

PART I – GENERAL PROVISIONS

1. Acceptance of Purchase Order

Agreement by Seller to furnish the materials, products, or services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute acceptance by Seller 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 of purchase 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 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 to this Purchase Order.

2. Shipping Instructions

- (a) Seller shall be responsible for ensuring adequate and/or compliant packaging of materials 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 fully with Buyer's written shipping instructions and Incoterms 2000 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. For material purchased F.O.B. origin, Seller shall not insure and not declare a value except when transportation rates are based on "released value," in which instance Seller shall annotate on the bill of lading the lowest released value provided in applicable tariffs.
- (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

- (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.
- (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.

4. Termination for Convenience

- (a) Buyer may, by notice in writing, terminate this Purchase Order or work under 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 work so performed upon written notice of termination to Seller.

5. Termination for Default

- (a) Subject to paragraphs (c) and (d) below, Buyer may, by notice in writing, terminate this Purchase Order in whole or in part at any time in the event that Seller breaches any one or more of its terms, fails to make progress so as to endanger performance of this Purchase Order, fails to provide adequate assurance of future performance, becomes insolvent, makes a general assignment for the benefit of creditors, or files or has filed against it a petition of bankruptcy or pursues any other remedy under any other law relating to the relief for debtors, or in the event a trustee or receiver is appointed for Seller's property or business. 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 accruing to it, both at law, or in equity.
- (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 clause) 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.

- (d) Buyer shall pay the Purchase Order price for completed supplies delivered or services performed and accepted. Seller and Buyer shall agree on the fair and reasonable amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property.

6. Force Majeure

- (a) Except for defaults of Seller's subcontractors 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

- (a) Any dispute arising under or in connection with this Purchase Order shall be governed by and interpreted in accordance with Section 20, Governing Law, below.
- (b) 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 City, New York by 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.

- (c) Pending any final decision, or the settlement of any dispute arising under this Purchase Order, Seller shall proceed diligently, as directed by Buyer, with performance of the Purchase Order.
- (d) To the maximum extent permitted by law, the Parties waive any right to a jury trial.

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 Section 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 Section 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 Section 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 Section 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 Section 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) Material 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 shall be responsible for all loss or damage to said property except for normal wear and tear.
- (e) Records to account for all drawings, tools, jigs, dies, fixtures, materials and other property supplied or paid for by Buyer shall be maintained by both Buyer and Seller.

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 Raytheon 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 products 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 which are typed or handwritten on the Purchase Order as additions to the pre-printed terms; 2. Documents incorporated by reference on the face page(s) of this Purchase Order; 3. These International General Terms and Conditions of Purchase and any Federal Acquisition Regulation (FAR) or Defense Federal Acquisition Regulation Supplement (DFARS) provisions incorporated by reference; 4. Statement of Work; and 5. Specifications attached hereto or incorporated by reference. Buyer's specifications shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Seller.
- (b) 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 materials delivered pursuant to this Purchase Order, unless specifically stated otherwise in this Purchase Order, shall (i) be new; (ii) be and only contain materials obtained directly from the Original Equipment Manufacturer (OEM) or an authorized OEM reseller or distributor; (iii) not be or contain Counterfeit Items; (iv) contain only authentic, unaltered OEM labels and other markings; and (v) be free from defects in workmanship, materials, and design and 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. These warranties shall survive final acceptance and payment.
- (b) This warranty entitlement 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).

- (c) 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 repair, replacement or reimbursement of the purchase price of nonconforming materials and, in the case of services either correction of the defective services at no cost or reimbursement of the amounts paid for such services.
- (d) For purposes of this Section 13 Warranty, a Counterfeit Item is defined to include, but is not limited to, (i) an item that is an illegal or unauthorized copy or substitute of an OEM item; (ii) an item that does not contain the proper external or internal materials or components required by the OEM or that is not constructed in accordance with OEM design; (iii) an item or component thereof that is used, refurbished or reclaimed but Seller represents as being a new item; (iv) an item that has not successfully passed all OEM required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements; or (v) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM item is a genuine OEM item when it is not.

14. Inspection

- (a) All material and workmanship 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 material or Buyer may accept any materials and upon discovery of nonconformance, may reject or keep and rework any such materials 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 material, products and 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 Section 14(a) above.
- (c) Buyer's failure to inspect does not relieve Seller of any responsibility to perform according to the terms of this Purchase Order.

15. Changes

- (a) Buyer shall have the right by written order to suspend work or to make changes from time to time in the services to be rendered or the materials to be furnished by Seller hereunder or the delivery date. If such suspension 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 Section 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 work, materials, products, services, equipment, parts and other 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 goods acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Seller's obligations under this Purchase Order including those contained in Section 13 and in this Section 16 shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

17. Taxes

Unless this Purchase Order specifies otherwise, the price of this Purchase Order includes, and Seller is liable for and shall pay, all taxes, impositions, charges, customs duties or tariffs and exactions imposed on or measured by this Purchase Order except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption. To the extent that Buyer is required to do so under applicable law or tax regulations, Buyer may deduct from any payments due to Seller pursuant to this Purchase Order such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Seller with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

18. Assignments, Subcontracting and Organizational Changes

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

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, during the performance 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 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.
- 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.

- (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 shall be included in any agreement between Seller and any consultant or subcontractor operating in the United States. 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, 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 further agrees to save Buyer harmless and indemnify Buyer from any loss, damage, fine or penalty or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with its certification under Section 19(b) above.
- (f) 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; have not (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.

20. Governing Law

- (a) 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 quasijudicial agencies of the United States Government.
- (b) Seller shall procure all licenses/permits, and pay all fees, and other required charges, and shall comply with all applicable guidelines and directives of any United States or foreign local, state, and/or federal governmental authority.
- (c) 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.

21. 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 Raytheon 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/. 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.

22. Trade Agreements

- (a) If materials or products 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 materials, products 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 materials or products 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.

23. Responsibility and Insurance

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. Seller shall also maintain, and cause its subcontractors to maintain, such General Liability, Property Damage, Employer's Liability, and Workers' Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage)

Insurance as are specified in this Purchase Order or, if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes. Seller shall provide Buyer with certificates evidencing required insurance upon Buyer's request.

24. Indemnity Against Claims

- (a) Seller shall keep its work and all items 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 and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the materials, products, goods, services or other items supplied by Seller, its subcontractors, agents, or employees in performance of this Purchase Order, including, without limitation, latent defects in such materials, products, goods, services or other items, 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.
- (c) If Seller fails to defend, hold harmless, and indemnify Buyer as provided in this clause, then Seller shall pay for any damages, attorney's fees, and any other fees, costs, and expenses that may be incurred by Buyer in the defense of any action related to this Purchase Order and/or in the prosecution of any action to enforce the provisions of this clause.

25. 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 the Purchase Order to satisfy any international offset obligations that Buyer may have with Seller's country, subject to the offset qualifying laws, rules and regulations of that country 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 clause, in favor of Buyer, in its sub-contracts issued at all tiers pursuant to this Purchase Order.

26. 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 Non-U.S. 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 materials or products 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 Section 26 (b), above. Sublicensed disclosure of Technical Data to any authorized third party requires a Non-Disclosure Agreement (NDA). Third parties include Seller's U.S. and 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. To the extent that this Section 26 is included without change in any subcontract, it will serve as the required NDA. Whether addressed in a separate NDA or through the application of this Section, the NDA must be maintained on file for a period of five (5) years after Purchase Order completion. Seller, upon execution of each NDA obtained pursuant to this Section (or a purchase order containing this Section), shall provide a copy to Buyer. The complete content of this Section 26 (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 clause. 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 materials or products 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. Depart-

- ment of State Office 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 materials or products 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) 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.
 - (k) Should Seller's products or services originate from a foreign location and are subject to the export control laws and regulations of the country in which the articles or services originate, Seller agrees to abide by all applicable export control laws and regulations of that originating country. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller. Buyer shall be responsible for complying with any laws or regulations governing the importation of the articles into the United States of America.
 - (l) Buyer may be required to obtain information concerning citizenship or export status of Seller's personnel. Seller agrees to provide such information as necessary and certifies the information to be true and correct.
 - (m) 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.
 - (n) 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.

27. 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.

28. 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 Ethics and Code of Conduct of Raytheon Company (available at www.raytheon.com) or, alternatively, equivalent Business Ethics and Conduct Standards of Seller. If, at any time, Buyer determines that Seller is in violation of the

applicable Standards of Business Ethics and Conduct, Buyer may cancel this Purchase Order upon written notice to Seller and Buyer shall have no further obligation to Seller.

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. Electronic Transmissions

Seller shall, at Buyer's request and Seller's expense, send and receive business transactions by electronic means using Web-based technologies. Such electronic transmissions may include, but not be limited to, transmission by or through: (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. All transactions executed by electronic transmissions shall be governed by the terms contained in Buyer's transmissions, except that standard terms and conditions which may be a part of EXOSTAR or Buyer's EDI system shall be supplemented by, and superseded to the extent inconsistent with, these International General Terms and Conditions of Purchase. A transmission shall be deemed signed if it contains the name of the individual authorizing the transaction and is otherwise in accord with authentication and other provisions of EXOSTAR or Buyer's EDI system.

31. 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 reasonable 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 products, including purchased tooling, at all places, including sites where the materials or products are created or the services are performed, whether they be at premises of Seller, Seller's suppliers 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.

32. 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, products or services pursuant to this Purchase Order. Records of all manufacture, testing and inspection by Seller of the materials or products 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, products 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.

33. 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 clause, including this sentence, in any lower-tier subcontract where a labor dispute might delay timely performance of this Purchase Order.

34. 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.

35. Survivability

Seller's obligations, including but not limited to obligations under the Termination for Convenience (Section 4), Termination for Default (Section 5), Proprietary Rights (Section 9), Release of Information (Section 11), Warranty (Section 13), Infringement (Section 16), Compliance with Law (Section 19), Responsibility and Insurance (Section 23), Indemnity Against Claims (Section 24), and Export/Import Controls (Section 26) provisions of this Purchase Order, shall survive termination, expiration, or completion of this Purchase Order.

36. 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) when Seller places purchase orders with suppliers in the United States.

37. FAR/DFARS Provisions/Clauses

When the materials, products or services furnished are for use in

connection with a U.S. Government prime contract or higher-tier subcontract, in addition to the terms and conditions referenced above, the following FAR and DFARS clauses and provisions shall apply, as required by the terms of the prime contract or by operation of law or regulation. The effective version of each FAR or DFARS provision 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. The following clauses set forth in the FAR and DFARS in effect as of the date of the prime contract or higher-tier subcontract are incorporated herein by reference. In all clauses listed herein, the terms "Government," "Contracting Officer" and "Contractor" shall be revised to identify properly the contracting Parties herein and effect the proper intent of the clause or provision except where further clarified or modified below. However, the words "Government" and "Contracting Officer" do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative; (2) when title to property is to be transferred directly to the Government; and (3) in FAR 52.227-1, 52.227-2, and 52.246-23. The word "Government" does not change in DFARS 252.227-7013 and 252.227-7014. "Subcontractor," however, shall mean "Seller's Subcontractor" under this Purchase Order. The listed FAR and DFARS clauses are incorporated herein as if set forth in full text unless made inapplicable by its corresponding note, if any. Whenever said clauses include a requirement for the resolution of disputes between the Parties in accordance with the "Disputes" clause herein, the dispute shall be disposed of in accordance with the clause entitled "Disputes" in these International General Terms and Conditions of Purchase. If any of the following FAR or DFARS clauses do not apply to this Purchase Order, such clauses are considered to be self-deleting. The most recent versions of U.S. Government provisions and clauses for Purchase Orders under U.S. Government Contracts that are incorporated by reference into this Purchase Order are made available on the Internet at: <http://farsite.hill.af.mil/>

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 clauses set forth in the FAR or the DFARS in effect as of the date of said prime contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting Parties under this Purchase Order. Seller shall include the terms of this PART II, in all purchase orders or subcontracts awarded under this Purchase Order. Clauses that are marked in this PART II with an asterisk (*) are applicable to this Purchase Order if work under the Purchase Order will be performed in the United States or Seller is recruiting employees in the United States to work on the Purchase Order.

A. APPLICABLE TO ALL PURCHASE ORDERS:

1. Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data – Modifications 52.215-20

Pricing Data

2. Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data – Modifications 52.215-21
3. Utilization of Small Business Concerns 52.219-8*
4. Combating Trafficking in Persons and Alternate 1 (Include Alternate 1 if it is included in the prime contract) 52.222-50 & Alt 1
5. Restrictions on Certain Foreign Purchases 52.225-13
6. Subcontracts for Commercial Items 52.244-6
7. Preference for Privately Owned U.S. Flag Commercial Vessels 52.247-64
8. Requirements for Contracts Involving Export-Controlled Items 252.204-7008
9. Requirements Regarding Potential Access to Export-Controlled Items 252.204-7009
10. Restriction on Acquisition of Certain Articles Containing Specialty Metals (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.) 252.225-7009 (excluding paragraph (d))
11. Commercial Derivative Military Article-Specialty Metals Compliance Certificate (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.) 252.225-7010
12. Preference for Domestic Specialty Metals and Alternate 1 (This clause applies to Purchase Orders under prime contracts awarded before July 29, 2009) 252.225-7014 and (Alt 1)
13. Preference for Domestic Specialty Metals (DEVIATION No. 2006-O0004) and Alternate 1 (DEVIATION No. 2006-O004) (These deviations apply to Purchase Orders under prime contracts awarded after November 15, 2006, and before October 26, 2007) 252.225-7014 (Dev. No. 2006-O0004) & Alt 1 (Dev. No. 2006-O0004)
14. Preference for Domestic Specialty Metals (DEVIATION No. 2007-O0011) and Alternate 1 (DEVIATION No. 2007-O0011) (These deviations apply to Purchase Orders under prime contracts awarded after October 25, 2007 and before January 29, 2008) 252.225-7014 (Dev. No. 2007-O0011) & Alt 1 (Dev. No. 2007-O0011)
15. Preference for Domestic Specialty Metals (DEVIATION No. 2008-O0002) and Alternate 1 (DEVIATION No. 2008-O0002) (These deviations apply to Purchase Orders under prime contracts awarded after January 28, 2008 and 252.225-7014 (Dev. No. 2008-O0002) & Alt 1 (Dev. No. 2008-O0002)

	before July 29,2009)		Identification of Subcontract Effort (Applicable to solicitations for cost – reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD Government solicitations issued after October 13, 2009, and to DoD solicitations issued after such date for Purchase Orders that exceed the threshold for obtaining cost or pricing data, except solicitations for firm-fixed price (FFP) Purchase Orders and fixed-price (FP) Purchase Orders with economic price adjustment.)	(excluding (c)(1), which is deleted from this provision)
16.	Reporting of Commercially Available Off-the-Shelf Items that Contain Specialty Metals and are Incorporated Into Noncommercial End Items (Seller shall submit to Buyer the reports required by this clause on dates ten (10) days earlier than the dates specified in the clause.) (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.)	252.225-7029		
B. APPLICABLE IF PURCHASE ORDER EQUAL OR GREATER THAN \$10,000:				
1.	Prohibition of Segregated Facilities	52.222-21*		
2.	Equal Opportunity	52.222-26*		
3.	Affirmative Action for Workers with Disabilities	52.222-36*		
C. APPLICABLE IF PURCHASE ORDER EQUAL OR GREATER THAN \$100,000:				
1.	Limitation on Payments to Influence Certain Federal Transactions	52.203-12		
2.	Integrity of Unit Prices	52.215-14		
3.	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-35*		
4.	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-37*		
5.	Notification of Employee Rights Concerning Payment of Union Dues or Fees	52.222-39*		
D. APPLICABLE IF PURCHASE ORDER EQUAL OR GREATER THAN \$550,000:				
1.	Small Business Subcontracting Plan	52.219-9*		
E. APPLICABLE TO PURCHASE ORDERS THAT HAVE A VALUE OF MORE THEN \$5,000,000; AND THAT HAVE A PERFORMANCE PERIOD OF MORE THAN 120 DAYS.				
1.	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.)	52.203-13		
F. LIMITATIONS ON PASS-THROUGH CHARGES; APPLICABLE AS INDICATED BELOW				
1.	Limitations on Pass-Through Charges-	52.215-22		
2.	Limitations on Pass-Through Charges (Include Alternate 1 if it is included in the prime contract)(Applicable to cost-reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD Government contracts awarded after October 13, 2009, and to Purchase Orders that exceed the threshold for obtaining cost or pricing data, issued under DoD contracts awarded after October 13, 2009, except firm-fixed price (FFP) Purchase Orders and fixed-price (FP) Purchase Orders with economic price adjustment.)			52.215-23 & Alternate 1
3.	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, except solicitations for FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)			252.215-7003 (excluding (c)(1), which is deleted from this provision)
4.	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, except solicitations for FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)			252.215-7003 (excluding (c)(1), which is deleted from this provision)
5.	Excessive Pass-Through Charges. (APR 2007) (Applicable to Purchase Orders under DoD contracts awarded after April 25, 2007 and before May 13, 2008, except FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)			252.215-7004
6.	Excessive Pass-Through Charges. (MAY 2008) (Include Alternate 1 if it is			252.215-7004 & Alternate 1

included in the prime contract) (Applicable to Purchase Orders under DoD contracts awarded after May 12, 2008, and before October 14, 2009, except FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)

- Access to Export-Controlled Items
- 15. Safety Precautions for Ammunition and Explosives "Government" means "Government and/or Buyer" 252.223-7002
- 16. Duty-Free Entry 252.225-7013
- 17. Restriction on Acquisition of Certain Articles Containing Specialty Metals (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.) 252.225-7009 (Excluding paragraph (d))
- 18. Commercial Derivative Military Article-Specialty Metals Compliance Certificate (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.) 252.225-7010
- 19. Preference for Domestic Specialty Metals and Alternate 1 (This clause applies to Purchase Orders under prime contracts awarded before July 29, 2009.) 252.225-7014 and (Alt 1)
- 20. Preference for Domestic Specialty Metals (DEVIATION No. 2006-O0004) and Alternate 1 (DEVIATION No. 2006-O004) (These deviations apply to Purchase Orders under prime contracts awarded after November 15, 2006, and before October 26, 2007) 252.225-7014 (Dev. No. 2006-O0004) & Alt 1 (Dev. No. 2006-O0004)
- 21. Preference for Domestic Specialty Metals (DEVIATION No. 2007-O0011) and Alternate 1 (DEVIATION No. 2007-O0011) (These deviations apply to Purchase Orders under prime contracts awarded after October 25, 2007 and before January 29, 2008.) 252.225-7014 (Dev. No. 2007-O0011) & Alt 1 (Dev. No. 2007-O0011)
- 22. Preference for Domestic Specialty Metals (DEVIATION No. 2008-O0002) and Alternate 1 (DEVIATION No. 2008-O0002) (These deviations apply to Purchase Orders under prime contracts awarded after January 28, 2008 and before July 29, 2009.) 252.225-7014 (Dev. No. 2008-O0002) & Alt 1 (Dev. No. 2008-O0002)
- 23. Reporting of Commercially Available Off-the-Shelf Items that Contain Specialty Metals and are Incorporated into Noncommercial End Items (Seller shall submit to Buyer the reports required by this clause on dates ten (10) days earlier than the dates specified in the clause.) (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009.) 252.225-7029

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. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting Parties under this Purchase Order. Seller shall include the terms of this Section, in all purchase orders or subcontracts awarded under this Purchase Order. Clauses that are marked in this PART III with an asterisk (*) are applicable to this Purchase Order if work under the Purchase Order will be performed in the United States or Seller is recruiting employees in the United States to work on the Purchase Order.

A. APPLICABLE TO ALL PURCHASE ORDERS:

- 1. Restrictions on Subcontractor Sales to the Government 52.203-6
- 2. Anti-Kickback Procedures 52.203-7
- 3. Utilization of Small Business Concerns 52.219-8*
- 4. Contract Work Hours and Safety Standards Act-Overtime Compensation 52.222-4*
- 5. Ozone-Depleting Substances 52.223-11*
- 6. Authorization and Consent (Applicable only if the prime contract includes this clause) 52.227-1
- 7. Notice and Assistance Regarding Patent and Copyright Infringement 52.227-2
- 8. Refund of Royalties 52.227-9
- 9. Rights in Data-General 52.227-14
- 10. Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns (When noted on the Purchase order, modified CAS coverage applies) 52.230-4
- 11. Stop Work Order 52.242-15
- 12. Value Engineering 52.248-1
- 13. Requirements for Contracts Involving Export-Controlled Items 252.204-7008
- 14. Requirements Regarding Potential 252.204-7009

24.	Rights in Technical Data – Noncommercial Items	252.227-7013	4.	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-37*
25.	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014	5.	Notification of Employee Rights Concerning Payment of Union Dues or Fees	52.222-39*
26.	Technical Data - Commercial Items	252.227-7015	6.	Toxic Chemical Release Reporting	52.223-14*
27.	Rights in Bid or Proposal Information	252.227-7016	E. APPLICABLE IF PURCHASE ORDER EQUAL TO OR GREATER THAN \$550,000:		
28.	Identification and Assertion of Use, Release, or Disclosure Restrictions	252.227-7017	1.	Small Business Subcontracting Plan	52.219-9*
29.	Validation of Asserted Restrictions – Computer Software	252.227-7019	F. APPLICABLE IF PURCHASE ORDER EQUAL TO OR GREATER THAN \$5,000,000:		
30.	Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	252.227-7025	1.	Display of Hotline Poster(s)	52.203-14*
31.	Deferred Delivery of Technical Data or Computer Software	252.227-7026	G. 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:		
32.	Deferred Ordering of Technical Data or Computer Software	252.227-7027	1.	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.	52.203-13
33.	Technical Data - Withholding of Payment	252.227-7030	H. LIMITATIONS ON PASS-THROUGH CHARGES; APPLICABLE AS INDICATED BELOW		
34.	Validation of Restrictive Markings on Technical Data	252.227-7037	1.	Limitations on Pass-Through Charges- Identification of Subcontract Effort (Applicable to solicitations for cost – reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD Government solicitations issued after October 13, 2009, and to DoD solicitations issued after such date for Purchase Orders that exceed the threshold for obtaining cost or pricing data, except solicitations 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.)	52.215-22 (excluding (c)(1), which is deleted from this provision)
35.	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-7005	2.	Limitations on Pass-Through Charges (Include Alternate 1 if it is included in the prime contract)(Applicable to cost–reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD	52.215-23 & Alternate 1
36.	Frequency Authorization	252.235-7003			
37.	Warranty of Data	252.246-7001			
B.	APPLICABLE IF PURCHASE ORDER EQUAL TO OR GREATER THAN \$10,000:				
1.	Prohibition of Segregated Facilities	52.222-21*			
2.	Equal Opportunity	52.222-26*			
3.	Affirmative Action for Workers with Disabilities	52.222-36*			
C.	APPLICABLE IF PURCHASE ORDER EQUAL TO OR GREATER THAN \$25,000:				
1.	Audit – Negotiation	52.215-2			
D.	APPLICABLE IF PURCHASE ORDER EQUAL TO OR GREATER THAN \$100,000:				
1.	Limitation on Payments to Influence Certain Federal Transactions	52.203-12			
2.	Integrity of Unit Prices	52.215-14*			
3.	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-35*			

- Government contracts awarded after October 13, 2009, and to Purchase Orders that exceed the threshold for obtaining cost or pricing data, issued under DoD contracts awarded after October 13, 2009, 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.)
3. 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, except solicitations 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.) 252.215-7003 (excluding (c)(1), which is deleted from this provision)
 4. 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, except solicitations 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.) 252.215-7003 (excluding (c)(1), which is deleted from this provision)
 5. Excessive Pass-Through Charges. (APR 2007) (Applicable to Purchase Orders under DoD contracts awarded after April 25, 2007 and before May 13, 2008, 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.) 252.215-7004
 6. Excessive Pass-Through Charges. (MAY 2008) (Include Alternate 1 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, 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.) 252.215-7004 & Alternate 1
- of adequate price competition.)
- I. **COST OR PRICING DATA; APPLICABLE TO ALL PURCHASE ORDERS UNLESS EXEMPTION APPLIES**
 1. Price Reduction for Defective Cost or Pricing Data 52.215-10
 2. Price Reduction for Defective Cost or Pricing Data-Modifications 52.215-11
 3. Subcontractor Cost or Pricing Data 52.215-12
 4. Subcontractor Cost or Pricing Data-Modifications 52.215-13
 5. Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data 52.215-20
 6. Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data-Modifications 52.215-21

INVOICING INSTRUCTIONS

Invoices submitted to Buyer shall contain the following information:

- a. Purchase Order number, including Purchase Order item number for the delivered articles.
- b. Location and Names of Seller and/or Shipper, Buyer, Buyer's Supply Chain contact person, and dates, as follows:
 - i. Date when merchandise is sold or agreed to be sold.
 - ii. Merchandise 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 2000 as agreed in the Purchase Order.
- d. Quantities, weights and measures:
 - i. Record the quantity of each article/part number in the shipment.
 - ii. If not separately noted on a packing list(s), include the following on the invoice:
 1. Total quantity of parts being shipped.
 2. Net weight of each part 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 each item 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 item 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 item.
- g. Valuation:
 - i. Must be complete and accurate, including the unit price of each part 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 merchandise 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.