

**1. Acceptance of Purchase Order**

Agreement by Seller to furnish the materials, parts, and products (“goods”) or services, including the products resulting from such services, or its commencement of such performance, or acceptance of any payment, shall constitute Seller’s unqualified acceptance of this Purchase Order. Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions herein shall be void and of no effect unless specifically agreed to by Buyer in writing. Modifications or additions to these Purchase Order terms and conditions must be in writing and signed by Buyer’s Purchasing Representative. These terms and conditions, together with all supplements, documents, exhibits, attachments, and any other agreements incorporated by reference into this Purchase Order, constitute the entire agreement between Buyer and Seller (collectively “the Parties”) with respect to the subject matter of this Purchase Order, and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

**2. Shipping Instructions; Risk of Loss**

- (a) Seller shall be responsible for ensuring the proper packaging of goods hereunder. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order.
- (b) Seller shall at all times comply with Buyer’s written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or air waybill, as appropriate. Seller shall submit all required shipping papers to Buyer prior to final payment. Title to goods furnished under this Purchase Order shall pass to Buyer upon formal acceptance, regardless when or where Buyer takes physical possession, unless the Purchase Order specifically provides for earlier passage of title.
- (c) For goods purchased F.O.B. Origin (as “F.O.B. the place of shipment” is described in the Uniform Commercial Code Section 2-319), Seller shall bear the expense of and risk of loss of, or damage to, the goods until the goods are put into the possession of the carrier designated by Buyer. Seller shall not insure or 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) For goods purchased F.O.B. Destination (as “F.O.B. the place of destination” is described in the Uniform Commercial Code Section 2-319) Seller shall bear the expense of transport of, and risk of loss or damage to, the goods to the named place.
- (e) Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, air waybills, and invoices.

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

- (a) On time performance is a material condition of this Purchase Order and failure to perform according to the delivery schedule in this Purchase Order, if unexcused, shall be considered a material breach. Acceptance of late deliveries shall not constitute waiver of this provision. Buyer may refuse or return, at Seller’s risk and expense, shipments made in excess of this Purchase Order or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.
- (b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule but such notice and proposal or Buyer’s receipt or acceptance thereof shall not constitute a waiver to Buyer’s rights and remedies hereunder.

- (c) During performance of this Purchase Order, Seller shall notify Buyer of any planned obsolescence of the good(s) set out in this Purchase Order.

#### **4. Termination for Convenience**

- (a) Buyer may, by written notice, terminate this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) In the event of termination for convenience by Buyer, Seller shall be reimbursed for actual, reasonable, substantiated, and allocable costs, plus a reasonable profit for work performed to date of termination. Any termination settlement proposal shall be submitted to Buyer promptly, but no later than ninety (90) days from the effective date of the termination. In no event shall the amount of any settlement be in excess of the Purchase Order value. Buyer may take immediate possession of all goods, complete or incomplete, and all products resulting from services upon written notice of termination to Seller.

#### **5. Termination for Default**

- (a) Buyer may, after providing Seller with ten (10) calendar days written notice, and upon Seller's failure to cure such default in that ten (10) day period ("Cure Period"), terminate this Purchase Order in whole or in part at any time by notice in writing for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance; provided, however, there shall be no Cure Period for default related to failure to meet the delivery schedule or defaults incapable of cure. Buyer may also terminate this Purchase Order in whole or in part without a Cure Period in the event of Seller's suspension of business, insolvency, appointment of a receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of its creditors. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) If this Purchase Order is terminated for default, Buyer may require Seller to transfer title to, and deliver to Buyer all items ordered and specifically paid for hereunder.

#### **6. Force Majeure**

Except for a default of Seller's subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence, including 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 may be completed with such adjustments to delivery schedule as may reasonably be required by the existence of Force Majeure.

#### **7. Disputes and Governing Law**

- (a) Either party may submit a dispute to a court of competent jurisdiction provided that the Parties' senior management representatives have first attempted in good faith to negotiate a resolution for a period of no less than ten (10) business days following written notice from the Party claiming dispute. To the extent permitted by applicable law, the Parties waive any right they may have to a trial by jury. Either Party may seek injunctive or other equitable relief in any court of competent jurisdiction at any time.

- (b) Pending resolution or settlement of any dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order shall be governed and construed in accordance with the laws of the State within the United States from which this Purchase Order is issued by Buyer, without regard to its conflicts of laws provisions. The provisions of the "United Nations Convention on Contracts for International Sale of Goods" shall not apply to this Purchase Order, including any amendments or changes to this Purchase Order.

## **8. Remedies**

- (a) Buyer may exercise all rights and remedies at law and in equity, including those set forth in Article 2 of the Uniform Commercial Code for both goods and services ordered hereunder. 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 to Buyer, against any amount payable at any time by Buyer 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, 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, 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, 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 (collectively, the "Foreground IP") shall be considered to be the property of Buyer. Seller hereby assigns its rights in the Foreground IP to Buyer and 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, any work performed pursuant to this Purchase Order which includes any copyright interest shall be considered a "work made for hire". 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) RESERVED
- (e) RESERVED

## **10. Buyer's Property**

- (a) All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or specifically paid for by Buyer shall be and remain the property of Buyer and shall be returned to Buyer upon Buyer's request.

- (b) All such items shall be used only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing.
- (c) Goods made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Seller to any other person or concern without Buyer's prior written consent.
- (d) Seller shall have the obligation to maintain any and all property furnished by Buyer to Seller and all property to which Buyer acquires an interest by this Purchase Order and shall be responsible for all loss or damage to said property except for normal wear and tear. Seller shall (i) within two (2) working days, report to Buyer the loss, theft, damage, destruction of any such property, or if any such property is found to be malfunctioning or otherwise unsuitable for use and (ii) determine and report the root cause and all pertinent facts as soon as they become known, and corrective action taken to prevent recurrence, at no additional cost to Buyer.
- (e) Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss or damage.
- (f) Seller shall clearly mark, maintain in inventory, and keep segregated or identifiable all of Buyer's property.

### **11. Release of Information**

Seller shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the 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 goods or service endorsement without prior written approval of Buyer.

### **12. Order of Precedence**

- (a) In the event any of the provisions of this Purchase Order are inconsistent or in conflict, the following order of precedence shall apply: 1. Order-specific text on the Purchase Order; 2. Documents incorporated by reference on the Purchase Order which apply to the Purchase Order as a whole and not to a specific line item therein and not otherwise referenced in this Section 12; 3. These Commercial Terms and Conditions of Purchase (TC-001C); 4. Statement of Work; and 5. Specifications attached hereto or incorporated by reference (see Paragraph 12(b) below).
- (b) Buyer's specifications, including Raytheon Quality Notes (see <http://qnotes.raytheon.com/>), shall prevail over specifications of Seller. In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer, and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this Purchase Order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

### **13. Warranty**

- (a) Seller warrants that the goods shall be (i) new (ii) free from defects in workmanship, materials, and design and (iii) 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.
- (b) Unless Buyer expressly identifies the goods that are procured under this Purchase Order as non-technical and for Buyer's internal use only, Seller warrants without limitation as to time that the goods delivered pursuant to this Purchase Order shall (i) be and only contain materials obtained directly from the Original Component Manufacturer (OCM) or the Original Equipment Manufacturer (OEM) (collectively, the Original Manufacturer (OM)) or an authorized OM reseller or distributor

(collectively, an Authorized Distributor); (ii) not be or contain Counterfeit Items or Suspect Counterfeit Items, as defined below; and (iii) contain only authentic, unaltered OM labels and other markings. Seller shall obtain and retain all documentation required to fully trace the distribution and sale of the goods delivered hereunder back to the relevant OM, and, on request of Buyer, shall provide such authenticating documentation. Counterfeit Item means an unlawful or unauthorized reproduction, substitution, alteration, or the false identification of grade, serial number, lot number, date code, or performance characteristic, that has been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified item from the OM, an Authorized Distributor, or an Aftermarket Manufacturer as defined in SAE AS5553 "Counterfeit Electronic Parts; Avoidance, Detection, Mitigation, and Disposition" (Authorized Aftermarket Manufacturer). A Suspect Counterfeit Item means an item for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the item is authentic. Seller warrants that it will not act as or engage an independent distributor, non-authorized distributor, non-franchised distributor, non-authorized supplier, or non-authorized reseller (collectively, Broker), to assist it in delivering goods pursuant to this Purchase Order unless the Buyer provides prior written approval to do so. Any Seller request to procure from a Broker shall include complete and compelling support for such request and shall include all actions completed by Seller to ensure the goods thus procured are not Counterfeit Items. When so authorized by Buyer, Seller shall be responsible for counterfeit risk mitigation testing and providing traceability identifiers (i.e. Date Code / Lot Code, Serial number) for Broker procured parts, and identifying items delivered to Buyer that contain such parts. Seller shall include the substance of this Section 13 (b), including this flow down requirement, in procurements for goods at all tiers.

- (c) Unless Buyer expressly identifies the goods that are procured under this Purchase Order as non-technical and for Buyer's internal use only, Seller further warrants that it has and shall maintain a Counterfeit Item risk mitigation process, internally and with its suppliers, (reference SAE AS5553 and AS6174), for goods delivered hereunder, and in accordance with the standards or instructions set forth in this Purchase Order. Buyer shall have the right to audit, inspect, and / or approve the processes at any time before or after delivery of the goods ordered hereunder. Seller shall provide evidence of the Seller's risk mitigation process to Buyer upon request. Buyer shall have the right to require changes to the processes to conform with Buyer's defined standards, if any. Failure of the Seller or any of its subcontractors to conform to the above process specifications and provisions may result in the termination of this Purchase Order. Seller and Seller's subcontractors that are allowed access to the US Government Industry Data Exchange Program (GIDEP) shall participate in monitoring GIDEP reports and Seller shall act on GIDEP reports that affect product delivered to Buyer. Seller shall immediately notify Buyer with the pertinent facts if Seller becomes aware of or suspects that items delivered for the Purchase Order are, or contain, suspect or confirmed counterfeit items. If a good delivered hereunder is discovered to be a Counterfeit Item or Suspect Counterfeit Item, Buyer shall have the right to quarantine the good for further investigation. Buyer's investigation may include the participation of third parties or governmental investigative agencies as required by law or regulations by Buyer's customer, or by Buyer, in its sole discretion. The Seller and/or the Seller's subcontractors shall cooperate in good faith with any investigation conducted by Buyer. Upon Buyer's request, Seller shall provide Buyer certificates of conformance with respect to the goods delivered. Buyer shall not be required to return the good during the investigation process and thereafter if not found to be authentic. Buyer shall not be liable for payment to Seller of the price of any Suspect Counterfeit Items until determined to be authentic. If Buyer determines in its sole discretion that there is credible evidence that a good delivered under this Purchase Order constitutes a Counterfeit Item or Suspect Counterfeit Item, Seller, or its subcontractor, shall, if directed by Buyer to do so, issue a GIDEP alert and shall ensure suspect or confirmed Counterfeit Items are not delivered to Buyer. Buyer reserves its right to issue its own GIDEP alert if Buyer concludes, in its sole estimation, that a good is a Counterfeit Item or Suspect Counterfeit Item. Seller shall include the substance of this Section 13 (c), including this flow down requirement, in procurements for goods at all tiers.

- (d) Seller warrants without limitation as to time that any hardware, software and firmware goods delivered under this Purchase Order: (i) shall not contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (a) damage, destroy or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; (ii) shall not contain any third party software (including software that may be considered free software or open source software) that (a) may require any software to be published, accessed or otherwise made available without the consent of Buyer, or (b) may require distribution, copying or modification of any software free of charge; and (iii) shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party.
- (e) These warranty entitlements shall inure to the benefit of both Buyer and Buyer's customers.
- (f) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense that Buyer may suffer from breach of any of these warranties. Remedies shall be at Buyer's election, including, but not limited to, the prompt repair, replacement, or reimbursement of the purchase price of nonconforming goods and, in the case of services either the prompt correction of the defective services at no cost or reimbursement of the amounts paid for such services. Return to Seller of defective or nonconforming goods and redelivery to Buyer of repaired or replaced goods shall be at Seller's expense. Repaired, replaced, or corrected goods or services shall be subject to this Section and the Inspection Section of this Purchase Order to the same extent as goods or services originally delivered under this Purchase Order.

#### **14. Inspection**

- (a) All goods and services shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during, and after performance and delivery. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods or Buyer may accept any goods and upon discovery of nonconformance, may reject or keep and rework any such goods not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or reinspection by Buyer shall be at Seller's expense. Buyer's acceptance of goods or services shall not be deemed to diminish Buyer's rights or be final or binding on Buyer if latent defects, fraud, or misrepresentation on the part of Seller exists.
- (b) Seller will provide reasonable support and access to Buyer in the inspection and test of the goods and services without additional charge.
- (c) Neither Buyer's inspection nor Buyer's failure to inspect shall relieve Seller of any responsibility to perform according to the terms of this Purchase Order. Notwithstanding any other provision of the Purchase Order, the risk of loss of, or damage to, nonconforming goods remains with Seller until cure or acceptance.

#### **15. Changes**

Buyer shall have the right by written notice to suspend or stop work or to make changes from time to time in the services to be rendered or the goods to be furnished by Seller hereunder or the delivery schedule. If such suspension, stoppage, or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this Paragraph 15 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. Failure to agree to any such change shall be resolved in accordance with Section 7 Disputes and Governing law herein.

**16. Infringement**

Seller represents and warrants that all goods and services (for purposes of this Section 16 hereinafter “items”), provided by Seller pursuant to this Purchase Order, which are not of Buyer’s design, do not infringe or misappropriate any 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 hold Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs, expenses, and 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. Moreover, Seller may replace or modify infringing items with comparable items acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Seller’s obligations under this Purchase Order including those contained in Section 13 Warranty 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 and Drawback**

- (a) Unless this Purchase Order specifies otherwise, if Seller imports goods or components into the United States pursuant to this Purchase Order, Seller shall pay all duties, taxes, and fees imposed as a result of such importation. The prices shall not include any duties, taxes, or fees for which Buyer has furnished a valid exemption certificate or other evidence of exemption which has been agreed to by the applicable government agency. The price may include applicable sales and use taxes that are separately stated on Seller’s invoice, but Seller retains the responsibility to remit taxes collected from Buyer to the relevant tax authority.
- (b) Any refund, credit, or rebate of any import duties, taxes, or fees (including any drawback claim), in Seller’s price to Buyer, shall inure solely to Buyer’s benefit and shall be assigned to Buyer. Seller shall reasonably assist Buyer in Buyer’s effort to realize any such available amounts.

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

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

**19. Compliance with Law**

- (a) Compliance with Laws. Seller warrants that the goods to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local laws, orders, rules, ordinances, and regulations, including but not limited to:
  - 1. all U.S. laws and regulations, including:
    - i. the Fair Labor Standards Act of 1938, as amended (the “FLSA”), and the regulations and orders of the United States Department of Labor under the FLSA;
    - ii. the Occupational Safety and Health Act of 1970 (OSHA), as amended
    - iii. the U.S. Department of Transportation regulations on hazardous materials and any

- other pertinent federal, state, or local statutes, laws, rules, or regulations on hazardous materials;
2. the laws and regulations of Seller's place of performance;
  3. the applicable domestic and international prohibitions on child labor, human trafficking, and slavery;
  4. the United States Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA"), and other Anti-Corruption Requirements as defined in paragraph 19(b), below; and
  5. the Anti-Kickback Act of 1986.
- (b) Anti-Corruption Requirements. Seller acknowledges that its actions may subject it and Buyer to liability under the FCPA, the UK Bribery Act 2010, the anti-corruption laws, regulations, and policies of the home country of any supplier to this Purchase Order, the United States of America, and/or the anti-corruption laws, regulations, and policies of any other country with jurisdiction over the activities performed pursuant to this Purchase Order (together and individually hereinafter referred to as the "Anti-Corruption Requirements").
- (c) Anti-Corruption Representation and Warranty. Seller represents and warrants to, and covenants and agrees with, Buyer that:
1. Seller is familiar with the prohibitions under the Anti-Corruption Requirements, and, in particular, it is familiar with the requirements described in clause 19(c)(3).
  2. No compensation payable hereunder has been used, nor will be used, for any activity or purpose where a reasonable belief exists that the Anti-Corruption Requirements would be violated or that Seller or Buyer would be exposed to liability under the Anti-Corruption Requirements.
  3. In connection with its performance of this Purchase Order, Seller has not, and has not either agreed to or directly or indirectly, offered, paid, given, promised to pay or give, or authorized the payment or giving of any money, gift, loan, fee, reward, advantage or anything of value, and will not either agree to or directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, loan, fee, reward, advantage, or anything of value to:
    - (i) (A) any officer or employee of a foreign government or any department or agency thereof, whether at the national, regional, or local level, (B) any officer or employee of any entity, enterprise or organization that is owned or controlled by a foreign government or any department or agency thereof; (C) any officer or employee of a public international organization, (D) any person acting in an official capacity for or on behalf of any such government or department, agency, entity, enterprise, or organization, or (E) any member of a political party or candidate for public office in a foreign country (together and individually hereinafter referred to as "Government Official");
    - (ii) any customer, or any officer, director, employee of a customer, or any shareholder or beneficial owner of shares in a customer or any affiliate of a customer or any person who has or exercises control over the customer or any affiliate of the customer (together and individually hereinafter referred to as "Customer Personnel");
    - (iii) any person while knowing or having reason to know that all or a portion of such money, gift, loan, fee, reward, advantage, or thing of value will be offered, paid, given or promised, directly or indirectly, to any Government Official or Customer Personnel ("Restricted Person"); or
    - (iv) any relative, close associate, agent or representative of a Government Official, Customer Personnel, or Restricted Person, for the purpose of: (A) influencing or attempting to influence any act or decision of any Government Official, Customer Personnel, or Restricted Person acting in an official capacity, or influencing or attempting to influence any Government Official, Customer Personnel, or Restricted Person to do or omit to do any act

in violation of his, her or its lawful duty, obligation or responsibility; (B) inducing or attempting to induce a Government Official, Customer Personnel or Restricted Person to use his, her, or its influence to affect or influence any act or decision of a customer, a foreign government, a foreign agency, a public international organization or department thereof, or any entity, enterprise or organization controlled by a foreign government, a foreign agency or a public international organization (C) rewarding a Government Official, Customer Personnel, or Restricted Person for doing or forbearing to do anything in respect of any matter or transaction; or (D) assisting Seller or Buyer in obtaining or retaining business, improving profitability or revenues of Buyer or Seller, or receiving any improper advantage by securing business, or directing business for, with, or to any person.

4. None of Seller's principals, consultants, subcontractors, officers, directors, shareholders, employees, or agents is a Government Official, Customer Personnel, or Restricted Person unless approved by Buyer. Neither Seller nor any of its principals, consultants, subcontractors, shareholders, directors, officers, employees or agents has performed or will perform any act which Buyer could reasonably believe would constitute a violation of the Anti-Corruption Requirements or which Buyer could reasonably believe would cause Buyer to be in violation of the Anti-Corruption Requirements, or present a credible risk, as determined by Buyer, of a violation of the Anti-Corruption Requirements.
  5. If at any time Seller becomes aware of information or circumstances that suggest any of the representations, warranties, and covenants referenced in this Section 19 may not be accurate, it shall notify Buyer immediately in writing, but not more than seven (7) days after becoming aware of such circumstances.
  6. No Government Official, Customer Personnel, or 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.
  7. In connection with this Purchase Order Seller shall maintain books, records, and accounts, which in reasonable detail, accurately and fairly reflect the transactions and asset dispositions of Seller and allow Buyer to maintain accurate books and records and comply with the requirements for internal management controls set forth in the Anti-Corruption Requirements as well as relevant U.S. laws and regulations.
  8. 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.
  9. Seller's price quotations and invoice prices shall accurately and fairly reflect the commensurate value of the goods and services provided under this Purchase Order.
  10. Seller shall cooperate with, and provide assistance to, Buyer in implementing adequate due diligence procedures in connection with the selection and retention of consultants and subcontractors by Buyer or Seller.
- (d) Anti-Kickback Act of 1986. Seller warrants that it and its officers, employees or representatives (i) have complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986 and (ii) have not, for the purpose of improperly obtaining or rewarding favorable treatment in connection with the award of this Purchase Order to Seller from Buyer: (1) provided, attempted to provide, or offered to provide any kickback; (2) solicited, accepted, or attempted to accept any kickback; or (3) included, directly or indirectly, the amount of any kickback prohibited by (1) or (2) of this Section in the price charged by Seller to Buyer under this Purchase Order. Any breach of this warranty shall constitute a material breach of this Purchase Order. For purposes of this Section, the term "kickback" means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to Buyer or Buyer's officers, employees or representatives, including any of their family

members, subcontractors, or subcontractor employees, for the purpose of improperly obtaining or rewarding favorable treatment in connection with this Purchase Order. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

(e) RESERVED

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

(g) Seller agrees to defend, indemnify, and save Buyer harmless from any loss, damage, fine, penalty, or expense that Buyer may suffer as a result of Seller's failure to comply with the warranties and certifications in this Section 19.

## **20. Responsibility and Insurance**

(a) Seller shall maintain, and require its subcontractors to maintain, the insurance coverages that are specified as required in this Purchase Order or, if none are specified, the following minimum insurance coverage and limits: Statutory Workers' Compensation coverage and Employers' Liability with a limit of \$500,000; Commercial General Liability (including bodily injury and property damage, products / completed operations coverage and contractual liability coverage) with a limit of \$1,000,000 per occurrence. When applicable to Seller's performance on the Purchase Order, Seller shall also maintain, and cause its subcontractors to maintain, (i) Automobile Liability coverage with a limit of \$1,000,000 per accident; and (ii) Professional Liability covering the services provided by Seller under this Purchase Order. Upon Buyer's request, Seller shall (1) provide Buyer with certificates of insurance evidencing required insurance, (2) arrange for a waiver of subrogation in favor of Buyer, and / or (3) in the case of the Commercial General Liability and Automobile Liability policies direct that Buyer be added as an additional insured.

(b) If work is to be performed on premises owned or controlled by Buyer, then Seller shall comply with all the rules and regulations established by Buyer for access to and activities in and around premises owned or controlled by Buyer. Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of this Purchase Order.

## **21. Indemnity Against Claims**

(a) Seller shall keep its work and all goods supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances 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 and resulting costs, expenses (including attorney fees and costs) and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods supplied, or the services performed by Seller pursuant to this Purchase Order, except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.

## **22. Offsets**

Seller grants to Buyer exclusive rights to all offset credits or industrial participation generated or performed by its suppliers and subcontractors in connection with this Purchase Order. Upon Buyer's request, Seller shall provide copies of any relevant purchase orders or subcontracts with foreign suppliers and execute all necessary documents to evidence Buyer's right to use, claim, or assign any offset credits or industrial participation. Seller shall include the substance of this Paragraph 22, in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Purchase Order.

**23. Export/Import Controls**

- (a) Seller hereby certifies that it will comply with U.S. export and import controls laws and regulations, including but not limited to the International Traffic in Arms Regulations (“ITAR”) ([22 CFR 120 et seq.](#)), the Export Administration Regulations (“EAR”) ([15 CFR Part 730-774](#)), the regulations administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) ([31 CFR Part 500-598](#)), the regulations administered by the U.S. Department of Justice, Bureau of Alcohol, Tobacco, Firearms, and Explosives (“ATF”) found in [27 CFR Chapter II](#), and all other applicable U.S. Government regulations relating to the importation of goods into the United States (including, but not limited to, the regulations administered by U.S. Customs and Border Protection (“CBP”) at 19 CFR 0 et seq. and other import regulations promulgated by other U.S. agencies which may be enforced by CBP)(collectively “U.S. export and import control laws and regulations”). If Seller engages in the United States in the business of either manufacturing, exporting, or brokering in ITAR-controlled defense articles or furnishing ITAR-controlled defense services, Seller hereby certifies that it is currently registered with the U.S. Department of State Directorate of Defense Trade Controls (“DDTC”).
- (b) Seller shall control the disclosure, export, reexport, transfer and retransfer of, and access to, any hardware, software, controlled technical data, technology, and/or services (collectively referred to as “items”) received under this Purchase Order to ensure that any such disclosure, export, reexport, transfer or retransfer is undertaken in accordance with U.S. export control laws and regulations. Seller agrees that no items controlled under U.S. export and import control laws and regulations provided by Buyer in connection with this Purchase Order shall be provided to any person or entity, including non-U.S. person employees, subsidiaries, or affiliates, unless the transfer is expressly permitted by a U.S. Government license or other authorization, or is otherwise in accordance with applicable laws and regulations.
- (c) Seller shall notify Buyer if any deliverable under this Purchase Order, for which the Buyer is not the design authority, is subject to U.S. export and import controls laws and regulations described in Paragraph 23(a). Before providing Buyer any deliverable subject to the EAR or the ITAR, Seller shall provide in writing to the Buyer’s Procurement Representative the export classification of any such item or controlled data. Subsequent to this initial disclosure, Seller shall timely notify the Buyer’s Procurement Representative in writing of any changes to the export classification information of the item or controlled data.
- (d) Seller hereby warrants that neither Seller, nor any parent, subsidiary, affiliate, or lower-tier subcontractor is listed on any [Restricted Party](#) List of an agency of the U.S. Government, any applicable non-U.S. Government, or international organization, or any applicable state, local government, or municipality, nor are their export privileges denied, suspended or revoked. For purposes of this provision, “Restricted Party List” is defined to include the U.S. Government’s Denied Persons List, Unverified List, Entity List, Nonproliferation Sanctions List, AECA Debarred List, Specially Designated Nationals (SDN) List, Sectoral Sanctions Identifications (SSI) List, Foreign Sanctions Evaders List, Excluded Parties List, Palestinian Legislative Council (PLC) List, or other similar lists issued by the U.S. Government or a non-U.S. government, or international organization, or any state or local government, or municipality that relates to export controls, economic sanctions, or anti-corruption. Seller shall immediately notify Buyer if Seller, or any parent, subsidiary, affiliate, or lower-tier subcontractor is added to any such Restricted Party List or if any of their export privileges become denied, suspended, or revoked. Seller shall not deal with any Restricted Party in relation to this purchase order.
- (e) If the items provided by Seller are shipped from outside the United States, they may also be subject to the export and import control laws and regulations of the exporting country. Seller shall abide by all applicable export and import control laws and regulations of that country, to the extent consistent with U.S. law.
- (f) Unless this Purchase Order provides otherwise, for any goods imported into the United States pursuant to this Purchase Order, Seller shall obtain all necessary import and/or export

authorizations and is responsible for complying with all relevant import laws and regulations to the extent consistent with U.S. law, including Customs clearance, payment of any and all duties, taxes, and fees, and ensuring that imported goods were not produced wholly or in part with convict labor, forced labor, and/or indentured labor (including forced or indentured child labor). Unless this Purchase Order provides otherwise, Buyer shall not serve as Importer of Record. If Buyer seeks any import and/or export authorizations for the goods or items into which the goods are incorporated, or seeks to confirm compliance with applicable laws and regulations, Seller will provide Buyer with appropriate information as necessary.

- (g) Seller shall promptly notify Buyer of any known or suspected violation of export or import control laws or regulations, or the initiation or existence of any U.S. Government investigation into same. Seller shall comply with requests from Buyer for additional information regarding any changed circumstance, known or suspected violation, or U.S. Government investigation.
- (h) If this Purchase Order forms the whole or a part of a sale by Buyer of defense articles or defense services being sold commercially to or for the use of the armed forces of a foreign country or international organization, Seller shall upon acceptance of this Order, or within ten (10) days of being requested by Buyer to do so, with respect to all Purchase Orders received by the Seller's legal entity to date in relation to the Raytheon Customer Contract or Solicitation Number related to the Purchase Order, complete IN-009 "International Traffic in Arms Regulations Certificate and Reporting of Political Contributions, Fees or Commissions," available at [http://www.raytheon.com/suppliers/supplier\\_resources/](http://www.raytheon.com/suppliers/supplier_resources/) in furtherance of the requirements stipulated in Part 130 of the ITAR, [22 C.F.R. §§130.9 and 130.10](#).
- (i) Seller shall not engage in any subcontracts relating to this Purchase Order except in accordance with the terms and conditions of Section 18, Assignments, Subcontracting, Organizational Changes, and Place of Manufacture, and as compliant with U.S. export and import controls laws and regulations, and any authorizations granted thereunder. If Seller is authorized by Buyer to engage in subcontracting for procurements related to this Purchase Order, Seller shall incorporate into its subcontracts the provisions of Section 23 requiring compliance with U.S. and other applicable export and import control laws and regulations.
- (j) 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 non-U.S. or U.S. export or import control laws and regulations, by Seller, its officers, employees, agents, Sellers or subcontractors at any tier.

#### **24. Severability**

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

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

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

#### **26. RESERVED**

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**27. Survivability**

Seller's obligations that by their very nature must survive expiration, termination or completion of this Purchase Order shall survive expiration, termination, or completion of this Purchase Order.

**28. Electronic Transmissions**

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

**29. Buyer's Access to Records and Facilities**

Seller shall maintain general records relating to this Purchase Order for a minimum period of four (4) years after completion of this Purchase Order or for such longer period as required by law or this Purchase Order. In order to assess Seller's work quality and / or compliance with this Purchase Order, Buyer or its authorized agents and representatives shall have the right during normal business hours and with adequate notice to inspect all relevant records, materials, tooling, and furnished property relating to any of Seller's obligations under this Purchase Order.

**30. Quality Requirements Flow Down**

Seller shall require lower-tier suppliers to comply with quality assurance requirements comparable to those contained in this Purchase Order. Seller shall assume responsibility for the quality of all procured material and workmanship. Seller shall include this clause in its subcontracts with lower-tier suppliers and require lower-tier suppliers to flow down this clause to their lower-tier suppliers.

**31. Information Technology Assurance**

Seller shall maintain data protection processes and systems sufficient to adequately protect 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 (collectively, "Buyer Data"), and to comply with any law or regulation applicable to such data. If an event occurs whereby Seller knows, or reasonably believes, that Buyer Data has been actually or potentially disclosed to, or accessed or acquired by, an unauthorized individual or individuals ("Security Incident"), Seller shall (i) use commercially reasonable efforts to investigate, contain, and remediate the Security Incident, and (ii) notify Buyer in writing promptly, but not later than seventy-two (72) hours after discovering the Security Incident. Seller's notification to Buyer of a Security Incident shall include sending an email to [supplier\\_cybersecurity@raytheon.com](mailto:supplier_cybersecurity@raytheon.com), and Seller shall encrypt emails to Buyer containing details of a Security Incident using industry standard encryption methods.