputes****52.222-4 Contract Work Hours and Safety Standards Act – Overtime Compensation****52.222-17 Non-displacement of Qualified Workers****52.222-18 Certification Regarding Knowledge of Child Labor for Listed End Products****52.222-20 Walsh-Healey Public Contracts Act****52.222-21 Prohibition of Segregated Facilities (E.O. 11246)****52.222-22 Previous Contracts and Compliance Reports****52.222-24 Pre-award On-site Equal Opportunity Compliance Evaluation (contracts over \$10 million)****52.222-26 Equal Opportunity (E.O. 11246) (contract over \$50,000 and subcontractor has 50 or more employees)****52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (contracts over \$150,000)****52.222-36 Affirmative Action for Workers with Disabilities (contracts over \$15,000)****52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (contracts over \$150,000)**



- 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (contracts over \$10,000)
- 52.222-50 Combating Trafficking in Persons
- 52.222-54 Employment Eligibility Verification (E.O. 12989) (contracts over \$3,000 and work performed in the US)
- 52.222-55 Minimum Wages
- 52.222-56 Certification Regarding Trafficking in Persons Compliance Plan
- 52.223-3 Hazardous Material Identification and Material Safety Data
- 52.223-11 Ozone Depleting Substances
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving
- 52.225-1 Buy American Act - Supplies
- 52.225-2 Buy American Act - Certificate
- 52.225-3 Buy American Act – Free Trade Agreements – Israeli Trade Act|
- 52.225-4 Buy American Act – Free Trade Agreements – Israeli Trade Act Certificate
- 52.225-5 Trade Agreements
- 52.225-6 Trade Agreements Certificate
- 52.225-8 Duty Free Entry
- 52.225-13 Restrictions on Certain Foreign Purchases